

AGENDA ITEM 3.

EXECUTIVE DIRECTOR'S REPORT

ILLINOIS STUDENT ASSISTANCE COMMISSION
BALANCE SHEET (UNAUDITED)
FY 2017
AS OF 02/28/2017

	STUDENT LOAN OPERATING FUND	ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM	COLLEGE ILLINOIS! PREPAID TUITION FUND
ASSETS			
CASH AND CASH EQUIVALENTS UNRESTRICTED	55,754,262	22,833,889	4,630,718
CASH AND CASH EQUIVALENTS RESTRICTED	-	11,854,551	-
INVESTMENTS	14,253,291	-	914,853,030
STUDENT LOAN RECEIVABLE (NET)	-	385,512,887	-
CONTRACTS RECEIVABLE (NET)	-	-	51,206,641
UNAMORTIZED FEES & COSTS	-	1,279,468	-
DEFERRED OUTFLOW OF RESOURCES - PENSION	6,995,960	385,722	-
DUE FROM OTHER FUNDS	4,149,187	-	-
FIXED ASSETS NET OF DEPRECIATION	2,397,293	-	-
TOTAL ASSETS	\$ 83,549,993	421,866,518	970,690,389
LIABILITIES			
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	2,270,289	256,054	186,343
BONDS / LINE OF CREDIT PAYABLE (NET)	-	344,352,786	-
UNAMORTIZED GAIN ON NEW FINANCING	-	38,403,855	-
ACCRUED INTEREST PAYABLE	-	480,983	-
DUE TO DEPARTMENT OF EDUCATION	-	544,970	-
INVESTMENTS DUE TO TREASURER'S OFFICE	14,218,000	-	-
DUE TO OTHER FUNDS	1,267,015	2,054,895	238,300
DEFERRED INFLOW OF RESOURCES - PENSION	35,306,494	4,245,459	-
NET PENSION LIABILITY	45,933,430	2,688,786	-
TUITION PAYABLE	-	-	445,303,025
ACCRETION PAYABLE	-	-	740,084,153
TOTAL LIABILITIES	\$ 98,995,227	393,027,789	1,185,811,821
FUND BALANCES			
ALLOCATION OF STATE PENSION LIABILITY UNRESTRICTED	(74,243,964)	(6,548,523)	-
UNRESTRICTED	58,798,729	35,387,252	(215,121,433)
TOTAL FUND BALANCES	\$ (15,445,235)	28,838,729	(215,121,433)
TOTAL LIABILITIES AND FUND BALANCES	\$ 83,549,993	421,866,518	970,690,389

**ILLINOIS STUDENT ASSISTANCE COMMISSION
INCOME STATEMENT (UNAUDITED)
STUDENT LOAN OPERATING FUND
FY 2017
MONTH ENDED 02/28/2017**

DESCRIPTION	YEAR TO DATE				
	CURRENT YEAR	PRIOR YEAR	CY vs PY	BUDGET	CY vs BUDGET
	TOTAL	TOTAL	VARIANCE		
REVENUES					
COLLECTIONS	1,721,244	2,014,217	(292,973)	1,466,667	17.4%
REHABILITATIONS	10,981,497	15,350,982	(4,369,485)	8,000,000	37.3%
REPURCHASE / CONSOL	4,609,426	5,247,967	(638,540)	4,666,667	-1.2%
INTEREST & OTHER INVEST INCOME	250,519	141,925	108,594	145,067	72.7%
ACCOUNT MAINTENANCE FEE	1,474,344	1,632,851	(158,506)	1,466,667	0.5%
DEFAULT AVERSION FEE	129,994	198,959	(68,965)	-	0.0%
MISCELLANEOUS INCOME	240,974	320,225	(79,251)	121,333	98.6%
RENTAL INCOME	293,745	342,266	(48,522)	333,333	-11.9%
TOTAL REVENUES	19,701,743	25,249,390	(5,547,647)	16,199,733	21.6%
EXPENDITURES					
PERSONAL SERVICES & FRINGE BENEFITS	13,853,380	16,142,929	(2,289,549)	15,892,800	-12.8%
CONTRACTUAL SERVICES	5,571,794	4,986,561	585,233	5,844,400	-4.7%
RENTAL & MGMT OF REAL PROP	831,479	719,377	112,102	791,867	5.0%
EQUIPMENT & TELECOM	188,872	332,560	(143,688)	354,866	-46.8%
TRAVEL	79,189	67,465	11,724	105,200	-24.7%
OTHER ADMIN EXPENSES	44,538	20,875	23,663	73,867	-39.7%
ISACORPS DIRECT PERSONNEL COST	1,786,317	1,464,513	321,804	2,097,533	-14.8%
ISACORPS DIRECT CONTRACTUAL & OTHER EXPENS	137,440	116,830	20,610	167,533	-18.0%
TOTAL EXPENDITURES	22,493,009	23,851,111	(1,358,101)	25,328,066	-11.2%
OPERATING INCOME (LOSS) BEFORE INTERFUND ALLOCATION	(2,791,266)	1,398,280	(4,189,546)	(9,128,333)	-69.4%
INTERFUND ALLOCATION					
AGENCY ADMINISTRATION - GRF EXPENSES	(2,299,050)	(5,178,903)	2,879,853	-	0.0%
AGENCY ADMINISTRATION - GRF BENEFIT SAVINGS	(1,637,303)	(4,073,364)	2,436,062	-	0.0%
OUTREACH - GRF EXPENSES	(354,079)	-	(354,079)	-	0.0%
OUTREACH - GRF BENEFIT SAVINGS	(251,361)	-	(251,361)	-	0.0%
COLLEGE ILLINOIS ALLOCATED EXPENSES	(1,174,181)	(891,462)	(282,719)	(1,000,000)	17.4%
TOTAL INTERFUND ALLOCATION	(5,715,973)	(10,143,729)	4,427,756	(1,000,000)	471.6%
OPERATING INCOME (LOSS) AFTER INTERFUND ALLOCATION	2,924,707	11,542,009	(8,617,302)	(8,128,333)	-136.0%
BEGINNING FUND BALANCE BEFORE PENSION LIABILITY	55,874,022	45,641,721			
ALLOCATION OF STATE PENSION LIABILITY	(74,243,964)	(81,905,937)			
ADJUSTED BEGINNING FUND BALANCE	(18,369,942)	(36,264,216)			
ENDING FUND BALANCE BEFORE PENSION LIABILITY	58,798,729	57,183,730			
ALLOCATION OF STATE PENSION LIABILITY	(74,243,964)	(81,905,937)			
ADJUSTED ENDING FUND BALANCE	(15,445,235)	(24,722,207)			

**ILLINOIS STUDENT ASSISTANCE COMMISSION
INCOME STATEMENT (UNAUDITED)
ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM
FY 2017
MONTH ENDED 02/28/2017**

DESCRIPTION	YEAR TO DATE				
	CURRENT YEAR	PRIOR YEAR	CY vs PY	CY vs BUDGET	
	TOTAL	TOTAL	VARIANCE	BUDGET	VARIANCE
IDAPP ADMINISTRATION					
OPERATING REVENUE					
IDAPP SERVICING FEE RECEIVED FROM TRUSTS	1,301,016	1,543,503	(242,487)	1,200,000	8.4%
NFD FEES	124,947	117,861	7,086	106,667	17.1%
TOTAL OPERATING REVENUE	1,425,963	1,661,364	(235,401)	1,306,667	9.1%
OPERATING EXPENSES					
SALARIES AND EMPLOYEE BENEFITS	228,383	485,491	(257,108)	231,333	-1.3%
EXTERNAL LOAN SERVICING	294,168	284,332	9,837	336,000	-12.4%
OTHER CONTRACTUAL SERVICES	83,889	82,610	1,279	66,667	25.8%
OTHER	29,845	31,488	(1,643)	30,000	-0.5%
TOTAL OPERATING EXPENSES	636,285	883,921	(247,636)	664,000	-4.2%
CONSOLIDATION REBATE FEE	8,791	10,490	(1,699)	10,000	-12.1%
FIB/SAP/EXCESS INTEREST	10,750	19,641	(8,891)	20,000	-46.3%
NET ADMINISTRATION OPERATING PROFIT	770,138	747,312	22,826	612,667	25.7%
NET TRANSFER OF ASSETS FROM TRUST	706,191	378,795	327,396	-	0.0%
BEGINNING FUND BALANCE BEFORE PENSION LIABILITY	26,045,345	24,314,008	1,731,337		
ALLOCATION OF STATE PENSION LIABILITY	(6,548,523)	(7,937,245)	1,388,722		
ADJUSTED BEGINNING FUND BALANCE JULY 1, 2016	19,496,822	16,376,763	3,120,059		
ENDING FUND BALANCE BEFORE PENSION LIABILITY	27,521,674	25,440,115	2,081,559		
ALLOCATION OF STATE PENSION LIABILITY	(6,548,523)	(7,937,245)	1,388,722		
NET ADMIN ASSET FEBRUARY 28, 2017	20,973,151	17,502,870	3,470,281		
TRUST OPERATIONS					
OPERATING REVENUE					
STUDENT LOAN INTEREST INCOME	11,724,587	13,025,239	(1,300,652)	-	0.0%
INVESTMENT INCOME	24,536	6,968	17,568	-	0.0%
TOTAL OPERATING REVENUE	11,749,123	13,032,207	(1,283,084)	-	0.0%
OPERATING EXPENSES					
INTEREST EXPENSE	3,316,099	2,734,357	581,743	-	0.0%
GAIN ON EXTINGUISHMENT OF DEBT - NET	(2,695,007)	(2,695,007)	-	-	0.0%
AMORTIZATION OF LOAN PREMIUMS & FEES	930,291	932,839	(2,549)	-	0.0%
CONSOLIDATION REBATE FEE	1,004,999	1,084,400	(79,401)	-	0.0%
IDAPP SERVICING FEE RECEIVED FROM TRUSTS	1,301,016	1,543,503	(242,487)	-	0.0%
EXTERNAL LOAN SERVICING	743,559	915,647	(172,088)	-	0.0%
OTHER CONTRACTUAL SERVICES	425,538	534,447	(108,908)	-	0.0%
TOTAL OPERATING EXPENSES	5,026,494	5,050,185	(23,691)	-	0.0%
GROSS OPERATING PROFIT	6,722,629	7,982,022	(1,259,393)	-	0.0%
PROVISION FOR LOAN LOSS	1,253,544	2,424,392	(1,170,849)	-	0.0%
FIB/SAP/EXCESS INTEREST	2,239,080	3,058,984	(819,904)	-	0.0%
NET TRUST OPERATING PROFIT	3,230,005	2,498,645	731,360	-	0.0%
NET TRUST ASSETS JULY 1, 2016	5,341,765	2,858,956	2,482,809	-	0.0%
OTHER OPERATING TRANSFERS	(706,191)	(378,795)	(327,396)	-	0.0%
NET TRUST ASSET FEBRUARY 28, 2017	7,865,579	4,978,806	2,886,772	-	0.0%
COMBINED NET INCOME	4,000,142	3,245,957	754,185		
COMBINED BEGINNING FUND BALANCE BEFORE PENSION LI.	31,387,110	27,172,964	4,214,146		
ALLOCATION OF STATE PENSION LIABILITY	(6,548,523)	(7,937,245)	1,388,722		
ADJUSTED BEGINNING FUND BALANCE JULY 1, 2016	24,838,587	19,235,719	5,602,868		
ENDING FUND BALANCE BEFORE PENSION LIABILITY	35,387,252	30,418,921	4,968,331		
ALLOCATION OF STATE PENSION LIABILITY	(6,548,523)	(7,937,245)	1,388,722		
COMBINED NET ASSET FEBRUARY 28, 2017	28,838,729	22,481,676	6,357,053		

**ILLINOIS STUDENT ASSISTANCE COMMISSION
INCOME STATEMENT (UNAUDITED)
COLLEGE ILLINOIS!
FY 2017
MONTH ENDED 02/28/2017**

DESCRIPTION	YEAR TO DATE				
	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL	CY vs PY VARIANCE	BUDGET	CY vs BUDGET VARIANCE
REVENUES					
INTEREST INCOME	42,621	123,327	(80,706)	-	0.0%
INCOME FROM INVESTMENT SEC FEES	37,262,058	(19,650,791)	56,912,850	-	0.0%
	250,146	274,818	(24,672)	-	0.0%
TOTAL REVENUES	37,554,825	(19,252,647)	56,807,472	-	0.0%
EXPENDITURES					
ADMINISTRATIVE EXPENDITURES					
PERSONAL SERVICES & FRINGE BEN	791,646	735,365	56,281	1,044,800	-24.2%
CONTRACTUAL SERVICES	2,033,532	2,291,117	(257,585)	2,616,933	-22.3%
EQUIPMENT & TELECOM	-	1,267	(1,267)	-	0.0%
TRAVEL	735	1,850	(1,115)	11,667	-93.7%
INVESTMENT EXPENSE	2,245,608	1,303,540	942,068	2,665,067	-15.7%
OTHER ADMIN EXPENSES	1,414	1,202	212	1,333	6.0%
TOTAL ADMINISTRATIVE EXPENDITURES	5,072,934	4,334,342	738,593	6,339,800	-20.0%
COST ALLOCATIONS					
SUPPORTING SERVICES	1,174,181	891,462	282,719	1,333,333	-11.9%
TOTAL COST ALLOCATIONS	1,174,181	891,462	282,719	1,333,333	-11.9%
ACTUARIAL EXPENDITURES					
ACCRETION EXPENSE ACCRUED *	31,307,710	(24,478,450)	55,786,160	-	0.0%
TOTAL ACTUARIAL EXPENDITURES	31,307,710	(24,478,450)	55,786,160	-	0.0%
TOTAL EXPENDITURES	37,554,825	(19,252,647)	56,807,472	7,673,133	389.4%
EXCESS REVENUE OVER (UNDER) EXPENDITURES, AFTER TRANSFERS					
	-	-	-	(7,673,133)	-100.0%
BEGINNING FUND BALANCE *	(215,121,433)	(236,113,466)			
ENDING FUND BALANCE	(215,121,433)	(236,113,466)			

* Note: Unfunded liabilities/ending fund balance is adjusted based on the soundness report on an annual basis in June of every fiscal year.

ILLINOIS STUDENT ASSISTANCE COMMISSION				
FISCAL YEAR 2017 APPROPRIATION SUMMARY REPORT				
As of 02/28/17				
	FY2017 Appropriation	Year-to-date Expended	Number of Recipients	Percentage Expended
STATE GENERAL FUNDS				
SCHOLARSHIPS AND GRANTS				
Monetary Award Program- Fund 640	\$151,000,000	\$150,909,654	92,586	99.9%
EAF Lump Sum for Admin/P&F/G.Apple	\$3,762,000	\$3,732,673	475	99.2%
Teacher Loan Forgiveness Program	0	\$0	0	0.0%
Minority Teacher Scholarships	0	\$0	0	0.0%
Golden Apple Scholars Program-IFTC	0	\$0	0	0.0%
Dependents Grants	0	\$0	0	0.0%
Nurse Educator Loan Repayment Program	0	\$0	0	0.0%
Veterans' Home Nurse Loan Repayment Program	0	\$0	0	0.0%
Illinois Scholars Program	0	\$0	N/A	0.0%
GRF-Outreach & Training.-Co Admin cost- (Payroll)	997,700	\$354,079	N/A	35.5%
GRF-Scholarship&Grants - Co Admin cost- (Payroll)	7,245,225.00	\$2,299,050	N/A	31.7%
TOTAL	\$163,004,925	\$157,295,456	93,061	96.5%
SPECIAL REVENUE FUNDS				
STUDENT LOAN OPERATING FUND				
Administration Expense	61,246,400	18,345,986	N/A	30.0%
Federal Loan System Development & Maintenance	2,500,000	0	N/A	0.0%
SLOF Transfer to IDAPP	1,000,000	0	N/A	0.0%
TOTAL	\$64,746,400	\$18,345,986	0	28.3%
FEDERAL STUDENT LOAN FUND				
Loan Guarantee Program	260,000,000	93,430,594	N/A	35.9%
TOTAL	\$260,000,000	\$93,430,594	N/A	35.9%
SCHOLARSHIPS AND GRANTS				
Federal College Access Challenge Grant Program	15,000,000	54,972	N/A	0.4%
John R Justice Student Loan Repayment Program	500,000	0	N/A	0.0%
Transfer to ED -Paul Douglas Funds Collected	400,000	0	N/A	0.0%
TOTAL	\$15,900,000	\$54,972	\$0	0.3%
OTHER				
ISAC Accounts Receivables	300,000	56,821	N/A	18.9%
Higher Education License Plate Program	110,000	89,875	N/A	81.7%
Optometric Education Scholarship Program	50,000	50,000	0	100.0%
IVG- National Guard Grant Fund	20,000	0	0	0.0%
Illinois Future Teachers Corps Scholarship Fund	312,600	108,700	0	34.8%
Contracts and Grants Fund	10,000,000	0	N/A	0.0%
TOTAL, SPECIAL REVENUE FUNDS	\$351,439,000	\$112,136,948	0	31.9%
GRAND TOTAL	\$514,443,925	\$269,432,404	93,061	52.4%

ILLINOIS STUDENT ASSISTANCE COMMISSION		
COLLEGE ILLINOIS!		
SOURCES AND USES REPORT		
February 2017 - FY 2017		
BEGINNING MARKET VALUE TOTAL FUNDS BALANCE, 07/01/16		\$966,205,198
SOURCES OF FUNDS		
Contributions received	\$13,705,114	
Contracts fees	250,146	
Interest from Treasury and Banks	19,059	
Unrealized Gain on Investments	16,468,629	
Interest on Investments	17,980,634	
Realized Gain on Investments	4,737,944	
Interest and Other Income	20,268	
TOTAL SOURCES		\$53,181,794
USES OF FUNDS		
Administrative Expenses	4,316,005	
Decrease in Market Value of Alternative Funds	1,925,148	
Refunds to Purchasers	11,459,006	
Tuition Payments	79,796,051	
Investment Expense	1,041,935	
Investment Advisory Fees	1,369,238	
TOTAL USES		\$99,907,383
ENDING MARKET VALUE TOTAL FUNDS BALANCE, 02/28/17		\$919,479,608
NUMBER AND DOLLAR VALUE OF PLANS, 02/28/2017		
Number of Plans:		
Plans with Contributions Paid in Full	53,694	
Active Plans	3,101	
Cancelled Plans	16,164	
Total Number of Contracts Sold	72,959	
Contracts with benefits paid out in full	17,342	
Contracts with outstanding Benefits	39,453	
Purchased Value of all Plans	\$1,756,381,247	
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.		

Illinois Student Assistance Commission		
Illinois Designated Account Purchase Program Investment Information		
As of February 28, 2017		
This information is required by Public Act 93-0499 and is intended to provide a financial overview to those interested in the Illinois Designated Account Purchase Program.		
Total value of cash & investments	34,688,440.69	
Asset Allocation:		
	Value	Percent
Cash	\$ 19,156,898	55%
Money Market Funds	11,533,082	33%
U.S. Treasuries & Agencies	3,998,460	12%
Total	\$ 34,688,441	100%
Investment Income:		
Investment Income	\$ 3,882	
Unrealized Gain/(Loss) Net	1,290	
Monthly Income Yield	0.011%	
Authorized Financial Institutions:		
Bank of America		
Bank of New York Mellon		
JP Morgan Chase & Co.		
Northern Trust		
Wells Fargo Bank		
Note:		
The information reported above is believed to be accurate, but has not been audited.		