

AGENDA ITEM 4.

**COLLEGE ILLINOIS!® 529 PREPAID TUITION PROGRAM
CONTRACT PRICES AND FEES FOR 2010-2011 PRICING PERIOD**

Submitted for: Action

Summary: The proposed contract prices for the 2010-2011 College Illinois! 529 Prepaid Tuition Program pricing period, starting November 1, 2010 and ending September 30, 2011, are set forth in Tables A - C. The prices for contracts have been developed in cooperation with the program's actuary, Richard M. Kaye & Associates, in conjunction with PricewaterhouseCoopers.

The pricing proposals presented to the Commission for approval reflect an array of careful assumptions designed to ensure that the financial commitments made by the prepaid tuition program to participants remain secure.

The program will continue to offer its three-tiered Smart Choice pricing plans and its many payment options on a year-round basis. Families can purchase contracts throughout the year rather than during a specified six to eight month time frame. The 2010-2011 contract prices are for each month beginning November 1, 2010 and ending on September 30, 2011. This pricing period has been shortened to eleven months in order to prepare for the 2011-2012 pricing period which will resume its twelve-month time frame with start and end dates aligning more closely to the 2011-2012 academic year.

Contract prices increase at the beginning of each month so the earlier in the pricing period a contract is purchased the less the price is for the buyer. Submission of an application (paper or online) during the month locks in the price for that month provided the first payment is made by the due date. The first payment is due closer to the time the application is submitted rather than after the enrollment period has ended, and the payment due date is determined by the month the application is submitted.

The contract prices account for the actuarial impact of tuition hikes for each Smart Choice Plan for incoming students imposed at Illinois public institutions of higher education for 2010-2011, as well as the expected impact of fee increases for 2010-2011 and thereafter. The prices also recognize other factors such as tuition and fee trends for the past five years, underlying conditions of the economy and the actuarial status of the program.

Contract prices increase in tandem with tuition and fee increases this year, and also are reflective of the need to gradually amortize the actuarial deficit of the plan over a reasonable timeframe. While investment performance return of +10.3% in FY2010 contributed positively to the overall picture, the interest accumulated on prior year's deficits continue to impact the overall program.

Prices have been recommended at a level that will provide revenue from contract sales sufficient not only to fund future contract obligations and current administrative costs, but also to meet the long-term actuarial soundness needs of the program. Consistent with past Commission action, the goal is to eliminate the current actuarial deficit over time.

For the 2010-2011 academic year, tuition and fees increased 7.2 percent for all incoming freshmen students at Illinois public universities other than the University of Illinois at Urbana-Champaign. For UIUC, the increase was 7.7 percent for incoming freshmen.

Table D presents the proposed College Illinois! 529 Prepaid Tuition Program fee schedule for the 2010-2011 contract pricing period. No changes have been made to the fees.

Action requested:

Staff recommends that the Commission approve the proposed College Illinois! 529 Prepaid Tuition Program contract prices specified for the 2010-2011 period in Tables A, B and C, as well as the schedule of fees and charges for the program set forth in Table D.

ILLINOIS STUDENT ASSISTANCE COMMISSION

**COLLEGE ILLINOIS! 529 PREPAID TUITION PROGRAM
CONTRACT PRICES AND FEES FOR 2010-2011 PRICING PERIOD**

INTRODUCTION

The College Illinois! 529 Prepaid Tuition Program is a self-sustaining program administered by the Illinois Student Assistance Commission (ISAC) and is designed to operate independent of state appropriations and other external financial support. The program recently completed its tenth month of the 2009-10 pricing period with more than 2,400 contracts being purchased. In total, more than 68,000 contracts have been purchased and those contracts currently represent a financial commitment by program participants in excess of \$1.7 billion.

The program is now on a year-round enrollment cycle. Families can purchase contracts throughout the year rather than during a specified six to eight month time frame. The 2010-2011 contract prices are for each month beginning November 1, 2010 and ending on September 30, 2011. This pricing period has been shortened to eleven months in order to prepare for the 2011-2012 pricing period which will resume its twelve-month time frame with start and end dates aligning more closely to the 2011-2012 academic year.

Contract prices increase at the beginning of each month so the earlier in the pricing period a contract is purchased the less the price is for the buyer. Submission of an application (paper or online) during the month locks in the price for that month provided the first payment is made by the due date. The first payment is due closer to the time the application is submitted rather than after the enrollment period has ended, and the payment due date is determined by the month the application is submitted.

PRICING PROPOSAL FOR CONTRACTS

The prices being proposed for the 2010-2011 pricing period are set forth in Tables A - C. As in prior years, the prices have been developed in consultation with the program's actuary, Richard M. Kaye & Associates in conjunction with PricewaterhouseCoopers. The program's proposed fee schedule for the 2010-2011 period is documented in Table D. Annual tuition and fee increases for Illinois public universities and community colleges are provided in Table E; and last year's contract prices are provided in Tables F - H.

Assumptions

It is recommended that contract prices increase for the 2010-2011 period, in recognition of five major assumptions:

- **Tuition and Fee Increases** - For the 2010-2011 academic year, tuition and fees increased 7.2 percent for all incoming freshmen students at Illinois public universities other than the University of Illinois at Urbana-Champaign (UIUC). For UIUC, the increase was 7.7 percent for incoming freshmen.

Tuition and fees also increased on average at Illinois community colleges by 12.5 percent, higher than the long-term annual 6.5 percent assumed by the program for pricing purposes. Community colleges are not affected by truth-in-tuition, so the increases at community colleges are attributed, instead, to the impact of the state's budget crisis upon those institutions at a time when demand is rapidly expanding for community college services.

- Long-term Tuition Inflation - In addition to utilizing actual tuition data, contract prices include a long-term tuition inflation assumption. For the contract prices presented in this Agenda Item, the program presupposes that the double-digit public university tuition increases imposed in recent years cannot persist indefinitely. Therefore, the tuition inflation assumptions for plans purchased prior to the availability of Smart Choice plans are 8.5 percent on average for Fall 2010 and an annual average of 8.5 percent each year thereafter. For Smart Choice plans, the tuition increases assumed for University Plan contract prices are 8.0 percent short term and 8.0 percent long term, and for University+ Plans the increases are 9.0 percent and 9.0 percent respectively. These assumptions are based on historical trends, underlying conditions of the economy and the focus of the federal government on tuition increases.
- Fee Inflation - Fees at Illinois public universities are not subject to the truth-in-tuition statute. Consequently, fees at public universities can increase from year-to-year for all continuing students enrolled at those institutions, even those whose tuition is frozen by the truth-in-tuition law. Mandatory fees at Illinois public universities increased by an estimated 9.1 percent on a weighted basis for AY2010-2011. Historical data demonstrate a large degree of volatility in these Illinois public university fee increases, both from year-to-year and from institution-to-institution. The same percentage assumptions used for tuition inflation have been used for fee inflation.
- Investment Performance - Beginning with 2009-2010, expectations for future (gross) investment performance have increased to reflect the changes made to the investment policy: from 8.5 percent in FY2009; to 9.25 percent in FY2010 and FY 2011; and to 8.75 percent in each year thereafter. This enhanced investment performance is possible in part because of opportunities inherent in the portfolio's size (now nearly \$1.0 billion) and flows from asset allocation changes and further diversification of the program's investment portfolio implemented in FY2010 and thereafter, actions endorsed earlier this year by both the program's Investment Advisory Panel and the Commission. Those actions include further diversification of the investment portfolio's allocation to other asset classes with lower correlations to domestic equities such as Real Estate, Private Equity, Infrastructure and Hedge Funds.
- Stabilization Reserve - Continuation of the program's stabilization reserve requires that a premium be added to contract prices at least sufficient to eliminate the current actuarial deficit within a set time frame (15 years). Each year, the additional revenue derived from each contract enhances the program's actuarial soundness and seeks to stabilize the program's funded ratio, so long as expectations are met regarding tuition and fee inflation, investment performance and the level of contract sales. This strategy began in 2001 and these annual premiums have successfully enhanced program finances providing a buffer against uncertainty associated with annual volatility of college cost increases and performance of program investments. Many other state prepaid tuition programs also have adopted this approach of building stabilization premiums into their contract prices.

Over time, a stabilization reserve will also counteract the impact of extended periods of investment under-performance. In FY2009, the program's investment performance significantly underperformed the actuarial target return (-15.1 percent compared to an assumption of 8.5 percent). However, FY2010 produced a positive return of 10.3 percent, higher than the actuarial return assumption of 9.25 percent.

The pricing schedules set forth in Tables A, B and C and proposed for Commission approval once again reflect careful assumptions designed, first and foremost, to ensure that the financial commitments made by the prepaid tuition program to participants remain secure. Prices have been set at a level that will provide revenue sufficient not only to fund future contract obligations and current administrative costs, but also to gradually reduce the program's current actuarial deficit. All revenue is deposited in the Prepaid Tuition Trust Fund, and can be used at some future date only for payment of contract benefits or for program administrative purposes. By law, these funds cannot be used for any purpose extraneous to the College Illinois! 529 Prepaid Tuition Program. All the assumptions are closely aligned with historical data from the past two decades.

Other Factors

In addition to assumptions about the level of tuition and fees, investment returns and a stabilization reserve, there are certain other factors that must be considered each year when developing contract prices. After twelve years of operation, there is now a meaningful amount of experience and data from which to derive reasonable assumptions. Consequently, when developing 2010-2011 contract prices, it is assumed that:

- contract sales will reach 3,500 and each year thereafter that number will increase by approximately 500 until a cap of 5,000 is reached;
- contracts purchased will be allocated similarly by type (University, University+ or Community College, number of semesters, etc.) to the most recent enrollment experience; and
- the program's administrative costs approved for FY2011 and each year thereafter are incorporated into contract pricing, including annual investment fees which reduce investment performance by less than half of one percent (i.e., 40 basis points), which reflects an expectation that in future years the current level of investment fees will trend higher due to investments in alternative assets.

Recommended Contract Prices

College Illinois! 529 Prepaid Tuition Program contract prices have been determined for each month during the 11-month period beginning November 1, 2010 and ending September 30, 2011. The pricing schedules set forth in Tables A, B and C list the lump sum payment amounts for each of the plans listed below:

- one to nine semesters at the university level for all public universities including the University of Illinois Urbana-Champaign (University+ Plan).
- one to nine semesters at the university level at all other public universities (excluding the UIUC), but including the University of Illinois at Chicago and Springfield campuses (University Plan).
- four semesters at a community college combined with four semesters at a university, for each product listed above (Combination Plan).
- one to four semesters at the community college level (Community College Plan).

As in prior years, a separate schedule for each plan is proposed for newborn through kindergarten beneficiaries (pre-school), for elementary and middle school students/beneficiaries (grades 1-8), and for high school students or beneficiaries who have graduated from high school (grades 9-12 and older). These three groupings are being carried forward to simplify the number of plan offerings and because of their intuitive appeal (i.e., pre-school, grade school and middle school, and high school and older). Pricing distinctions for each age category do not constitute a discount. Instead, lower price contracts are offered for younger beneficiaries because payments received can be invested over a longer period of time, providing a greater opportunity to earn the necessary rate of return on contributions invested.

As in the past, purchasers can also choose to make down payments of \$2,000, \$5,000 or \$10,000, when choosing a monthly installment plan in order to lower their monthly payment amounts over 5 years, 10 years, or 15 years or pay by annual installments over 5, 10 or 15 years.

SCHEDULE OF FEES

Table D presents the proposed fee schedule for the 2010-2011 pricing period. As in past years, the fees in Table D are divided into the following classifications: Administrative, Service and Cancellation fees.

- Administrative fee revenues are used to cover general administrative costs of the program.
- Service fee revenues pay the cost of providing a particular service or to reimburse the Illinois Prepaid Tuition Trust Fund for lost investment opportunity. They are charged only when special handling of an account is required and records administration costs and/or administrative costs for the program are incurred. Service fees include charges for late payments, returned payments, and account changes requested by the purchaser.
- Cancellation fees are assessed only when an account is cancelled. They are charged for purchasers who decide to cancel their contracts and those whose accounts are cancelled for delinquency reasons. Cancellation fees represent an early withdrawal penalty upon the purchaser, consistent with the intent of the federal law (Internal Revenue Code, Section 529) that authorizes state qualified prepaid tuition programs.

Table A
College Illinois!® 529 Prepaid Tuition Program
Newborn through Kindergarten Lump Sum Payments
Contract Prices for 2010-2011 Pricing Period

Type of Plan	Contract Price										
	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11
University+ 9 semesters	\$98,960	\$99,669	\$100,384	\$101,103	\$101,828	\$102,558	\$103,293	\$104,034	\$104,780	\$105,531	\$106,287
University+ 8 semesters	\$89,274	\$89,914	\$90,559	\$91,208	\$91,862	\$92,521	\$93,184	\$93,852	\$94,525	\$95,202	\$95,885
University+ 7 semesters	\$79,320	\$79,889	\$80,462	\$81,038	\$81,619	\$82,204	\$82,794	\$83,387	\$83,985	\$84,587	\$85,193
University+ 6 semesters	\$69,024	\$69,519	\$70,017	\$70,519	\$71,024	\$71,534	\$72,046	\$72,563	\$73,083	\$73,607	\$74,135
University+ 5 semesters	\$58,429	\$58,848	\$59,270	\$59,694	\$60,122	\$60,553	\$60,987	\$61,425	\$61,865	\$62,308	\$62,755
University+ 4 semesters	\$46,407	\$46,740	\$47,075	\$47,413	\$47,753	\$48,095	\$48,440	\$48,787	\$49,137	\$49,489	\$49,844
University+ 3 semesters	\$35,368	\$35,621	\$35,877	\$36,134	\$36,393	\$36,654	\$36,917	\$37,181	\$37,448	\$37,716	\$37,987
University+ 2 semesters	\$23,649	\$23,818	\$23,989	\$24,161	\$24,334	\$24,509	\$24,684	\$24,861	\$25,039	\$25,219	\$25,400
University+ 1 semester	\$11,802	\$11,887	\$11,972	\$12,058	\$12,144	\$12,231	\$12,319	\$12,407	\$12,496	\$12,586	\$12,676
University + Combination	\$53,508	\$53,892	\$54,278	\$54,667	\$55,059	\$55,454	\$55,852	\$56,252	\$56,655	\$57,061	\$57,470
University 9 semesters	\$63,737	\$64,194	\$64,654	\$65,117	\$65,584	\$66,054	\$66,528	\$67,005	\$67,485	\$67,969	\$68,456
University 8 semesters	\$57,469	\$57,881	\$58,296	\$58,714	\$59,135	\$59,559	\$59,986	\$60,416	\$60,849	\$61,285	\$61,724
University 7 semesters	\$51,040	\$51,406	\$51,775	\$52,146	\$52,520	\$52,896	\$53,275	\$53,657	\$54,042	\$54,429	\$54,820
University 6 semesters	\$44,390	\$44,709	\$45,029	\$45,352	\$45,677	\$46,004	\$46,334	\$46,666	\$47,001	\$47,338	\$47,677
University 5 semesters	\$37,562	\$37,831	\$38,102	\$38,375	\$38,650	\$38,927	\$39,206	\$39,488	\$39,771	\$40,056	\$40,343
University 4 semesters	\$29,856	\$30,070	\$30,286	\$30,503	\$30,721	\$30,942	\$31,164	\$31,387	\$31,612	\$31,839	\$32,067
University 3 semesters	\$22,746	\$22,909	\$23,073	\$23,239	\$23,405	\$23,573	\$23,742	\$23,912	\$24,084	\$24,256	\$24,430
University 2 semesters	\$15,165	\$15,274	\$15,384	\$15,494	\$15,605	\$15,717	\$15,830	\$15,943	\$16,057	\$16,172	\$16,288
University 1 semester	\$7,599	\$7,654	\$7,709	\$7,764	\$7,820	\$7,876	\$7,932	\$7,989	\$8,046	\$8,104	\$8,162
University Combination	\$36,200	\$36,460	\$36,721	\$36,984	\$37,249	\$37,516	\$37,785	\$38,056	\$38,329	\$38,604	\$38,881
Comm Coll - 4 semesters	\$6,583	\$6,630	\$6,678	\$6,726	\$6,774	\$6,823	\$6,871	\$6,921	\$6,970	\$7,020	\$7,071
Comm Coll - 3 semesters	\$5,041	\$5,077	\$5,114	\$5,150	\$5,187	\$5,224	\$5,262	\$5,300	\$5,337	\$5,376	\$5,414
Comm Coll - 2 semesters	\$3,472	\$3,497	\$3,522	\$3,547	\$3,572	\$3,598	\$3,624	\$3,650	\$3,676	\$3,702	\$3,729
Comm Coll - 1 semester	\$1,821	\$1,834	\$1,847	\$1,860	\$1,874	\$1,887	\$1,901	\$1,914	\$1,928	\$1,942	\$1,956

Table B
College Illinois!® 529 Prepaid Tuition Program
First Grade through Eighth Grade Lump Sum Payments
Contract Prices for 2010-2011 Pricing Period

Type of Plan	Contract Price										
	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11
University+ 9 semesters	\$100,605	\$101,326	\$102,052	\$102,784	\$103,521	\$104,263	\$105,010	\$105,763	\$106,521	\$107,285	\$108,054
University+ 8 semesters	\$90,758	\$91,409	\$92,064	\$92,724	\$93,389	\$94,059	\$94,733	\$95,412	\$96,096	\$96,785	\$97,479
University+ 7 semesters	\$80,639	\$81,217	\$81,799	\$82,385	\$82,976	\$83,571	\$84,170	\$84,773	\$85,381	\$85,993	\$86,610
University+ 6 semesters	\$70,171	\$70,674	\$71,181	\$71,691	\$72,205	\$72,723	\$73,244	\$73,769	\$74,298	\$74,831	\$75,367
University+ 5 semesters	\$59,400	\$59,826	\$60,255	\$60,687	\$61,122	\$61,560	\$62,001	\$62,446	\$62,893	\$63,344	\$63,798
University+ 4 semesters	\$47,179	\$47,517	\$47,858	\$48,201	\$48,546	\$48,894	\$49,245	\$49,598	\$49,953	\$50,312	\$50,672
University+ 3 semesters	\$35,956	\$36,214	\$36,473	\$36,735	\$36,998	\$37,263	\$37,530	\$37,799	\$38,070	\$38,343	\$38,618
University+ 2 semesters	\$24,042	\$24,214	\$24,388	\$24,563	\$24,739	\$24,916	\$25,095	\$25,275	\$25,456	\$25,638	\$25,822
University+ 1 semester	\$11,998	\$12,084	\$12,171	\$12,258	\$12,346	\$12,435	\$12,524	\$12,614	\$12,704	\$12,795	\$12,887
University + Combination	\$55,494	\$55,891	\$56,292	\$56,696	\$57,102	\$57,511	\$57,924	\$58,339	\$58,757	\$59,178	\$59,603
University 9 semesters	\$66,965	\$67,445	\$67,928	\$68,415	\$68,906	\$69,400	\$69,897	\$70,398	\$70,903	\$71,411	\$71,923
University 8 semesters	\$60,380	\$60,813	\$61,249	\$61,688	\$62,130	\$62,575	\$63,024	\$63,476	\$63,931	\$64,389	\$64,851
University 7 semesters	\$53,625	\$54,010	\$54,397	\$54,787	\$55,180	\$55,575	\$55,974	\$56,375	\$56,779	\$57,186	\$57,596
University 6 semesters	\$46,639	\$46,973	\$47,310	\$47,649	\$47,990	\$48,334	\$48,681	\$49,030	\$49,381	\$49,735	\$50,092
University 5 semesters	\$39,464	\$39,747	\$40,032	\$40,319	\$40,608	\$40,899	\$41,192	\$41,487	\$41,785	\$42,084	\$42,386
University 4 semesters	\$31,368	\$31,593	\$31,820	\$32,048	\$32,277	\$32,509	\$32,742	\$32,977	\$33,213	\$33,451	\$33,691
University 3 semesters	\$23,898	\$24,069	\$24,242	\$24,416	\$24,591	\$24,767	\$24,945	\$25,123	\$25,303	\$25,485	\$25,668
University 2 semesters	\$15,934	\$16,048	\$16,163	\$16,279	\$16,395	\$16,513	\$16,631	\$16,750	\$16,871	\$16,992	\$17,113
University 1 semester	\$7,984	\$8,041	\$8,099	\$8,157	\$8,216	\$8,275	\$8,334	\$8,394	\$8,454	\$8,514	\$8,575
University Combination	\$38,693	\$38,970	\$39,250	\$39,531	\$39,815	\$40,100	\$40,388	\$40,677	\$40,969	\$41,262	\$41,558
Comm Coll - 4 semesters	\$6,983	\$7,033	\$7,083	\$7,134	\$7,185	\$7,237	\$7,289	\$7,341	\$7,394	\$7,447	\$7,500
Comm Coll - 3 semesters	\$5,319	\$5,357	\$5,395	\$5,434	\$5,473	\$5,512	\$5,552	\$5,592	\$5,632	\$5,672	\$5,713
Comm Coll - 2 semesters	\$3,618	\$3,644	\$3,670	\$3,697	\$3,723	\$3,750	\$3,777	\$3,804	\$3,831	\$3,859	\$3,886
Comm Coll - 1 semester	\$1,936	\$1,950	\$1,964	\$1,978	\$1,992	\$2,006	\$2,021	\$2,035	\$2,050	\$2,065	\$2,079

Table C
College Illinois!® 529 Prepaid Tuition Program
Ninth Grade and Older Lump Sum Payments
Contract Prices for 2010-2011 Pricing Period

Type of Plan	Contract Price										
	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11
University+ 9 semesters	\$101,370	\$102,097	\$102,829	\$103,566	\$104,308	\$105,056	\$105,809	\$106,568	\$107,332	\$108,101	\$108,876
University+ 8 semesters	\$91,449	\$92,104	\$92,765	\$93,430	\$94,099	\$94,774	\$95,453	\$96,138	\$96,827	\$97,521	\$98,220
University+ 7 semesters	\$81,252	\$81,835	\$82,421	\$83,012	\$83,607	\$84,206	\$84,810	\$85,418	\$86,030	\$86,647	\$87,268
University+ 6 semesters	\$70,705	\$71,212	\$71,722	\$72,236	\$72,754	\$73,276	\$73,801	\$74,330	\$74,863	\$75,400	\$75,940
University+ 5 semesters	\$59,852	\$60,281	\$60,713	\$61,148	\$61,587	\$62,028	\$62,473	\$62,921	\$63,372	\$63,826	\$64,284
University+ 4 semesters	\$47,538	\$47,878	\$48,222	\$48,567	\$48,916	\$49,266	\$49,619	\$49,975	\$50,333	\$50,694	\$51,058
University+ 3 semesters	\$36,229	\$36,489	\$36,751	\$37,014	\$37,279	\$37,547	\$37,816	\$38,087	\$38,360	\$38,635	\$38,912
University+ 2 semesters	\$24,225	\$24,398	\$24,573	\$24,749	\$24,927	\$25,105	\$25,285	\$25,467	\$25,649	\$25,833	\$26,018
University+ 1 semester	\$12,090	\$12,176	\$12,264	\$12,351	\$12,440	\$12,529	\$12,619	\$12,710	\$12,801	\$12,892	\$12,985
University + Combination	\$56,710	\$57,116	\$57,526	\$57,938	\$58,354	\$58,772	\$59,193	\$59,618	\$60,045	\$60,475	\$60,909
University 9 semesters	\$69,133	\$69,628	\$70,127	\$70,630	\$71,136	\$71,646	\$72,160	\$72,677	\$73,198	\$73,723	\$74,252
University 8 semesters	\$62,334	\$62,781	\$63,231	\$63,685	\$64,141	\$64,601	\$65,064	\$65,531	\$66,000	\$66,473	\$66,950
University 7 semesters	\$55,361	\$55,758	\$56,158	\$56,560	\$56,966	\$57,374	\$57,786	\$58,200	\$58,617	\$59,037	\$59,461
University 6 semesters	\$48,148	\$48,494	\$48,841	\$49,191	\$49,544	\$49,899	\$50,257	\$50,617	\$50,980	\$51,345	\$51,714
University 5 semesters	\$40,742	\$41,034	\$41,328	\$41,624	\$41,922	\$42,223	\$42,526	\$42,831	\$43,138	\$43,447	\$43,758
University 4 semesters	\$32,384	\$32,616	\$32,850	\$33,085	\$33,322	\$33,561	\$33,802	\$34,044	\$34,288	\$34,534	\$34,782
University 3 semesters	\$24,672	\$24,848	\$25,027	\$25,206	\$25,387	\$25,569	\$25,752	\$25,937	\$26,123	\$26,310	\$26,498
University 2 semesters	\$16,449	\$16,567	\$16,686	\$16,806	\$16,926	\$17,047	\$17,170	\$17,293	\$17,417	\$17,542	\$17,667
University 1 semester	\$8,243	\$8,302	\$8,361	\$8,421	\$8,482	\$8,542	\$8,604	\$8,665	\$8,727	\$8,790	\$8,853
University Combination	\$40,413	\$40,702	\$40,994	\$41,288	\$41,584	\$41,882	\$42,183	\$42,485	\$42,789	\$43,096	\$43,405
Comm Coll - 4 semesters	\$7,300	\$7,352	\$7,405	\$7,458	\$7,512	\$7,566	\$7,620	\$7,674	\$7,729	\$7,785	\$7,841
Comm Coll - 3 semesters	\$5,534	\$5,574	\$5,614	\$5,654	\$5,695	\$5,736	\$5,777	\$5,818	\$5,860	\$5,902	\$5,944
Comm Coll - 2 semesters	\$3,722	\$3,748	\$3,775	\$3,802	\$3,830	\$3,857	\$3,885	\$3,913	\$3,941	\$3,969	\$3,997
Comm Coll - 1 semester	\$2,027	\$2,041	\$2,056	\$2,071	\$2,086	\$2,101	\$2,116	\$2,131	\$2,146	\$2,161	\$2,177

Table D
College Illinois!® 529 Prepaid Tuition Program
Fee Schedule for 2010-2011 Pricing Period

Type of Fee	Description	Amount
ADMINISTRATIVE FEES		
Administrative load	ensure adequacy of annual program administration	included in contract prices
SERVICE FEES		
Late payment - monthly payment plan	payment received after payment grace period	\$20
Late payment - lump sum, annual or down payment	payment received after payment grace period	1% of outstanding balance
Non-sufficient funds/returned payment	payments returned by financial institution	\$20
Change payment schedule	change in payment schedule	\$15
Change of purchaser	change of purchaser of plan	\$15
Change of beneficiary	change of beneficiary of plan	\$15
Change type of plan	changing from one plan type to another	\$15
Document replacement	new coupon book, welcome package, etc.	\$15
Benefits transfer to private or out-of-state school	processing private or out-of-state school invoice	\$15 per institution attended
CANCELLATION FEES		
Cancellation - voluntary *	purchaser elects to cancel account	The lesser of \$100 or 50% of amount paid
Cancellation - involuntary	plan is canceled due to delinquency, incorrect information, etc.	The lesser of \$100 or 50% of amount paid
Cancellation - fraud	plan is canceled due to deliberate misrepresentation	The lesser of \$500 or 100% of amount paid
Account maintenance - lump sum payment	charge assessed for cancellation of lump sum plans	35 cents per month

* For reasons other than death, disability or scholarship.

Table E
College Illinois!® 529 Prepaid Tuition Program
Increases in Tuition and Fees (Mean-Weighted Average)

Fiscal Year	UIUC		Illinois Public Universities (except UIUC)		Illinois Public Universities		Illinois Community Colleges	
	Average Tuition and Fees	Annual Increase	Average Tuition and Fees	Annual Increase	Average Tuition and Fees	Annual Increase	Average Tuition and Fees	Annual Increase
2010-2011	\$14,240	8.0%	\$10,519	9.5%	\$11,386	9.0%	\$3,307	12.5%
2009-2010	\$13,183	11.2%	\$9,609	9.9%	\$10,442	10.5%	\$2,939	6.4%
2008-2009	\$11,856	10.5%	\$8,741	10.6%	\$9,452	10.5%	\$2,762	6.1%
2007-2008	\$10,730	10.0%	\$7,906	8.0%	\$8,553	8.6%	\$2,603	5.6%
2006-2007	\$9,755	8.2%	\$7,321	9.7%	\$7,875	10.1%	\$2,465	6.3%
2005-2006	\$9,019	11.1%	\$6,671	8.8%	\$7,151	8.9%	\$2,318	8.4%
2004-2005*	\$8,118	17.0%	\$6,130	12.2%	\$6,565	13.5%	\$2,138	10.5%
2003-2004	\$6,940	6.8%	\$5,464	10.2%	\$5,785	9.2%	\$1,935	5.7%
2002-2003	\$6,498	8.8%	\$4,959	11.3%	\$5,298	10.7%	\$1,830	5.7%
2001-2002	\$5,970	13.7%	\$4,456	6.8%	\$4,786	8.6%	\$1,731	4.7%
Average Annual Increase -								
Past 10 years:		10.5%		9.7%		10.0%		7.2%
* Truth in Tuition began								

Table F
College Illinois! 529 Prepaid Tuition Program
Newborn through Kindergarten Lump Sum Payments
Contract Prices for 2009-10 Pricing Period

Type of Plan	Contract Price											
	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10
University+ 9 semesters	\$79,168	\$79,735	\$80,307	\$80,883	\$81,463	\$82,047	\$82,635	\$83,227	\$83,824	\$84,425	\$85,030	\$85,639
University+ 8 semesters	\$71,420	\$71,932	\$72,447	\$72,967	\$73,490	\$74,016	\$74,547	\$75,081	\$75,620	\$76,162	\$76,708	\$77,258
University+ 7 semesters	\$63,456	\$63,911	\$64,369	\$64,831	\$65,295	\$65,764	\$66,235	\$66,710	\$67,188	\$67,670	\$68,155	\$68,643
University+ 6 semesters	\$55,219	\$55,615	\$56,014	\$56,415	\$56,820	\$57,227	\$57,637	\$58,050	\$58,466	\$58,886	\$59,308	\$59,733
University+ 5 semesters	\$46,743	\$47,078	\$47,416	\$47,756	\$48,098	\$48,443	\$48,790	\$49,140	\$49,492	\$49,847	\$50,204	\$50,564
University+ 4 semesters	\$37,126	\$37,392	\$37,660	\$37,930	\$38,202	\$38,476	\$38,752	\$39,030	\$39,309	\$39,591	\$39,875	\$40,161
University+ 3 semesters	\$28,294	\$28,497	\$28,701	\$28,907	\$29,114	\$29,323	\$29,533	\$29,745	\$29,958	\$30,173	\$30,389	\$30,607
University+ 2 semesters	\$18,919	\$19,055	\$19,191	\$19,329	\$19,467	\$19,607	\$19,747	\$19,889	\$20,032	\$20,175	\$20,320	\$20,465
University+ 1 semester	\$9,442	\$9,509	\$9,578	\$9,646	\$9,715	\$9,785	\$9,855	\$9,926	\$9,997	\$10,069	\$10,141	\$10,214
University + Combination	\$42,807	\$43,114	\$43,423	\$43,734	\$44,047	\$44,363	\$44,681	\$45,002	\$45,324	\$45,649	\$45,976	\$46,306
University 9 semesters	\$53,114	\$53,495	\$53,878	\$54,264	\$54,653	\$55,045	\$55,440	\$55,837	\$56,238	\$56,641	\$57,047	\$57,456
University 8 semesters	\$47,891	\$48,234	\$48,580	\$48,928	\$49,279	\$49,632	\$49,988	\$50,346	\$50,707	\$51,071	\$51,437	\$51,806
University 7 semesters	\$42,534	\$42,838	\$43,146	\$43,455	\$43,766	\$44,080	\$44,396	\$44,714	\$45,035	\$45,358	\$45,683	\$46,010
University 6 semesters	\$36,992	\$37,257	\$37,524	\$37,793	\$38,064	\$38,337	\$38,612	\$38,889	\$39,167	\$39,448	\$39,731	\$40,016
University 5 semesters	\$31,301	\$31,526	\$31,752	\$31,979	\$32,209	\$32,439	\$32,672	\$32,906	\$33,142	\$33,380	\$33,619	\$33,860
University 4 semesters	\$24,880	\$25,058	\$25,238	\$25,419	\$25,601	\$25,785	\$25,970	\$26,156	\$26,343	\$26,532	\$26,722	\$26,914
University 3 semesters	\$18,955	\$19,091	\$19,228	\$19,366	\$19,504	\$19,644	\$19,785	\$19,927	\$20,070	\$20,214	\$20,359	\$20,504
University 2 semesters	\$12,638	\$12,728	\$12,820	\$12,912	\$13,004	\$13,097	\$13,191	\$13,286	\$13,381	\$13,477	\$13,574	\$13,671
University 1 semester	\$6,333	\$6,378	\$6,424	\$6,470	\$6,516	\$6,563	\$6,610	\$6,657	\$6,705	\$6,753	\$6,802	\$6,850
University Combination	\$30,167	\$30,383	\$30,601	\$30,820	\$31,041	\$31,264	\$31,488	\$31,714	\$31,941	\$32,170	\$32,401	\$32,633
Comm Coll - 4 semesters	\$5,725	\$5,766	\$5,807	\$5,849	\$5,890	\$5,933	\$5,975	\$6,018	\$6,061	\$6,105	\$6,148	\$6,192
Comm Coll - 3 semesters	\$4,384	\$4,415	\$4,447	\$4,478	\$4,511	\$4,543	\$4,575	\$4,608	\$4,641	\$4,675	\$4,708	\$4,742
Comm Coll - 2 semesters	\$3,019	\$3,041	\$3,062	\$3,084	\$3,106	\$3,129	\$3,151	\$3,174	\$3,196	\$3,219	\$3,242	\$3,266
Comm Coll - 1 semester	\$1,583	\$1,595	\$1,606	\$1,618	\$1,629	\$1,641	\$1,653	\$1,665	\$1,677	\$1,689	\$1,701	\$1,713

Table G
College Illinois! 529 Prepaid Tuition Program
First Grade through Eighth Grade Lump Sum Payments
Contract Prices for 2009-10 Pricing Period

Type of Plan	Contract Price											
	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10
University+ 9 semesters	\$80,484	\$81,061	\$81,642	\$82,227	\$82,817	\$83,410	\$84,008	\$84,611	\$85,217	\$85,828	\$86,443	\$87,063
University+ 8 semesters	\$72,607	\$73,127	\$73,651	\$74,179	\$74,711	\$75,247	\$75,786	\$76,330	\$76,877	\$77,428	\$77,983	\$78,542
University+ 7 semesters	\$64,511	\$64,973	\$65,439	\$65,908	\$66,381	\$66,857	\$67,336	\$67,819	\$68,305	\$68,795	\$69,288	\$69,784
University+ 6 semesters	\$56,137	\$56,539	\$56,945	\$57,353	\$57,764	\$58,178	\$58,595	\$59,015	\$59,438	\$59,864	\$60,294	\$60,726
University+ 5 semesters	\$47,520	\$47,861	\$48,204	\$48,549	\$48,897	\$49,248	\$49,601	\$49,957	\$50,315	\$50,675	\$51,039	\$51,405
University+ 4 semesters	\$37,743	\$38,014	\$38,286	\$38,561	\$38,837	\$39,115	\$39,396	\$39,678	\$39,963	\$40,249	\$40,538	\$40,828
University+ 3 semesters	\$28,765	\$28,971	\$29,179	\$29,388	\$29,598	\$29,811	\$30,024	\$30,240	\$30,456	\$30,675	\$30,895	\$31,116
University+ 2 semesters	\$19,233	\$19,371	\$19,510	\$19,650	\$19,791	\$19,933	\$20,076	\$20,220	\$20,365	\$20,511	\$20,658	\$20,806
University+ 1 semester	\$9,599	\$9,668	\$9,737	\$9,807	\$9,877	\$9,948	\$10,019	\$10,091	\$10,163	\$10,236	\$10,309	\$10,383
University + Combination	\$44,395	\$44,713	\$45,034	\$45,357	\$45,682	\$46,009	\$46,339	\$46,671	\$47,006	\$47,343	\$47,682	\$48,024
University 9 semesters	\$55,804	\$56,204	\$56,607	\$57,013	\$57,421	\$57,833	\$58,248	\$58,665	\$59,086	\$59,509	\$59,936	\$60,366
University 8 semesters	\$50,316	\$50,677	\$51,040	\$51,406	\$51,775	\$52,146	\$52,520	\$52,896	\$53,276	\$53,657	\$54,042	\$54,430
University 7 semesters	\$44,688	\$45,008	\$45,331	\$45,656	\$45,983	\$46,313	\$46,645	\$46,979	\$47,316	\$47,655	\$47,997	\$48,341
University 6 semesters	\$38,865	\$39,144	\$39,425	\$39,707	\$39,992	\$40,279	\$40,567	\$40,858	\$41,151	\$41,446	\$41,743	\$42,043
University 5 semesters	\$32,887	\$33,122	\$33,360	\$33,599	\$33,840	\$34,082	\$34,327	\$34,573	\$34,821	\$35,070	\$35,322	\$35,575
University 4 semesters	\$26,140	\$26,328	\$26,516	\$26,706	\$26,898	\$27,091	\$27,285	\$27,480	\$27,677	\$27,876	\$28,076	\$28,277
University 3 semesters	\$19,915	\$20,058	\$20,202	\$20,346	\$20,492	\$20,639	\$20,787	\$20,936	\$21,086	\$21,237	\$21,390	\$21,543
University 2 semesters	\$13,278	\$13,373	\$13,469	\$13,566	\$13,663	\$13,761	\$13,859	\$13,959	\$14,059	\$14,160	\$14,261	\$14,363
University 1 semester	\$6,654	\$6,701	\$6,749	\$6,798	\$6,846	\$6,895	\$6,945	\$6,995	\$7,045	\$7,095	\$7,146	\$7,197
University Combination	\$32,244	\$32,475	\$32,708	\$32,943	\$33,179	\$33,417	\$33,656	\$33,898	\$34,141	\$34,385	\$34,632	\$34,880
Comm Coll - 4 semesters	\$6,072	\$6,116	\$6,160	\$6,204	\$6,248	\$6,293	\$6,338	\$6,384	\$6,429	\$6,475	\$6,522	\$6,569
Comm Coll - 3 semesters	\$4,625	\$4,658	\$4,692	\$4,725	\$4,759	\$4,793	\$4,828	\$4,862	\$4,897	\$4,932	\$4,968	\$5,003
Comm Coll - 2 semesters	\$3,146	\$3,169	\$3,192	\$3,215	\$3,238	\$3,261	\$3,284	\$3,308	\$3,331	\$3,355	\$3,379	\$3,404
Comm Coll - 1 semester	\$1,684	\$1,696	\$1,708	\$1,720	\$1,732	\$1,745	\$1,757	\$1,770	\$1,783	\$1,795	\$1,808	\$1,821

Table H
College Illinois! 529 Prepaid Tuition Program
Ninth Grade and Older Lump Sum Payments
Contract Prices for 2009-10 Pricing Period

Type of Plan	Contract Price											
	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10
University+ 9 semesters	\$81,096	\$81,677	\$82,263	\$82,853	\$83,447	\$84,045	\$84,647	\$85,254	\$85,865	\$86,481	\$87,101	\$87,725
University+ 8 semesters	\$73,159	\$73,683	\$74,212	\$74,744	\$75,279	\$75,819	\$76,363	\$76,910	\$77,461	\$78,017	\$78,576	\$79,139
University+ 7 semesters	\$65,002	\$65,468	\$65,937	\$66,410	\$66,886	\$67,365	\$67,848	\$68,335	\$68,824	\$69,318	\$69,815	\$70,315
University+ 6 semesters	\$56,564	\$56,969	\$57,378	\$57,789	\$58,203	\$58,621	\$59,041	\$59,464	\$59,890	\$60,320	\$60,752	\$61,188
University+ 5 semesters	\$47,881	\$48,225	\$48,570	\$48,919	\$49,269	\$49,623	\$49,978	\$50,337	\$50,697	\$51,061	\$51,427	\$51,796
University+ 4 semesters	\$38,030	\$38,303	\$38,577	\$38,854	\$39,132	\$39,413	\$39,696	\$39,980	\$40,267	\$40,555	\$40,846	\$41,139
University+ 3 semesters	\$28,983	\$29,191	\$29,400	\$29,611	\$29,824	\$30,037	\$30,253	\$30,470	\$30,688	\$30,908	\$31,130	\$31,353
University+ 2 semesters	\$19,380	\$19,519	\$19,659	\$19,799	\$19,941	\$20,084	\$20,228	\$20,373	\$20,519	\$20,667	\$20,815	\$20,964
University+ 1 semester	\$9,672	\$9,741	\$9,811	\$9,881	\$9,952	\$10,023	\$10,095	\$10,168	\$10,240	\$10,314	\$10,388	\$10,462
University + Combination	\$45,368	\$45,693	\$46,021	\$46,351	\$46,683	\$47,018	\$47,355	\$47,694	\$48,036	\$48,380	\$48,727	\$49,077
University 9 semesters	\$57,611	\$58,024	\$58,439	\$58,858	\$59,280	\$59,705	\$60,133	\$60,564	\$60,999	\$61,436	\$61,876	\$62,320
University 8 semesters	\$51,945	\$52,318	\$52,693	\$53,071	\$53,451	\$53,834	\$54,220	\$54,609	\$55,000	\$55,395	\$55,792	\$56,192
University 7 semesters	\$46,134	\$46,465	\$46,798	\$47,134	\$47,472	\$47,812	\$48,155	\$48,500	\$48,848	\$49,198	\$49,550	\$49,906
University 6 semesters	\$40,124	\$40,411	\$40,701	\$40,993	\$41,287	\$41,583	\$41,881	\$42,181	\$42,483	\$42,788	\$43,095	\$43,404
University 5 semesters	\$33,951	\$34,195	\$34,440	\$34,687	\$34,935	\$35,186	\$35,438	\$35,692	\$35,948	\$36,206	\$36,465	\$36,727
University 4 semesters	\$26,986	\$27,180	\$27,375	\$27,571	\$27,769	\$27,968	\$28,168	\$28,370	\$28,573	\$28,778	\$28,985	\$29,192
University 3 semesters	\$20,560	\$20,707	\$20,856	\$21,005	\$21,156	\$21,307	\$21,460	\$21,614	\$21,769	\$21,925	\$22,082	\$22,240
University 2 semesters	\$13,708	\$13,806	\$13,905	\$14,005	\$14,105	\$14,206	\$14,308	\$14,411	\$14,514	\$14,618	\$14,723	\$14,828
University 1 semester	\$6,869	\$6,918	\$6,968	\$7,018	\$7,068	\$7,119	\$7,170	\$7,221	\$7,273	\$7,325	\$7,378	\$7,430
University Combination	\$33,677	\$33,919	\$34,162	\$34,407	\$34,653	\$34,902	\$35,152	\$35,404	\$35,658	\$35,914	\$36,171	\$36,430
Comm Coll - 4 semesters	\$6,348	\$6,393	\$6,439	\$6,485	\$6,532	\$6,579	\$6,626	\$6,673	\$6,721	\$6,769	\$6,818	\$6,867
Comm Coll - 3 semesters	\$4,813	\$4,847	\$4,882	\$4,917	\$4,952	\$4,988	\$5,023	\$5,059	\$5,096	\$5,132	\$5,169	\$5,206
Comm Coll - 2 semesters	\$3,236	\$3,259	\$3,283	\$3,306	\$3,330	\$3,354	\$3,378	\$3,402	\$3,427	\$3,451	\$3,476	\$3,501
Comm Coll - 1 semester	\$1,763	\$1,775	\$1,788	\$1,801	\$1,814	\$1,827	\$1,840	\$1,853	\$1,866	\$1,880	\$1,893	\$1,907