

AGENDA ITEM 3.

EXECUTIVE DIRECTOR'S REPORT

ILLINOIS STUDENT ASSISTANCE COMMISSION
BALANCE SHEET (UNAUDITED)
FY 2017
AS OF 10/31/2016

	STUDENT LOAN OPERATING FUND	ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM	COLLEGE ILLINOIS! PREPAID TUITION FUND
ASSETS			
CASH AND CASH EQUIVALENTS UNRESTRICTED	52,719,699	21,892,310	7,587,776
CASH AND CASH EQUIVALENTS RESTRICTED	-	8,201,974	-
INVESTMENTS	14,244,359	-	934,198,672
STUDENT LOAN RECEIVABLE (NET)	-	404,047,638	-
CONTRACTS RECEIVABLE (NET)	-	-	51,206,641
UNAMORTIZED FEES & COSTS	-	1,744,614	-
DEFERRED OUTFLOW OF RESOURCES - PENSION	6,995,960	385,722	-
DUE FROM OTHER FUNDS	4,883,940	-	-
FIXED ASSETS NET OF DEPRECIATION	2,397,293	-	-
TOTAL ASSETS	\$ 81,241,251	436,272,258	992,993,088
LIABILITIES			
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	2,367,169	304,114	5,335,617
BONDS / LINE OF CREDIT PAYABLE (NET)	-	358,856,459	-
UNAMORTIZED GAIN ON NEW FINANCING	-	39,751,359	-
ACCRUED INTEREST PAYABLE	-	141,455	-
DUE TO DEPARTMENT OF EDUCATION	-	1,183,207	-
INVESTMENTS DUE TO TREASURER'S OFFICE	14,218,000	-	-
DUE TO OTHER FUNDS	1,203,188	2,064,895	238,300
DEFERRED INFLOW OF RESOURCES - PENSION	35,306,494	4,245,459	-
NET PENSION LIABILITY	45,933,430	2,688,786	-
TUITION PAYABLE	-	-	488,884,537
ACCRETION PAYABLE	-	-	713,656,067
TOTAL LIABILITIES	\$ 99,028,281	409,235,735	1,208,114,521
FUND BALANCES			
ALLOCATION OF STATE PENSION LIABILITY UNRESTRICTED	(74,243,964)	(6,548,523)	-
UNRESTRICTED	56,456,934	33,585,046	(215,121,433)
TOTAL FUND BALANCES	\$ (17,787,030)	27,036,523	(215,121,433)
TOTAL LIABILITIES AND FUND BALANCES	\$ 81,241,251	436,272,258	992,993,088

**ILLINOIS STUDENT ASSISTANCE COMMISSION
INCOME STATEMENT (UNAUDITED)
STUDENT LOAN OPERATING FUND
FY 2017
MONTH ENDED 10/31/2016**

DESCRIPTION	YEAR TO DATE				
	CURRENT YEAR	PRIOR YEAR	CY vs PY	BUDGET	CY vs BUDGET
	TOTAL	TOTAL	VARIANCE		VARIANCE
REVENUES					
COLLECTIONS	892,678	1,042,678	(150,001)	733,333	21.7%
REHABILITATIONS	5,034,814	8,889,694	(3,854,880)	4,000,000	25.9%
REPURCHASE / CONSOL	2,207,483	2,948,865	(741,382)	2,333,333	-5.4%
INTEREST & OTHER INVEST INCOME	104,477	77,856	26,621	72,533	44.0%
ACCOUNT MAINTENANCE FEE	751,149	828,997	(77,848)	733,333	2.4%
DEFAULT AVERSION FEE	70,683	102,723	(32,040)	-	0.0%
MISCELLANEOUS INCOME	106,939	108,690	(1,751)	60,667	76.3%
RENTAL INCOME	149,496	191,285	(41,790)	166,667	-10.3%
TOTAL REVENUES	9,317,719	14,190,788	(4,873,070)	8,099,867	15.0%
EXPENDITURES					
PERSONAL SERVICES & FRINGE BENEFITS	6,933,326	8,190,008	(1,256,682)	7,946,400	-12.7%
CONTRACTUAL SERVICES	2,691,906	2,812,858	(120,952)	2,922,199	-7.9%
RENTAL & MGMT OF REAL PROP	482,891	372,682	110,209	395,933	22.0%
EQUIPMENT & TELECOM	52,030	171,230	(119,199)	177,433	-70.7%
TRAVEL	36,064	29,066	6,998	52,600	-31.4%
OTHER ADMIN EXPENSES	31,856	5,908	25,948	36,933	-13.7%
ISACORPS DIRECT PERSONNEL COST	917,060	785,963	131,097	1,048,767	-12.6%
ISACORPS DIRECT CONTRACTUAL & OTHER EXPENS	92,372	80,782	11,590	83,767	10.3%
TOTAL EXPENDITURES	11,237,504	12,448,497	(1,210,992)	12,664,032	-11.3%
OPERATING INCOME (LOSS) BEFORE INTERFUND ALLOCATION	(1,919,786)	1,742,292	(3,662,077)	(4,564,165)	-57.9%
INTERFUND ALLOCATION					
AGENCY ADMINISTRATION - GRF EXPENSES	(980,546)	(2,755,911)	1,775,365	-	0.0%
AGENCY ADMINISTRATION - GRF BENEFIT SAVINGS	(697,978)	(2,167,156)	1,469,178	-	0.0%
OUTREACH - GRF EXPENSES	(116,415)	-	(116,415)	-	0.0%
OUTREACH - GRF BENEFIT SAVINGS	(82,645)	-	(82,645)	-	0.0%
COLLEGE ILLINOIS ALLOCATED EXPENSES	(625,114)	(444,248)	(180,866)	(500,000)	25.0%
TOTAL INTERFUND ALLOCATION	(2,502,698)	(5,367,315)	2,864,617	(500,000)	400.5%
OPERATING INCOME (LOSS) AFTER INTERFUND ALLOCATION	582,912	7,109,607	(6,526,695)	(4,064,165)	-114.3%
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	56,456,934	52,751,328			
ALLOCATION OF STATE PENSION LIABILITY	(74,243,964)	(81,905,937)			
ADJUSTED ENDING FUND BALANCE	(17,787,030)	(29,154,609)			

**ILLINOIS STUDENT ASSISTANCE COMMISSION
INCOME STATEMENT (UNAUDITED)
ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM
FY 2017
MONTH ENDED 10/31/2016**

DESCRIPTION	YEAR TO DATE				
	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL	CY vs PY VARIANCE	BUDGET	CY vs BUDGET VARIANCE
IDAPP ADMINISTRATION					
OPERATING REVENUE					
IDAPP SERVICING FEE RECEIVED FROM TRUSTS	749,732	859,287	(109,554)	600,000	25.0%
NFD FEES	60,990	58,992	1,998	53,333	14.4%
TOTAL OPERATING REVENUE	810,722	918,279	(107,557)	653,333	24.1%
OPERATING EXPENSES					
SALARIES AND EMPLOYEE BENEFITS	114,054	235,780	(121,726)	115,667	-1.4%
EXTERNAL LOAN SERVICING	153,802	150,085	3,717	168,000	-8.5%
OTHER CONTRACTUAL SERVICES	60,989	59,710	1,279	33,333	83.0%
OTHER	28,685	29,030	(345)	15,000	91.2%
TOTAL OPERATING EXPENSES	357,530	474,605	(117,075)	332,000	7.7%
CONSOLIDATION REBATE FEE	4,572	5,066	(494)	5,000	-8.6%
FIB/SAP/EXCESS INTEREST	7,912	8,646	(734)	10,000	-20.9%
NET ADMINISTRATION OPERATING PROFIT	440,709	429,962	10,747	306,333	43.9%
NET TRANSFER OF ASSETS FROM TRUST	483,396	203,612	279,784	-	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	26,969,449	24,947,581	2,021,868		
ALLOCATION OF STATE PENSION LIABILITY	(6,548,523)	(7,937,245)	1,388,722		
NET ADMIN ASSET OCTOBER 31, 2016	20,420,926	17,010,336	3,410,590		
TRUST OPERATIONS					
OPERATING REVENUE					
STUDENT LOAN INTEREST INCOME	6,149,829	6,541,929	(392,100)	-	0.0%
INVESTMENT INCOME	9,938	2,418	7,520	-	0.0%
TOTAL OPERATING REVENUE	6,159,767	6,544,347	(384,580)	-	0.0%
OPERATING EXPENSES					
INTEREST EXPENSE	1,600,282	1,331,255	269,027	-	0.0%
GAIN ON EXTINGUISHMENT OF DEBT - NET	(1,347,504)	(1,347,504)	-	-	0.0%
AMORTIZATION OF LOAN PREMIUMS & FEES	465,145	466,420	(1,274)	-	0.0%
CONSOLIDATION REBATE FEE	508,996	548,849	(39,853)	-	0.0%
IDAPP SERVICING FEE RECEIVED FROM TRUSTS	749,732	859,287	(109,554)	-	0.0%
EXTERNAL LOAN SERVICING	389,187	464,170	(74,983)	-	0.0%
OTHER CONTRACTUAL SERVICES	224,501	301,416	(76,915)	-	0.0%
TOTAL OPERATING EXPENSES	2,590,340	2,623,893	(33,553)	-	0.0%
GROSS OPERATING PROFIT	3,569,428	3,920,454	(351,027)	-	0.0%
PROVISION FOR LOAN LOSS	636,905	811,845	(174,940)	-	0.0%
FIB/SAP/EXCESS INTEREST	1,175,295	1,588,881	(413,586)	-	0.0%
NET TRUST OPERATING PROFIT	1,757,228	1,519,728	237,499	-	0.0%
NET TRUST ASSETS JULY 1, 2016	5,341,765	2,858,956	2,482,809	-	0.0%
OTHER OPERATING TRANSFERS	(483,396)	(203,612)	(279,784)	-	0.0%
NET TRUST ASSET OCTOBER 31, 2016	6,615,597	4,175,073	2,440,524	-	0.0%
COMBINED NET INCOME	2,197,936	1,949,690	248,246		
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	33,585,046	29,122,654	4,462,392		
ALLOCATION OF STATE PENSION LIABILITY	(6,548,523)	(7,937,245)	1,388,722		
COMBINED NET ASSET OCTOBER 31, 2016	27,036,523	21,185,409	5,851,114		

**ILLINOIS STUDENT ASSISTANCE COMMISSION
INCOME STATEMENT (UNAUDITED)
COLLEGE ILLINOIS!
FY 2017
MONTH ENDED 10/31/2016**

DESCRIPTION	YEAR TO DATE				
	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL	CY vs PY VARIANCE	BUDGET	CY vs BUDGET VARIANCE
REVENUES					
INTEREST INCOME	17,843	59,945	(42,102)	-	0.0%
INCOME FROM INVESTMENT SEC FEES	7,239,124	4,170,342	3,068,782	-	0.0%
	97,279	96,857	422	-	0.0%
TOTAL REVENUES	7,354,246	4,327,144	3,027,102	-	0.0%
EXPENDITURES					
ADMINISTRATIVE EXPENDITURES					
PERSONAL SERVICES & FRINGE BEN	392,541	362,564	29,977	522,400	-24.9%
CONTRACTUAL SERVICES	988,101	1,267,754	(279,653)	1,308,467	-24.5%
EQUIPMENT & TELECOM	-	974	(974)	-	0.0%
TRAVEL	294	394	(99)	5,833	-95.0%
INVESTMENT EXPENSE	467,377	421,684	45,693	1,332,533	-64.9%
OTHER ADMIN EXPENSES	1,195	300	895	667	79.3%
TOTAL ADMINISTRATIVE EXPENDITURES	1,849,508	2,053,669	(204,161)	3,169,900	-41.7%
COST ALLOCATIONS					
SUPPORTING SERVICES	625,114	444,248	180,866	666,667	-6.2%
TOTAL COST ALLOCATIONS	625,114	444,248	180,866	666,667	-6.2%
ACTUARIAL EXPENDITURES					
ACCRETION EXPENSE ACCRUED *	4,879,623	1,829,227	3,050,396	-	0.0%
TOTAL ACTUARIAL EXPENDITURES	4,879,623	1,829,227	3,050,396	-	0.0%
TOTAL EXPENDITURES	7,354,246	4,327,144	3,027,102	3,836,567	91.7%
EXCESS REVENUE OVER (UNDER) EXPENDITURES, AFTER TRANSFERS					
	-	(0)	0	(3,836,567)	-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 10/31/16				
	FY2017 Appropriation	Year-to-date Expended	Number of Recipients	Percentage Expended
STATE GENERAL FUNDS				
SCHOLARSHIPS AND GRANTS				
Monetary Award Program	\$151,000,000	\$150,982,231	92,586	100.0%
EAF Lump Sum	\$3,762,000	\$3,740,652	475	99.4%
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 - Admin	997,700	\$116,415	N/A	11.7%
GRF-Scholarship&Grants - Admin	7,245,225.00	\$980,546	N/A	13.5%
TOTAL	\$163,004,925	\$155,819,844	93,061	95.6%
SPECIAL REVENUE FUNDS				
STUDENT LOAN OPERATING FUND				
Administration Expense	61,246,400	9,215,874	N/A	15.0%
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	\$9,215,874	0	14.2%
FEDERAL STUDENT LOAN FUND				
Loan Guarantee Program	260,000,000	41,815,082	N/A	16.1%
TOTAL	\$260,000,000	\$41,815,082	N/A	16.1%
SCHOLARSHIPS AND GRANTS				
Federal College Access Challenge Grant Program	15,000,000	0	N/A	0.0%
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	\$0	\$0	0.0%
OTHER				
ISAC Accounts Receivables	300,000	2,730	N/A	0.9%
Higher Education License Plate Program	110,000	53,500	N/A	48.6%
Optometric Education Scholarship Program	50,000	50,000	10	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	\$51,245,886	10	14.6%
GRAND TOTAL	\$514,443,925	\$207,065,730	93,071	40.3%

Illinois Student Assistance Commission
Illinois Designated Account Purchase Program Investment Information
As of October 31, 2016

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	\$ 30,094,285		
Asset Allocation:			
	Value	Percent	
Cash	\$ 18,276,724	61%	
Money Market Funds	7,820,921	26%	
U.S. Treasuries & Agencies	3,996,640	13%	
Total	<u>\$ 30,094,285</u>	<u>100%</u>	

Investment Income:			
Investment Income	\$ 1,146		
Unrealized Gain/(Loss) Net	706		
Monthly Income Yield	0.004%		

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.