

AGENDA ITEM 3.

EXECUTIVE DIRECTOR'S REPORT

**ILLINOIS STUDENT ASSISTANCE COMMISSION
FINANCIAL STATEMENTS
YEAR TO DATE JULY 31, 2012 – FISCAL YEAR 2013**

Attached are the financial statements for the **Student Loan Operating Fund (SLOF), Illinois Designated Account Purchase Program (IDAPP) and College Illinois as of July - FY 2013.**

The Student Loan Operating fund (SLOF) is the primary operating fund which accounts for ISAC's administrative expenditures. The source of funds for SLOF is the revenue generated from the guarantor operations for the Federal Family Education Loan Program (FFELP).

- **SLOF** has total revenues of \$2.92 million in July 2012 just short of the budgeted amount of \$3 million for the month.
- Personnel services expenditures were lower than budgeted because the budgeted Cost of Living Adjustment (COLA) for staff is effective only as of August 1st 2012. Beginning in August, payroll expenditures will reflect the COLA adjustment.
- Contractual services expenditures were less than budgeted due to timing of vendor invoices due for payment and also because we didn't need to utilize any of the contingency reserve amount included in the budget.
- Total net income for the month is almost \$400,000, versus a budget of \$125,000.
- Unrestricted fund balance in SLOF is approximately \$13 million.
- **IDAPP** had a break even month with \$12,463 in net administrative income.
- **College Illinois** had approximately \$9.4 million in investment income in July 2012.
- Administrative expenditures in College Illinois are approximately \$363,445 for July 2012.
- Expenditures for all funds are well within budgeted amounts for the month.

Key external factors that may impact revenues/expenses in the coming months:

- While we have taken significant management actions to improve collection efforts, collection revenues in SLOF are also dependent on overall economic conditions so another downturn in the economy could result in a significant decrease in FFELP revenues.
- The Department of Education's budget for Federal Fiscal Year 2013 recommends a 50% cut to the retention rate for rehabilitated loans. This could result in a decrease in revenue to the agency of over \$8 million annually. The current expectation is that Congress will pass a six month continuing resolution which we do not think is likely to include a cut in the rehabilitation rate. Therefore, if the federal budget for FY 2013 is not passed by Congress until March of next year, we believe this would not impact ISAC materially in the current fiscal year.
- ISAC has leased the fifth floor of the Deerfield facility to the Department of Children and Family services and half the fourth floor to Health and Human Services. The rent from both these agencies will offset our lease expenses in the current year by approximately \$700,000. This was not included in the budget for FY2103.

Preliminary numbers for August look promising with total revenues at over \$3.1 million. ISAC management has controls in place to monitor actual expenditures against budgeted amounts and continues to watch our spending to minimize non-critical expenditures to help ensure the financial stability of the agency.

ILLINOIS STUDENT ASSISTANCE COMMISSION
BALANCE SHEET (UNAUDITED)
FY 2013
AS OF 07/31/2012

	STUDENT LOAN OPERATING FUND	ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM	COLLEGE ILLINOIS! PREPAID TUITION FUND
ASSETS			
CASH AND CASH EQUIVALENTS UNRESTRICTED	11,088,557	16,460,883	6,383,699
CASH AND CASH EQUIVALENTS RESTRICTED	103,529	35,014,271	-
INVESTMENTS	9,465,329	5,290	1,084,506,204
STUDENT LOAN RECEIVABLE (NET)	240,798	795,458,946	-
CONTRACTS RECEIVABLE (NET)	-	-	79,884,353
UNAMORTIZED FEES & COSTS	-	16,225,080	-
DUE FROM OTHER FUNDS	6,636,287	176,285	-
FIXED ASSETS NET OF DEPRECIATION	1,804,476	3,719	-
TOTAL ASSETS	\$ 29,338,976	863,344,474	1,170,774,256
LIABILITIES			
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	3,863,624	689,938	621,336
BONDS / LINE OF CREDIT PAYABLE (NET)	-	772,661,261	-
UNAMORTIZED GAIN ON NEW FINANCING	-	62,220,380	-
ACCRUED INTEREST PAYABLE	-	518,722	-
DUE TO DEPARTMENT OF EDUCATION	-	2,898,724	-
INVESTMENTS DUE TO TREASURER'S OFFICE	9,455,000	-	-
DUE TO OTHER FUNDS	2,676,386	3,389,529	-
TUITION PAYABLE	-	-	908,317,999
ACCRETION PAYABLE	-	-	810,833,673
TOTAL LIABILITIES	\$ 15,995,011	842,378,554	1,719,773,008
FUND BALANCES			
RESTRICTED	103,529	127,186	-
UNRESTRICTED	13,240,436	20,838,734	(548,998,752)
TOTAL FUND BALANCES	\$ 13,343,965	20,965,921	(548,998,752)
TOTAL LIABILITIES AND FUND BALANCES			
	\$ 29,338,976	863,344,474	1,170,774,256

**ILLINOIS STUDENT ASSISTANCE COMMISSION
FISCAL YEAR 2013 APPROPRIATION SUMMARY REPORT**

As on 07/31/12

	FY2013 Appropriation	Year-to-date Expended	Number of Recipients	Percentage Expended
<u>STATE GENERAL FUNDS</u>				
SCHOLARSHIPS AND GRANTS				
Monetary Award Program	\$371,309,400	\$0	0	0.0%
Teacher Loan Forgiveness Program	500,000	\$0	0	0.0%
Minority Teacher Scholarships	2,500,000	\$0	0	0.0%
Illinois Future Teachers Corps Scholarships	4,900,000	\$0	0	0.0%
Dependents Grants	1,050,000	\$0	0	0.0%
Nurse Educator Loan Repayment Program	300,000	\$0	0	0.0%
Veterans' Home Nurse Loan Repayment Program	30,000	\$0	0	0.0%
Illinois Scholars Program	40,000	\$0	N/A	0.0%
TOTAL	\$380,629,400	\$0	0	0.0%
<u>SPECIAL REVENUE FUNDS</u>				
STUDENT LOAN OPERATING FUND				
Administration Expense	59,477,500	2,426,339	N/A	4.1%
Federal Loan System Development & Maintenance	3,500,000	0	N/A	0.0%
TOTAL	\$62,977,500	\$2,426,339	0	3.9%
FEDERAL STUDENT LOAN FUND				
Loan Guarantee Program	290,000,000	254,276	N/A	0.1%
TOTAL	\$290,000,000	\$254,276	N/A	0.1%
SCHOLARSHIPS AND GRANTS				
Federal College Access Challenge Grant Program	15,000,000	250,996	N/A	1.7%
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	\$250,996	\$0	1.6%
OTHER				
ISAC Accounts Receivables	300,000	0	N/A	0.0%
Higher Education License Plate Program	90,000	0	N/A	0.0%
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	25,000,000	0	N/A	0.0%
TOTAL, SPECIAL REVENUE FUNDS	\$394,397,500	\$2,931,611	0	0.7%
GRAND TOTAL	\$775,026,900	\$2,931,611	0	0.4%

**ILLINOIS STUDENT ASSISTANCE COMMISSION
INCOME STATEMENT (UNAUDITED)
STUDENT LOAN OPERATING FUND
FY 2013
MONTH ENDED 07/31/2012**

DESCRIPTION	YEAR TO DATE				
	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL	CY vs PY VARIANCE	BUDGET	CY vs BUDGET VARIANCE
REVENUES					
COLLECTIONS	524,537	460,360	64,177	583,333	-10.1%
REPURCHASE / REHAB / CONSOL	1,802,070	1,554,400	247,670	1,983,333	-9.1%
INTEREST & OTHER INVEST INCOME	10,329	2,717	7,612	7,500	37.7%
ACCOUNT MAINTENANCE FEE	276,421	304,340	(27,919)	250,000	10.6%
DEFAULT AVERSION FEE	77,534	103,679	(26,145)	116,667	-33.5%
LEGAL RECOVERIES	2,500	-	2,500	-	0.0%
MISCELLANEOUS INCOME	229,575	3,128	226,447	59,167	288.0%
TOTAL REVENUES	2,922,966	2,428,625	494,342	3,000,000	-2.6%
EXPENDITURES					
ADMINISTRATIVE EXPENSES					
PERSONAL SERVICES & FRINGE BEN	1,990,842	1,924,835	66,007	2,039,517	-2.4%
CONTRACTUAL SERVICES	360,101	308,622	51,479	558,233	-35.5%
RENTAL & MGMT OF REAL PROP	170,179	250,259	(80,080)	221,950	-23.3%
EQUIPMENT & TELECOM	-	400	(400)	34,950	-100.0%
TRAVEL	2,868	434	2,434	3,442	-16.7%
CAPITALIZED SOFTWARE	-	-	-	-	0.0%
OTHER ADMIN EXPENSES	152	15,235	(15,083)	14,367	-98.9%
TOTAL ADMINISTRATIVE EXPENSES	2,524,141	2,499,784	24,357	2,872,459	-12.1%
PROGRAM EXPENSES					
DEFAULT FEE	-	(277)	277	(1,025)	-100.0%
OTHER PROGRAM EXPENSES	34	303	(269)	3,500	-99.0%
TOTAL PROGRAM EXPENSES	34	26	8	2,475	-98.6%
TOTAL EXPENDITURES	2,524,175	2,499,810	24,365	2,874,934	-12.2%
EXCESS REVENUE OVER (UNDER)					
EXPENDITURES, AFTER TRANSFERS	398,791	(71,186)	469,977	125,067	218.9%
SCHOLARSHIP & GRANT PAYMENTS					
MAP / TRANSFERS IN	-	-	-	-	0.0%
SCHOLARSHIPS & GRANTS / TRANSFERS IN	-	-	-	-	0.0%
TOTAL SCHOLARSHIP & GRANT PAYMENTS	-	-	-	-	0.0%
NET AFTER SCHOLARSHIP & GRANT PAYMENTS	398,791	(71,186)	469,977	125,067	218.9%
BEGINNING FUND BALANCE	12,945,174	40,620,430			
UNRESTRICTED FUND BALANCE	13,240,436	7,049,244			
RESTRICTED FOR PAYMENT OF SCHOLARSHIPS & GRANT	103,529	33,500,000			
ENDING FUND BALANCE	13,343,965	40,549,244			

**ILLINOIS STUDENT ASSISTANCE COMMISSION
INCOME STATEMENT (UNAUDITED)
ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM
FY 2013
MONTH ENDED 07/31/2012**

DESCRIPTION	YEAR TO DATE				
	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL	CY vs PY VARIANCE	BUDGET	CY vs PY VARIANCE
IDAPP ADMINISTRATION					
OPERATING REVENUE					
IDAPP SERVICING FEE RECEIVED FROM TRUSTS	303,584	302,437	1,147	276,167	9.9%
NFD FEES	20,629	-	20,629	21,000	-1.8%
DOE PUT FEE	-	-	-	-	0.0%
TOTAL OPERATING REVENUE	324,213	302,437	21,776	297,167	9.1%
OPERATING EXPENSES					
SALARIES AND EMPLOYEE BENEFITS	158,935	264,485	(105,550)	166,667	-4.6%
EXTERNAL LOAN SERVICING	77,000	87,694	(10,693)	75,000	2.7%
OTHER CONTRACTUAL SERVICES	20,934	1,473	19,462	20,833	0.5%
OTHER	37,316	30,316	7,000	6,250	497.1%
TOTAL OPERATING EXPENSES	294,187	383,968	(89,781)	268,750	9.5%
SHARED EXPENSE ALLOCATION	-	-	-	-	0.0%
CONSOLIDATION REBATE FEE	15,936	16,021	(85)	15,183	5.0%
FIB/SAP/EXCESS INTEREST	1,628	1,790	(162)	1,917	-15.1%
NET ADMINISTRATION OPERATING PROFIT	12,463	(99,342)	111,805	11,317	10.1%
NET TRANSFER OF ASSETS FROM TRUST	(123,886)	134,848	(258,735)	-	0.0%
NET ADMIN ASSETS JULY 1, 2012	20,950,158	20,525,860	424,297	-	0.0%
NET ADMIN ASSET JULY 31, 2012	20,838,734	20,561,367	277,368	11,317	184042.0%
TRUST OPERATIONS					
OPERATING REVENUE					
STUDENT LOAN INTEREST INCOME	2,845,599	3,242,872	(397,272)	-	0.0%
GAIN ON LOAN PURCHASE DISCOUNT	1,591	-	1,591	-	0.0%
INVESTMENT INCOME	(779)	32,865	(33,644)	-	0.0%
TOTAL OPERATING REVENUE	2,846,411	3,275,737	(429,326)	-	0.0%
OPERATING EXPENSES					
INTEREST EXPENSE	774,895	790,757	(15,862)	-	0.0%
GAIN ON EXTINGUISHMENT OF DEBT - NET	(368,168)	(368,168)	-	-	0.0%
AMORTIZATION OF LOAN PREMIUMS & FEES	200,687	215,457	(14,770)	-	0.0%
CONSOLIDATION REBATE FEE	177,884	193,363	(15,479)	-	0.0%
IDAPP SERVICING FEE RECEIVED FROM TRUSTS	303,584	302,437	1,147	-	0.0%
EXTERNAL LOAN SERVICING	27,955	28,872	(917)	-	0.0%
BOND ISSUANCE AND LEGAL FEES	63,769	92,731	(28,963)	-	0.0%
OTHER CONTRACTUAL SERVICES	97,343	112,249	(14,906)	-	0.0%
TOTAL OPERATING EXPENSES	1,277,949	1,367,699	(89,750)	-	0.0%
GROSS OPERATING PROFIT	1,568,462	1,908,038	(339,576)	-	0.0%
PROVISION FOR LOAN LOSS	1,336,639	-	1,336,639	-	0.0%
FIB/SAP/EXCESS INTEREST	722,840	845,105	(122,265)	-	0.0%
NET TRUST OPERATING PROFIT	(491,016)	1,062,933	(1,553,949)	-	0.0%
NET TRUST ASSETS JULY 1, 2012	494,316	6,425,682	(5,931,366)	-	0.0%
OTHER OPERATING TRANSFERS	123,886	(134,848)	258,735	-	0.0%
NET TRUST ASSET JULY 31, 2012	618,202	6,290,834	(5,672,631)	-	0.0%
COMBINED NET INCOME	(478,553)	963,591	(1,442,144)	11,317	-4328.7%
COMBINED NET ASSETS JULY 1, 2012	21,444,474	26,951,542	(5,507,069)	-	0.0%
COMBINED NET ASSET JULY 31, 2012	20,965,921	27,915,133	(6,949,212)	11,317	185165.9%

**ILLINOIS STUDENT ASSISTANCE COMMISSION
INCOME STATEMENT (UNAUDITED)
COLLEGE ILLINOIS!
FY 2013
MONTH ENDED 07/31/2012**

DESCRIPTION	YEAR TO DATE				
	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL	CY vs PY VARIANCE	BUDGET	CY vs PY VARIANCE
REVENUES					
INTEREST INCOME	2,662	530	2,132	-	0.0%
INCOME FROM INVESTMENT SEC FEES	9,312,588 36,413	541,661 67,293	8,770,927 (30,881)	-	0.0%
TOTAL REVENUES	9,351,663	609,484	8,742,179	-	0.0%
EXPENDITURES					
ADMINISTRATIVE EXPENDITURES					
PERSONAL SERVICES & FRINGE BEN [†]	75,447	103,742	(28,295)	104,167	-27.6%
CONTRACTUAL SERVICES	-	95,529	(95,529)	229,167	-100.0%
EQUIPMENT & TELECOM	-	-	-	-	0.0%
TRAVEL	-	-	-	1,108	-100.0%
INVESTMENT EXPENSE	121,105	126,417	(5,312)	155,000	-21.9%
OTHER ADMIN EXPENSES	-	-	-	8	-100.0%
TOTAL ADMINISTRATIVE EXPENDITURES	196,552	325,688	(129,136)	489,450	-59.8%
COST ALLOCATIONS					
SUPPORTING SERVICES [†]	166,893	178,410	(11,517)	166,667	0.1%
TOTAL COST ALLOCATIONS	166,893	178,410	(11,517)	166,667	0.1%
ACTUARIAL EXPENDITURES					
ACCRETION EXPENSE ACCRUED	-	5,918,207	(5,918,207)	6,696,958	-100.0%
TOTAL ACTUARIAL EXPENDITURES	-	5,918,207	(5,918,207)	6,696,958	-100.0%
TOTAL EXPENDITURES	363,445	6,422,306	(6,058,861)	7,353,075	-95.1%
EXCESS REVENUE OVER (UNDER) EXPENDITURES, AFTER TRANSFERS	8,988,218	(5,812,822)	14,801,040	(7,353,075)	-222.2%
BEGINNING FUND BALANCE	(557,986,970)	(262,131,379)			
ENDING FUND BALANCE	(548,998,752)	(267,944,201)			

** Note: Adjustment for estimated allocation.

ILLINOIS STUDENT ASSISTANCE COMMISSION

COLLEGE ILLINOIS!

SOURCES AND USES REPORT

July 2012 - FY 2013

BEGINNING MARKET VALUE TOTAL FUNDS BALANCE, 07/01/12

Cash at Custodians	\$7,417,280
Illiquid Liquidating Trust Asset	2,871,858
LSV Asset Management - International	5,537
SSgA MSCI EAFE	13,845,329
SCM Stable Value Account	40,860,260
Income Research & Management	68,593,159
Kennedy Wilson III	23,733,790
Kennedy Wilson IV	41,393,109
Security Capital Preferred Growth LLC	52,264,883
Pugh Capital Management	45,447,089
C.S. McKee Investment Manager	72,356,764
Piedmont Advisors	36,053,489
Alinda Infrastructure Fund II	30,512,787
RhumbLine Advisers Large Cap	81,857,417
RhumbLine Advisers All Cap	132,275,466
Interest & Dividends	10,433,068
Portfolio Advisors Secondary Fund L.P.	17,417,949
JPM AIRRO	17,534,808
Balestra Capital Spectrum	50,129,709
Neuberger Berman	26,516,270
Pinnacle Natural Resource	61,349,909
Reynoso Asset Management	14,515,262
Morgan Stanley	17,324,320
DDJ Distressed	64,682,640
Ativo	27,660,879
Madison Square	28,478,515
Harris Pyrford	30,805,165
Lyrical-Antheus	20,692,037
Mesirow Re Value	9,179,914
Camelot Secondary Fund	19,846,610
Camelot Co-Investment	14,613,455

TOTAL BEGINNING BALANCE

\$1,080,668,728

SOURCES OF FUNDS

Contributions received	\$2,529,404
Application and other fees	36,413
Interest from Treasury and Banks	812
Unrealized Gain on Investments	7,943,959
Interest on Investments	1,269,058
Interest and Other Income	1,940
Change in Market Value Alternative Investments	99,571

TOTAL SOURCES

\$11,881,157

USES OF FUNDS

Administrative Expenses	\$510,326
Refunds to Purchasers	2,213,074
Tuition Payments	475,321
Investment Expense	403,428

TOTAL USES

\$3,602,149

ENDING MARKET VALUE TOTAL FUNDS BALANCE, 07/31/12

Cash at Custodians	\$6,383,699	
Illiquid Liquidating Trust Assets	2,882,245	
SSgA MSCI EAFE	26,184,682	
LSV Asset Management - International	5,372	
Income Research & Management	69,441,159	
C.S. McKee Investment Managers	73,399,501	
Pugh Capital Management	46,037,247	
Piedmont Investment Advisors	36,558,511	
RhumbLine Advisers All Cap	133,511,518	
RhumbLine Advisers Large Cap	82,983,537	
Interest and Dividends Account	2,167,652	
Security Capital (Stable Value Acct)	41,613,443	
Balestra Capital-Spectrum	50,129,709	
Neuberger Berman	26,516,270	
Pinnacle Natural Resources	61,349,909	
Security Capital Preferred Growth Fund LLC	52,793,205	
Alinda Infrastructure II Fund L.P.	29,971,846	
Portfolio Advisors Secondary Fund L.P.	18,330,644	
JPM AIRRO	17,534,808	
Morgan Stanley Secondary Fund	17,324,320	
REYNOSO Asset Management	9,515,262	
DDJ Distressed Fund	64,682,640	
KW Property Fund III L.P.	23,547,817	
KW Property Fund IV L.P.	41,393,109	
Ativo	28,548,168	
Madison Square	29,508,314	
Harris Pyrford	31,391,621	
Camelot Acquisitions Secondary	19,846,610	
Camelot Co-Investment	14,613,455	
Lyrical-Antheus Realty III	20,692,037	
Mesirow Re Value	10,089,425	
TOTAL ENDING BALANCE	1,088,947,734	\$1,088,947,734

NUMBER AND DOLLAR VALUE OF PLANS, 07/31/2012

Number of Plans:

Plans with Contributions Paid in Full	50,410
Active Plans	7,534
Cancelled Plans	12,361
Total Number of Contracts Sold	70,305
Contracts with benefits paid out in full	7,924
Contracts with outstanding Benefits	50,020

Purchased Value of all Plans \$1,650,283,626

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.

COLLEGE ILLINOIS! PREPAID TUITION PROGRAM - TOTAL PROGRAM PERFORMANCE

July 2012 - FY 2013

APPROXIMATE INVESTMENT RETURN, 07/31/2012

	Ending Market Value	Total Funding Level	Fiscal Year- to-Date	Since Inception	Inception Date	Asset Allocation	One Month
Total Program	\$1,088,947,734	\$901,880,078	0.9%	3.6%	7/6/1999	100.0%	0.9%
Domestic Equity	216,495,055	193,943,628	1.1%	2.0%	7/6/1999	20.0%	1.1%
Rhumblin Advisers All Cap	133,511,518	113,314,442	0.9%	13.9%	7/24/2009	12.3%	0.9%
<i>US Total Stock Market Index</i>			1.0%	14.4%			1.0%
Rhumblin Advisers Large Cap	82,983,537	80,629,186	1.4%	2.9%	6/30/2012	7.7%	1.4%
<i>S&P 500 Index</i>			1.4%	5.6%			1.4%
International Equity	115,632,785	116,946,905	2.7%	7.6%	10/1/2002	10.7%	2.7%
Ativo	28,548,168	29,530,773	3.0%	0.5%	11/12/2010	2.6%	3.0%
<i>MSCI EAFE + Canada Index</i>			1.3%	-1.0%			1.3%
Madison Square	29,508,314	29,626,626	3.5%	2.5%	11/12/2010	2.7%	3.5%
Harris Pyrford	31,391,621	29,639,507	1.7%	5.9%	11/12/2010	2.9%	1.7%
State Street MSCI EAFE INDEX FUND	26,184,682	28,150,000	0.7%	-11.9%	6/30/2011	2.4%	0.7%
<i>MSCI EAFE (Gross Div)</i>			1.2%	-0.1%			1.2%
Domestic Fixed Income	225,436,417	157,071,778	1.3%	6.6%	7/6/1999	20.8%	1.3%
C.S. McKee Investment Managers	73,399,501	46,858,015	1.4%	8.1%	7/27/2007	6.8%	1.4%
PUGH Capital Management	46,037,247	33,590,505	1.2%	8.5%	7/25/2007	4.2%	1.2%
Piedmont Investment Advisors	36,558,511	28,268,636	1.3%	7.2%	8/2/2007	3.4%	1.3%
<i>BC Aggregate Index</i>			1.4%	6.9%			1.4%
Income Research & Management	69,441,159	48,354,622	1.2%	6.5%	11/1/2006	6.4%	1.2%
<i>BARCAP Intermediate Gov't/Credit</i>			1.0%	5.7%			1.0%
Real Estate	190,129,035	148,867,741	0.7%	12.9%	8/14/2009	17.6%	0.7%
KW Property Fund III (lagged ¹)	23,547,817	18,579,654	0.0%	17.6%	8/17/2010	2.2%	0.0%
KW Property Fund IV (lagged ¹)	41,393,109	40,815,545	0.0%	12.8%	5/27/2011	3.8%	0.0%
SCM Stable Value	41,613,443	22,318,942	1.8%	12.7%	8/14/2009	3.8%	1.8%
SCM PREFERRED GROWTH	52,793,205	34,196,726	1.0%	17.9%	12/1/2009	4.9%	1.0%
Lyrical-Antheus Realty III (lagged ¹)	20,692,037	22,743,399	0.0%	-6.5%	2/28/2011	2.0%	0.0%
Mesirov Value (lagged ²)	10,089,425	10,213,475	0.0%	-3.4%	3/29/2011	0.9%	0.0%
<i>NCREIF Total Index</i>			0.9%	13.0%			0.9%
<i>NCREIF-ODCE Equal Weight Net</i>			0.9%	15.1%			0.9%
Infrastructure	47,506,654	45,723,130	-0.5%	13.9%	12/23/2009	4.4%	-0.5%
Alinda Capital II (lagged ¹)	29,971,846	27,530,236	-0.7%	12.7%	12/23/2009	2.8%	-0.7%
J.P. Morgan AIRRO Fund (lagged ²)	17,534,808	18,192,893	0.0%	-2.3%		1.6%	0.0%
<i>90-Day T-Bills + 4%</i>			0.3%	4.1%			0.3%
Absolute Return	147,511,150	140,000,000	0.05%	1.9%	2/1/2010	13.6%	0.05%
<i>90-Day T-Bill + 4%</i>			0.3%	4.1%			0.3%
Balestra Spectrum (lagged ¹)	50,129,709	50,000,000	0.0%	-0.1%	2/1/2010	4.6%	0.0%
<i>HFR MACRO</i>			0.0%	2.3%			0.0%
NB Diversified Arbitrage (lagged ¹)	26,516,270	25,000,000	0.0%	2.4%	2/1/2010	2.4%	0.0%
<i>HFR RELATIVE VALUE</i>			0.0%	5.6%			0.0%
Pinnacle Natural Resources (lagged ¹)	61,349,909	55,000,000	0.2%	4.5%	2/1/2010	5.7%	0.2%
<i>HFR MULTI-STRATEGY FOF</i>			0.0%	1.2%			0.0%
Reynoso Asset Management (lagged ¹)	9,515,262	10,000,000	-0.1%	0.0%	2/27/2010	0.9%	-0.1%
<i>HRFI Equity Market Neutral</i>			0.7%	1.5%			0.7%
Private Equity	134,797,669	99,326,897	0.0%	-18.0%	9/30/2008	12.2%	0.0%
Camelot Secondary Fund (lagged ²)	19,846,610	14,296,704	1.8%	17.5%	3/12/2010	1.8%	1.8%
Camelot Co-Investment (lagged ²)	14,613,455	10,000,000	0.0%	28.8%	2/10/2011	1.4%	0.0%
DDJ Distressed Fund (lagged ¹)	64,682,640	50,000,000	-0.6%	12.3%	6/1/2010	5.9%	-0.6%
Morgan Stanley Secondary Fund (lagged ¹)	17,324,320	12,589,949	0.0%	30.2%	4/29/2010	1.6%	0.0%
Portfolio Advisors Secondary Fund (lagged ⁴)	18,330,644	12,440,244	0.0%	24.7%	12/23/2009	1.5%	0.0%
<i>RUSSELL 3000 + 3%</i>			1.2%	14.9%			1.2%
Interest and Dividends Account	2,167,652	2,136,144	0.0%	0.1%	9/17/2008	0.2%	0.0%
<i>3-month Treasury Bill</i>			0.0%	0.1%			0.0%
Cash Account³	6,383,699		0.0%	2.9%		0.6%	0.0%
Illiquid Liquidating Trust	2,882,245						
LSV Asset Mgmt Int Recoverable Taxes	5,372						

1 - Market value is as of 6/30/12 and has been adjusted to reflect subsequent cash flows

2 - Market value is as of 3/31/12 and has been adjusted to reflect subsequent cash flows

3 - Market value includes cash at the Illinois Treasurer, Illinois Funds and JP Morgan Chase Bank

4 - Market value is as of a 6/30/12 draft and has been adjusted to reflect subsequent cash flows

Illinois Student Assistance Commission
 Illinois Designated Account Purchase Program Investment Information
 As of July 31, 2012

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 \$ 51,475,154

Asset Allocation:

	Value	Percent
Cash	\$ 8,799,956	17%
Money Market Funds	35,677,140	69%
U.S. Treasuries & Agencies	6,998,058	14%
Total	<u>\$ 51,475,154</u>	<u>100%</u>

Investment Income:

Interest Income \$ 1,618
 Unrealized Gain/(Loss) Net (2,396)

Monthly Income Yield 0.003%

Note:

The information reported above is believed to be accurate, but has not been audited.