

ISAC's lending division for federal and private educational loans is the Illinois Designated Account Purchase Program (IDAPP). ISAC ensures statewide access to student loans via IDAPP. IDAPP originates, disburses, and services loans in order for borrowers to have the funds necessary to pursue their educational goals. In addition, IDAPP counsels borrowers to avert student loan defaults through default prevention services and rewards timely repayment through innovative borrower repayment benefits. Table 4.0 in this section gives an historical program summary and Table 4.1 provides a summary of Alternative Loan Program activity.

Beginning with the 2007-08 academic year, IDAPP transitioned to a new “Illinois-nexus model”, focusing on making loans to students attending Illinois schools. This commitment was evidenced by the creation of the pilot *College Illinois! Capstone*SM Loan Program. College seniors enrolled at institutions participating in the *College Illinois! Capstone*SM Loan Program are eligible to borrow money to help them complete the final semester(s) prior to graduation. This new alternative loan program provides major benefits for borrowers who pursue crucial but lower-paying jobs (such as teachers or social workers) in Illinois. Table 4.2 provides data on this innovative loan program.

In response to the global credit crisis and its impact on funding of student loans for the 2008-09 academic year, IDAPP entered into a pioneering partnership with the Illinois Credit Union League and several credit unions. This collaborative effort leveraged Illinois resource for Illinois students, thus providing IDAPP with \$100 million to make certain Illinois students would have access to federal student loans.

PART FOUR -- ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM