

AGENDA ITEM 3.

EXECUTIVE DIRECTOR'S REPORT

ILLINOIS STUDENT ASSISTANCE COMMISSION
BALANCE SHEET (UNAUDITED)
FY 2018
AS OF 09/30/2017

	STUDENT LOAN OPERATING FUND	ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM	COLLEGE ILLINOIS! PREPAID TUITION FUND
ASSETS			
CASH AND CASH EQUIVALENTS UNRESTRICTED	55,517,256	24,169,474	2,509,080
CASH AND CASH EQUIVALENTS RESTRICTED	-	15,125,653	-
INVESTMENTS	17,862,879	-	910,766,635
STUDENT LOAN RECEIVABLE (NET)	-	353,722,992	-
CONTRACTS RECEIVABLE (NET)	-	-	45,996,521
UNAMORTIZED FEES & COSTS	-	407,162	-
DEFERRED OUTFLOW OF RESOURCES - PENSION	15,316,212	644,625	-
DUE FROM OTHER FUNDS	4,723,390	-	-
FIXED ASSETS NET OF DEPRECIATION	2,123,002	-	-
TOTAL ASSETS	\$ 95,542,739	394,069,906	959,272,236
LIABILITIES			
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	2,508,593	219,029	1,398,468
BONDS / LINE OF CREDIT PAYABLE (NET)	-	314,027,109	-
UNAMORTIZED GAIN ON NEW FINANCING	-	36,045,724	-
ACCRUED INTEREST PAYABLE	-	936,275	-
DUE TO DEPARTMENT OF EDUCATION	-	533,905	-
INVESTMENTS DUE TO TREASURER'S OFFICE	17,806,000	-	-
DUE TO OTHER FUNDS	1,104,929	2,034,295	238,300
DEFERRED INFLOW OF RESOURCES - PENSION	25,938,806	2,793,021	-
NET PENSION LIABILITY	57,364,305	3,209,669	-
TUITION PAYABLE	-	-	390,149,266
ACCRETION PAYABLE	-	-	853,879,639
TOTAL LIABILITIES	\$ 104,722,633	359,799,026	1,245,665,674
FUND BALANCES			
ALLOCATION OF STATE PENSION LIABILITY	(67,986,899)	(5,358,065)	-
UNRESTRICTED	58,807,004	39,628,945	(286,393,437)
TOTAL FUND BALANCES	\$ (9,179,895)	34,270,880	(286,393,437)
TOTAL LIABILITIES AND FUND BALANCES	\$ 95,542,739	394,069,906	959,272,236

**ILLINOIS STUDENT ASSISTANCE COMMISSION
INCOME STATEMENT (UNAUDITED)
STUDENT LOAN OPERATING FUND
FY 2018
MONTH ENDED 09/30/2017**

DESCRIPTION	YEAR TO DATE				
	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL	CY vs PY VARIANCE	BUDGET	CY vs BUDGET VARIANCE
REVENUES					
COLLECTIONS	520,390	683,632	(163,242)	371,300	40.2%
REHABILITATIONS	2,693,127	3,532,817	(839,689)	2,410,525	11.7%
REPURCHASE / CONSOL	1,981,100	1,724,736	256,364	1,952,675	1.5%
INTEREST & OTHER INVEST INCOME	172,707	71,931	100,776	97,500	77.1%
ACCOUNT MAINTENANCE FEE	504,669	563,785	(59,116)	475,000	6.2%
DEFAULT AVERSION FEE	53,913	59,550	(5,636)	-	0.0%
MISCELLANEOUS INCOME	478,625	61,939	416,686	74,375	543.5%
RENTAL INCOME	107,226	111,210	(3,984)	100,000	7.2%
TOTAL REVENUES	6,511,757	6,809,599	(297,842)	5,481,375	18.8%
EXPENDITURES					
PERSONAL SERVICES & FRINGE BENEFITS	5,522,977	5,186,643	336,333	6,043,350	-8.6%
CONTRACTUAL SERVICES	2,082,238	1,883,210	199,028	2,176,250	-4.3%
RENTAL & MGMT OF REAL PROP	359,891	400,112	(40,222)	306,375	17.5%
EQUIPMENT & TELECOM	-	564	(564)	137,175	-100.0%
TRAVEL	20,839	21,077	(238)	40,200	-48.2%
OTHER ADMIN EXPENSES	19,941	2,219	17,722	31,425	-36.5%
ISACORPS DIRECT PERSONNEL COST	630,349	694,466	(64,117)	727,000	-13.3%
ISACORPS DIRECT CONTRACTUAL & OTHER EXPENSI	13,687	69,362	(55,675)	70,125	-80.5%
TOTAL EXPENDITURES	8,649,921	8,257,653	392,268	9,531,900	-9.3%
OPERATING INCOME (LOSS) BEFORE INTERFUND ALLOCATION	(2,138,164)	(1,448,054)	(690,110)	(4,050,525)	-47.2%
INTERFUND ALLOCATION					
AGENCY ADMINISTRATION - GRF EXPENSES	(1,916,908)	(363,143)	(1,553,765)	(2,038,000)	-5.9%
AGENCY ADMINISTRATION - GRF BENEFIT SAVINGS	(1,517,649)	(258,206)	(1,259,443)	(1,612,525)	-5.9%
COLLEGE ILLINOIS ALLOCATED EXPENSES	(384,881)	(478,000)	93,119	(400,000)	-3.8%
TOTAL INTERFUND ALLOCATION	(3,819,438)	(1,099,349)	(2,720,089)	(4,050,525)	-5.7%
OPERATING INCOME (LOSS) AFTER INTERFUND ALLOCATION	1,681,274	(348,705)	2,029,979	-	0.0%
BEGINNING FUND BALANCE BEFORE PENSION LIABILITY	57,125,730	55,874,022			
ALLOCATION OF STATE PENSION LIABILITY	(67,986,899)	(74,243,964)			
ADJUSTED BEGINNING FUND BALANCE	(10,861,168)	(18,369,942)			
ENDING FUND BALANCE BEFORE PENSION LIABILITY	58,807,004	55,525,317			
ALLOCATION OF STATE PENSION LIABILITY	(67,986,899)	(74,243,964)			
ADJUSTED ENDING FUND BALANCE	(9,179,895)	(18,718,647)			

**ILLINOIS STUDENT ASSISTANCE COMMISSION
INCOME STATEMENT (UNAUDITED)
ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM
FY 2018
MONTH ENDED 09/30/2017**

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	383,483	430,390	(46,907)	400,000	-4.1%
NFD FEES	49,597	45,022	4,576	46,750	6.1%
TOTAL OPERATING REVENUE	433,081	475,412	(42,331)	446,750	-3.1%
OPERATING EXPENSES					
SALARIES AND EMPLOYEE BENEFITS	129,496	85,541	43,955	177,925	-27.2%
EXTERNAL LOAN SERVICING	120,713	119,271	1,442	112,500	7.3%
OTHER CONTRACTUAL SERVICES	50,519	35,989	14,530	31,250	61.7%
OTHER	9,295	18,744	(9,449)	11,250	-17.4%
TOTAL OPERATING EXPENSES	310,023	259,545	50,478	332,925	-6.9%
CONSOLIDATION REBATE FEE	3,278	3,390	(113)	3,750	-12.6%
FIB/SAP/EXCESS INTEREST	1,095	(2,246)	3,341	5,000	-78.1%
NET ADMINISTRATION OPERATING PROFIT	118,685	214,723	(96,038)	105,075	13.0%
NET TRANSFER OF ASSETS FROM TRUST	300,068	387,955	(87,887)	-	0.0%
BEGINNING FUND BALANCE BEFORE PENSION LIABILITY	28,249,005	26,045,345	2,203,659		
ALLOCATION OF STATE PENSION LIABILITY	(5,358,065)	(6,548,523)	1,190,458		
ADJUSTED BEGINNING FUND BALANCE JULY 1, 2017	22,890,940	19,496,822	3,394,117		
ENDING FUND BALANCE BEFORE PENSION LIABILITY	28,667,758	26,648,023	2,019,735		
ALLOCATION OF STATE PENSION LIABILITY	(5,358,065)	(6,548,523)	1,190,458		
NET ADMIN ASSET SEPTEMBER 30, 2017	23,309,693	20,099,500	3,210,193		
TRUST OPERATIONS					
OPERATING REVENUE					
STUDENT LOAN INTEREST INCOME	4,390,783	4,612,858	(222,074)	-	0.0%
INVESTMENT INCOME	36,278	7,032	29,246	-	0.0%
TOTAL OPERATING REVENUE	4,427,061	4,619,890	(192,829)	-	0.0%
OPERATING EXPENSES					
INTEREST EXPENSE	1,548,551	1,192,089	356,462	-	0.0%
GAIN ON EXTINGUISHMENT OF DEBT - NET	(1,010,628)	(1,010,628)	-	-	0.0%
AMORTIZATION OF LOAN PREMIUMS & FEES	407,162	348,859	58,303	-	0.0%
CONSOLIDATION REBATE FEE	350,922	383,042	(32,120)	-	0.0%
IDAPP SERVICING FEE RECEIVED FROM TRUSTS	383,483	430,390	(46,907)	-	0.0%
EXTERNAL LOAN SERVICING	238,320	298,881	(60,561)	-	0.0%
OTHER CONTRACTUAL SERVICES	151,311	171,528	(20,217)	-	0.0%
TOTAL OPERATING EXPENSES	2,069,120	1,814,161	254,959	-	0.0%
GROSS OPERATING PROFIT	2,357,941	2,805,729	(447,788)	-	0.0%
PROVISION FOR LOAN LOSS	303,156	527,994	(224,838)	-	0.0%
FIB/SAP/EXCESS INTEREST	532,809	929,566	(396,757)	-	0.0%
NET TRUST OPERATING PROFIT	1,521,976	1,348,169	173,807	-	0.0%
NET TRUST ASSETS JULY 1, 2017	9,739,279	5,341,765	4,397,515	-	0.0%
OTHER OPERATING TRANSFERS	(300,068)	(387,955)	87,887	-	0.0%
NET TRUST ASSET SEPTEMBER 30, 2017	10,961,187	6,301,979	4,659,208	-	0.0%
COMBINED NET INCOME	1,640,661	1,562,892	77,769		
COMBINED BEGINNING FUND BALANCE BEFORE PENSION LI/	37,988,284	31,387,110	6,601,174		
ALLOCATION OF STATE PENSION LIABILITY	(5,358,065)	(6,548,523)	1,190,458		
ADJUSTED BEGINNING FUND BALANCE JULY 1, 2017	32,630,219	24,838,587	7,791,632		
ENDING FUND BALANCE BEFORE PENSION LIABILITY	39,628,945	32,950,002	6,678,943		
ALLOCATION OF STATE PENSION LIABILITY	(5,358,065)	(6,548,523)	1,190,458		
COMBINED NET ASSET SEPTEMBER 30, 2017	34,270,880	26,401,479	7,869,401		

**ILLINOIS STUDENT ASSISTANCE COMMISSION
INCOME STATEMENT (UNAUDITED)
COLLEGE ILLINOIS!
FY 2018
MONTH ENDED 09/30/2017**

DESCRIPTION	YEAR TO DATE				
	CURRENT YEAR TOTAL	PRIOR YEAR TOTAL	CY vs PY VARIANCE	BUDGET	CY vs BUDGET VARIANCE
REVENUES					
INTEREST INCOME	11,267	12,590	(1,323)	-	0.0%
INCOME FROM INVESTMENT SEC FEES	21,729,968	19,105,143	2,624,826	-	0.0%
	64,747	73,152	(8,405)	-	0.0%
TOTAL REVENUES	21,805,982	19,190,885	2,615,097	-	0.0%
EXPENDITURES					
ADMINISTRATIVE EXPENDITURES					
PERSONAL SERVICES & FRINGE BEN	303,258	294,968	8,290	443,250	-31.6%
CONTRACTUAL SERVICES	245,911	359,268	(113,356)	1,082,200	-77.3%
TRAVEL	73	294	(221)	4,125	-98.2%
INVESTMENT EXPENSE	91,434	342,883	(251,449)	789,075	-88.4%
OTHER ADMIN EXPENSES	-	1,195	(1,195)	850	-100.0%
TOTAL ADMINISTRATIVE EXPENDITURES	640,677	998,608	(357,932)	2,319,500	-72.4%
COST ALLOCATIONS					
SUPPORTING SERVICES	384,881	478,000	(93,119)	500,000	-23.0%
TOTAL COST ALLOCATIONS	384,881	478,000	(93,119)	500,000	-23.0%
ACTUARIAL EXPENDITURES					
ACCRETION EXPENSE ACCRUED *	20,780,425	17,714,277	3,066,148	-	0.0%
TOTAL ACTUARIAL EXPENDITURES	20,780,425	17,714,277	3,066,148	-	0.0%
TOTAL EXPENDITURES	21,805,982	19,190,885	2,615,097	2,819,500	673.4%
EXCESS REVENUE OVER (UNDER) EXPENDITURES, AFTER TRANSFERS					
	-	-	(0)	(2,819,500)	-100.0%
BEGINNING FUND BALANCE *	(286,393,437)	(215,121,433)			
ENDING FUND BALANCE	(286,393,437)	(215,121,433)			

* 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 2018 APPROPRIATION SUMMARY REPORT				
As of 09/30/17				
	FY2018 Appropriation	Year-to-date Expended	Number of Recipients	Percentage Expended
STATE GENERAL FUNDS				
SCHOLARSHIPS AND GRANTS				
Monetary Award Program- GRF	\$393,315,100	\$0	0	0.0%
Agency Operations (2% of MAP)	\$8,026,800	\$1,693,878	0	21.1%
Police & Fire Dependents Scholarships	\$1,192,100	\$0	0	0.0%
Teacher Loan Forgiveness Program	439,900	\$0	0	0.0%
Minority Teacher Scholarships	1,900,000	\$0	0	0.0%
Golden Apple Scholars Program	6,498,000	\$0	0	0.0%
Nurse Educator Loan Repayment Program	264,000	\$0	0	0.0%
Veterans' Home Nurse Loan Repayment Program	26,400	\$0	0	0.0%
Illinois Scholars Program	35,200	\$0	0	0.0%
Outreach & Training	997,700	\$223,030	N/A	22.4%
TOTAL	\$412,695,200	\$1,916,908	0	0.5%
SPECIAL REVENUE FUNDS				
STUDENT LOAN OPERATING FUND				
Administration Expense	60,553,700	5,077,466	N/A	8.4%
Federal Loan System Development & Maintenance	2,500,000	0	N/A	0.0%
SLOF Transfer to IDAPP	1,000,000	12,872	N/A	1.3%
TOTAL	\$64,053,700	\$5,090,338	0	7.9%
FEDERAL STUDENT LOAN FUND				
Loan Guarantee Program	230,000,000	19,958,812	N/A	8.7%
TOTAL	\$230,000,000	\$19,958,812	N/A	8.7%
SCHOLARSHIPS AND GRANTS				
Federal Grant - GEAR UP Program	13,000,000	298,655	N/A	2.3%
John R Justice Student Loan Repayment Program	300,000	0	N/A	0.0%
Transfer to ED -Paul Douglas Funds Collected	400,000	0	N/A	0.0%
TOTAL	\$13,700,000	\$298,655	\$0	2.2%
OTHER				
ISAC Accounts Receivables	300,000	39,079	N/A	13.0%
Higher Education License Plate Program	110,000	0	N/A	0.0%
Optometric Education Scholarship Program	50,000	50,000	0	100.0%
IVG- National Guard Grant Fund	20,000	0	0	0.0%
Golden Apple Scholars of Illinois Program	100,000	0	0	0.0%
Contracts and Grants Fund	10,000,000	19,240	N/A	0.2%
TOTAL, SPECIAL REVENUE FUNDS	\$318,333,700	\$25,456,124	0	8.0%
GRAND TOTAL	\$731,028,900	\$27,373,032	0	3.7%

<u>ILLINOIS STUDENT ASSISTANCE COMMISSION</u>		
COLLEGE ILLINOIS!		
SOURCES AND USES REPORT		
September 2017 - FY 2018		
BEGINNING MARKET VALUE TOTAL FUNDS BALANCE, 07/01/17		\$904,972,812
SOURCES OF FUNDS		
Contributions received	\$3,607,460	
Contracts fees	64,747	
Interest from Treasury and Banks	7,801	
Unrealized Gain on Investments	17,749,262	
Interest on Investments	2,813,089	
Interest and Other Income	742	
Increase in Market Value of Alternative Funds	1,167,618	
TOTAL SOURCES		\$25,410,718
USES OF FUNDS		
Administrative Expenses	1,152,260	
Refunds to Purchasers	5,741,234	
Tuition Payments	10,127,393	
Investment Expense	91,434	
TOTAL USES		\$17,112,320
ENDING MARKET VALUE TOTAL FUNDS BALANCE, 09/30/17		\$913,271,210
NUMBER AND DOLLAR VALUE OF PLANS, 09/30/2017		
Number of Plans:		
Plans with Contributions Paid in Full	53,733	
Active Plans	2,774	
Cancelled Plans	16,719	
Total Number of Contracts Sold	73,226	
Contracts with benefits paid out in full	18,555	
Contracts with outstanding Benefits	37,952	
Purchased Value of all Plans	\$1,767,676,076	
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 September 30, 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	\$	39,295,177	
Asset Allocation:			
		Value	Percent
Cash	\$	20,541,729	52%
Money Market Funds		14,779,768	38%
U.S. Treasuries & Agencies		3,973,680	10%
Total	\$	<u>39,295,177</u>	<u>100%</u>
Investment Income:			
Investment Income	\$	6,963	
Unrealized Gain/(Loss) Net		2,949	
Monthly Income Yield		0.018%	
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.			