

AGENDA ITEM 4.
EXECUTIVE DIRECTORS REPORT

ILLINOIS STUDENT ASSISTANCE COMMISSION
BALANCE SHEET (UNAUDITED)
FY 2020
AS OF 06/30/2020

| | STUDENT LOAN OPERATING FUND | ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM | COLLEGE ILLINOIS! PREPAID TUITION FUND |
|--|-----------------------------------|--|--|
| ASSETS | | | |
| CASH AND CASH EQUIVALENTS UNRESTRICTED | 61,431,918 | 30,001,355 | 1,924,419 |
| CASH AND CASH EQUIVALENTS RESTRICTED | - | 8,486,282 | - |
| INVESTMENTS | 19,164,000 | - | 568,588,313 |
| STUDENT LOAN RECEIVABLE (NET) | - | 242,501,089 | - |
| CONTRACTS RECEIVABLE (NET) | - | - | 16,995,180 |
| DEFERRED OUTFLOW - PENSION and OPEB | 12,567,983 | 1,264,849 | - |
| DUE FROM OTHER FUNDS | 3,205,621 | 181,056 | - |
| FIXED ASSETS NET OF DEPRECIATION | 1,100,092 | - | - |
| TOTAL ASSETS | \$ 97,469,614 | 282,434,631 | 587,507,912 |
| LIABILITIES | | | |
| ACCOUNTS PAYABLE AND ACCRUED LIABILITIES | 2,458,389 | 182,907 | 1,922,338 |
| BONDS / LINE OF CREDIT PAYABLE (NET) | - | 193,409,627 | - |
| UNAMORTIZED GAIN ON NEW FINANCING | - | 24,928,818 | - |
| ACCRUED INTEREST PAYABLE | - | 422,653 | - |
| DUE TO DEPARTMENT OF EDUCATION | - | 534,773 | - |
| GRANT | - | 2,264 | - |
| INVESTMENTS DUE TO TREASURER'S OFFICE | 19,118,000 | - | - |
| DUE TO OTHER FUNDS | 590,636 | 1,988,778 | 414,292 |
| DEFERRED INFLOW - PENSION and OPEB | 63,319,234 | 3,245,319 | - |
| NET LIABILITY - PENSION and OPEB | 43,567,724 | 2,540,733 | - |
| TUITION PAYABLE | - | - | 908,101,822 |
| TOTAL LIABILITIES | \$ 129,053,983 | 227,255,873 | 910,438,452 |
| FUND BALANCES | | | |
| ALLOCATION OF STATE LIABILITY - PENSION and OPEB | (94,318,975) | (4,521,203) | - |
| UNRESTRICTED | 62,734,606 | 59,699,961 | (322,930,540) |
| TOTAL FUND BALANCES | \$ (31,584,369) | 55,178,758 | (322,930,540) |
| | | | |
| TOTAL LIABILITIES AND FUND BALANCES | \$ 97,469,614 | 282,434,631 | 587,507,912 |

¹ Note: Numbers are tentative and subject to year-end and auditor adjustments.

**ILLINOIS STUDENT ASSISTANCE COMMISSION
INCOME STATEMENT (UNAUDITED)
STUDENT LOAN OPERATING FUND
FY 2020
MONTH ENDED 06/30/2020**

| DESCRIPTION | YEAR TO DATE | | | | |
|--|-----------------------|---------------------|----------------------|---------------------|--------------------------|
| | CURRENT YEAR TOTAL | PRIOR YEAR TOTAL | CY vs PY VARIANCE | BUDGET | CY vs BUDGET VARIANCE |
| REVENUES | | | | | |
| COLLECTIONS | 1,302,530 | 1,745,562 | (443,032) | 1,220,000 | 6.8% |
| REHABILITATIONS | 6,895,116 | 6,836,654 | 58,462 | 6,200,000 | 11.2% |
| REPURCHASE / CONSOL | 5,200,055 | 5,461,591 | (261,537) | 4,080,000 | 27.5% |
| INTEREST & OTHER INVEST INCOME | 1,047,843 | 1,267,290 | (219,447) | 1,000,000 | 4.8% |
| ACCOUNT MAINTENANCE FEE | 1,522,554 | 1,710,924 | (188,370) | 1,600,000 | -4.8% |
| DEFAULT AVERSION FEE | 96,137 | 118,984 | (22,846) | - | 0.0% |
| MISCELLANEOUS INCOME | 1,388,595 | 1,448,994 | (60,399) | 1,190,900 | 16.6% |
| RENTAL INCOME | 455,639 | 471,796 | (16,157) | 400,000 | 13.9% |
| TOTAL REVENUES | 17,908,469 | 19,061,794 | (1,153,325) | 15,690,900 | 14.1% |
| EXPENDITURES | | | | | |
| PERSONAL SERVICES & FRINGE BENEFITS | 22,878,675 | 19,966,425 | 2,912,250 | 23,465,000 | -2.5% |
| CONTRACTUAL SERVICES | 7,004,182 | 7,114,099 | (109,917) | 7,863,500 | -10.9% |
| RENTAL & MGMT OF REAL PROP | 1,391,821 | 1,428,947 | (37,126) | 1,294,800 | 7.5% |
| EQUIPMENT & TELECOM | 662,161 | 310,083 | 352,078 | 365,900 | 81.0% |
| TRAVEL | 99,541 | 127,527 | (27,986) | 172,300 | -42.2% |
| OTHER ADMIN EXPENSES | 480,007 | 490,236 | (10,229) | 131,600 | 264.7% |
| ISACORPS DIRECT PERSONNEL COST | 2,600,648 | 2,643,234 | (42,586) | 3,038,700 | -14.4% |
| ISACORPS DIRECT CONTRACTUAL & OTHER EXPENSES | 168,727 | 250,156 | (81,430) | 321,800 | -47.6% |
| TOTAL EXPENDITURES | 35,285,761 | 32,330,707 | 2,955,054 | 36,653,600 | -3.7% |
| OPERATING INCOME (LOSS) BEFORE INTERFUND ALLOCATION | (17,377,291) | (13,268,912) | (4,108,379) | (20,962,700) | -17.1% |
| INTERFUND ALLOCATION | | | | | |
| AGENCY ADMINISTRATION - GRF EXPENSES | (9,834,244) | (8,938,063) | (896,181) | (11,014,700) | -10.7% |
| AGENCY ADMINISTRATION - GRF BENEFIT SAVINGS | (5,709,174) | (6,551,711) | 842,537 | (8,848,000) | -35.5% |
| COLLEGE ILLINOIS ALLOCATED EXPENSES | (1,061,145) | (1,032,096) | (29,049) | (1,100,000) | -3.5% |
| TOTAL INTERFUND ALLOCATION | (16,604,563) | (16,521,871) | (82,692) | (20,962,700) | -20.8% |
| OPERATING INCOME (LOSS) AFTER INTERFUND ALLOCATION | (772,728) | 3,252,958 | (4,025,687) | - | 0.0% |
| STATE EXPENSES - PENSION and OPEB | (18,929,123) | (7,675,541) | (11,253,582) | - | 0.0% |
| BEGINNING FUND BALANCE BEFORE LIABILITY - PENSION and OPEB | 63,507,334 | 60,254,376 | | | |
| ALLOCATION OF STATE LIABILITY - PENSION and OPEB | (113,248,098) | (120,923,639) | | | |
| ADJUSTED BEGINNING FUND BALANCE | (49,740,764) | (60,669,264) | | | |
| ENDING FUND BALANCE BEFORE LIABILITY - PENSION and OPEB | 62,734,606 | 63,507,334 | | | |
| ALLOCATION OF STATE LIABILITY - PENSION and OPEB | (94,318,975) | (113,248,098) | | | |
| ADJUSTED ENDING FUND BALANCE | (31,584,369) | (49,740,764) | | | |

** Note: Personal services budget includes budget amount of \$271,900 for 3 employees who are on leave of absence and inactive in ISAC payroll.

¹ Note: Numbers are tentative and subject to year-end and auditor adjustments.

**ILLINOIS STUDENT ASSISTANCE COMMISSION
INCOME STATEMENT (UNAUDITED)
ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM
FY 2020
MONTH ENDED 06/30/2020**

| 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 | 1,366,748 | 1,445,958 | (79,210) | 1,400,000 | -2.4% |
| NFD FEES | 52,500 | 210,000 | (157,500) | 210,000 | -75.0% |
| TOTAL OPERATING REVENUE | 1,419,248 | 1,655,958 | (236,710) | 1,610,000 | -11.8% |
| OPERATING EXPENSES | | | | | |
| SALARIES AND EMPLOYEE BENEFITS | 574,431 | 673,270 | (98,839) | 711,600 | -19.3% |
| EXTERNAL LOAN SERVICING | 334,933 | 354,841 | (19,908) | 410,000 | -18.3% |
| OTHER CONTRACTUAL SERVICES | 102,816 | 104,882 | (2,066) | 140,000 | -26.6% |
| OTHER | 14,771 | 3,233 | 11,538 | 25,000 | -40.9% |
| TOTAL OPERATING EXPENSES | 1,026,951 | 1,136,227 | (109,276) | 1,286,600 | -20.2% |
| CONSOLIDATION REBATE FEE | (1,124) | (15,690) | 14,566 | 17,000 | -106.6% |
| FIB/SAP/EXCESS INTEREST | 13,411 | 13,628 | (216) | 10,000 | 34.1% |
| NET ADMINISTRATION OPERATING PROFIT | 380,010 | 521,794 | (141,784) | 296,400 | 28.2% |
| NET TRANSFER OF ASSETS FROM TRUST | 916,832 | (1,098,219) | 2,015,051 | - | 0.0% |
| STATE EXPENSES - PENSION and OPEB | (292,331) | (1,138,725) | 846,394 | - | 0.0% |
| BEGINNING FUND BALANCE BEFORE LIABILITY - PENSION AND OPEB | 32,607,255 | 33,183,680 | (576,425) | | |
| ALLOCATION OF STATE LIABILITY - PENSION AND OPEB | (4,813,534) | (5,952,259) | 1,138,725 | | |
| ADJUSTED BEGINNING FUND BALANCE JULY 1, 2019 | 27,793,721 | 27,231,421 | 562,300 | | |
| ENDING FUND BALANCE BEFORE LIABILITY - PENSION and OPEB | 33,904,097 | 32,607,255 | 2,143,236 | | |
| ALLOCATION OF STATE LIABILITY - PENSION and OPEB | (4,521,203) | (4,813,534) | 292,331 | | |
| NET ADMIN ASSET JUNE 30, 2020 | 29,382,894 | 27,793,721 | 2,435,567 | | |
| TRUST OPERATIONS | | | | | |
| OPERATING REVENUE | | | | | |
| STUDENT LOAN INTEREST INCOME | 14,055,081 | 16,682,999 | (2,627,917) | - | 0.0% |
| INVESTMENT INCOME | 507,052 | 394,468 | 112,584 | - | 0.0% |
| TOTAL OPERATING REVENUE | 14,562,134 | 17,077,467 | (2,515,333) | - | 0.0% |
| OPERATING EXPENSES | | | | | |
| INTEREST EXPENSE | 5,291,462 | 7,964,137 | (2,672,675) | - | 0.0% |
| GAIN ON EXTINGUISHMENT OF DEBT - NET | (4,042,511) | (4,042,511) | - | - | 0.0% |
| CONSOLIDATION REBATE FEE | 1,113,455 | 1,236,287 | (122,832) | - | 0.0% |
| IDAPP SERVICING FEE RECEIVED FROM TRUSTS | 1,366,748 | 1,445,958 | (79,210) | - | 0.0% |
| EXTERNAL LOAN SERVICING | 640,335 | 745,588 | (105,253) | - | 0.0% |
| OTHER CONTRACTUAL SERVICES | 461,154 | 438,585 | 22,569 | - | 0.0% |
| TOTAL OPERATING EXPENSES | 4,830,643 | 7,788,043 | (2,957,400) | - | 0.0% |
| GROSS OPERATING PROFIT | 9,731,491 | 9,289,424 | 442,067 | - | 0.0% |
| PROVISION FOR LOAN LOSS | 3,177,618 | 4,897,278 | (1,719,660) | - | 0.0% |
| FIB/SAP/EXCESS INTEREST | 868,089 | (514,056) | 1,382,145 | - | 0.0% |
| NET TRUST OPERATING PROFIT | 5,685,784 | 4,906,202 | 779,582 | - | 0.0% |
| NET TRUST ASSETS JULY 1, 2019 | 21,026,912 | 15,022,491 | 6,004,421 | - | 0.0% |
| OTHER OPERATING TRANSFERS | (916,832) | 1,098,219 | (2,015,051) | - | 0.0% |
| NET TRUST ASSET JUNE 30, 2020 | 25,795,864 | 21,026,912 | 4,768,952 | - | 0.0% |
| COMBINED NET INCOME | 6,065,794 | 5,427,996 | 637,797 | | |
| COMBINED BEGINNING FUND BALANCE BEFORE LIABILITY - PENSION and OPEB | 53,634,167 | 48,206,171 | 5,427,996 | | |
| ALLOCATION OF STATE LIABILITY - PENSION AND OPEB | (4,813,534) | (5,952,259) | 1,138,725 | | |
| ADJUSTED BEGINNING FUND BALANCE JULY 1, 2019 | 48,820,633 | 42,253,912 | 6,566,721 | | |
| ENDING FUND BALANCE BEFORE LIABILITY - PENSION and OPEB | 59,699,961 | 53,634,167 | 6,912,188 | | |
| ALLOCATION OF STATE LIABILITY - PENSION AND OPEB | (4,521,203) | (4,813,534) | 292,331 | | |
| COMBINED NET ASSET JUNE 30, 2020 | 55,178,758 | 48,820,633 | 7,204,519 | | |

** Note: Numbers are tentative and subject to year-end and auditor adjustments.

**ILLINOIS STUDENT ASSISTANCE COMMISSION
INCOME STATEMENT (UNAUDITED)
COLLEGE ILLINOIS!
FY 2020
MONTH ENDED 06/30/2020**

| DESCRIPTION | YEAR TO DATE | | | | |
|--|-----------------------|----------------------|----------------------|--------------------|--------------------------|
| | CURRENT YEAR TOTAL | PRIOR YEAR TOTAL | CY vs PY VARIANCE | BUDGET | CY vs BUDGET VARIANCE |
| REVENUES | | | | | |
| INTEREST INCOME | 176,473 | 608,951 | (432,478) | - | 0.0% |
| INCOME FROM INVESTMENT SEC FEES | 8,472,602 | 32,195,478 | (23,722,876) | - | 0.0% |
| | 235,656 | 247,516 | (11,860) | - | 0.0% |
| TOTAL REVENUES | 8,884,731 | 33,051,945 | (24,167,214) | - | 0.0% |
| EXPENDITURES | | | | | |
| ADMINISTRATIVE EXPENDITURES | | | | | |
| PERSONAL SERVICES & FRINGE BEN | 825,851 | 868,508 | (42,657) | 1,037,000 | -20.4% |
| CONTRACTUAL SERVICES | 1,873,821 | 1,902,685 | (28,864) | 2,436,600 | -23.1% |
| EQUIPMENT & TELECOM | - | 319 | (319) | - | 0.0% |
| TRAVEL | - | 1,122 | (1,122) | 11,600 | -100.0% |
| INVESTMENT EXPENSE | 1,551,779 | 2,210,918 | (659,139) | 2,800,000 | -44.6% |
| OTHER ADMIN EXPENSES | - | 114 | (114) | 300 | -100.0% |
| TOTAL ADMINISTRATIVE EXPENDITURES | 4,251,451 | 4,983,667 | (732,216) | 6,285,500 | -32.4% |
| COST ALLOCATIONS | | | | | |
| SUPPORTING SERVICES | 1,049,308 | 1,021,544 | 27,764 | 1,957,100 | -46.4% |
| TOTAL COST ALLOCATIONS | 1,049,308 | 1,021,544 | 27,764 | 1,957,100 | -46.4% |
| ACTUARIAL EXPENDITURES | | | | | |
| ACCRETION EXPENSE ACCRUED | 31,562,373 | 41,669,077 | (10,106,704) | - | 0.0% |
| TOTAL ACTUARIAL EXPENDITURES | 31,562,373 | 41,669,077 | (10,106,704) | - | 0.0% |
| TOTAL EXPENDITURES | 36,863,132 | 47,674,287 | (10,811,155) | 8,242,600 | 347.2% |
| EXCESS REVENUE OVER (UNDER) EXPENDITURES, AFTER TRANSFERS | (27,978,401) | (14,622,342) | (13,356,059) | (8,242,600) | 239.4% |
| BEGINNING FUND BALANCE | (294,952,139) | (280,329,797) | | | |
| ENDING FUND BALANCE | (322,930,540) | (294,952,139) | | | |

* Note: Unfunded liabilities/ending fund balance is adjusted based on the soundness report on an annual basis in June of every fiscal year.

** Note: Numbers are tentative and subject to year-end and auditor adjustments.

** Note: Fees netted from investment income were \$462,694.

Illinois Student Assistance Commission
 Illinois Designated Account Purchase Program Investment Information
 As of June 30, 2020

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 \$ 36,788,570

Asset Allocation:

| | Value | Percent |
|----------------------------|----------------------|-------------|
| Cash | \$ 5,847,398 | 16% |
| Money Market Funds | \$ 18,336,687 | 50% |
| U.S. Treasuries & Agencies | \$ 12,604,485 | 34% |
| Total | <u>\$ 36,788,570</u> | <u>100%</u> |

Investment Income:

Investment Income \$ 1,828
 Unrealized Gain/(Loss) Net 12,009

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.

**ILLINOIS STUDENT ASSISTANCE COMMISSION
FISCAL YEAR 2020 APPROPRIATION SUMMARY REPORT
FY20 YEAR END**

| | FY2020 Appropriation | Year-to-date Expended | Number of Recipients | Percentage Expended |
|---|-------------------------|--------------------------|-------------------------|------------------------|
| <u>STATE GENERAL FUNDS</u> | | | | |
| SCHOLARSHIPS AND GRANTS | | | | |
| Monetary Award Program- GRF | \$451,341,900 | \$443,973,658 | 138,857 | 98.4% |
| Agency Operations (2% of MAP) | | 2,893,800 | N/A | 0.6% |
| Police & Fire Dependents Scholarships | 1,273,300 | 730,752 | 55 | 57.4% |
| Teacher Loan Forgiveness Program | 439,900 | 437,425 | 136 | 99.4% |
| Minority Teacher Scholarships | 1,900,000 | 1,703,120 | 590 | 89.6% |
| Golden Apple Scholars Program | 6,498,000 | 6,498,000 | 1,305 | 100.0% |
| Golden Apple Accelerators Program | 750,000 | 749,998 | 0 | 100.0% |
| Nurse Educator Loan Repayment Program | 264,000 | 262,314 | 53 | 99.4% |
| Veterans' Home Nurse Loan Repayment Program | 26,400 | 26,107 | 6 | 98.9% |
| AIM High Grant Pilot Program | 35,000,000 | 34,957,000 | 0 | 99.9% |
| Operational Expense | 3,500,000 | 3,499,828 | 27 | 100.0% |
| Outreach Activities Research & Training. | 3,497,700 | 3,481,757 | N/A | 99.5% |
| Exonerated Persons Grant | 150,000 | 5,804 | 0 | 3.9% |
| TOTAL | \$504,641,200 | \$499,219,565 | 141,029 | 98.9% |
| <u>SPECIAL REVENUE FUNDS</u> | | | | |
| STUDENT LOAN OPERATING FUND | | | | |
| Administrative Expense | 57,553,700 | 19,258,464 | N/A | 33.5% |
| Federal Loan System Development & Maintenance | 2,500,000 | 0 | N/A | 0.0% |
| SLOF Transfer to IDAPP | 1,000,000 | 4,749 | N/A | 0.5% |
| TOTAL | \$61,053,700 | \$19,263,213 | 0 | 31.6% |
| FEDERAL STUDENT LOAN FUND | | | | |
| Loan Guarantee Program | 190,000,000 | 86,697,619 | N/A | 45.6% |
| TOTAL | \$190,000,000 | \$86,697,619 | N/A | 45.6% |
| SCHOLARSHIPS AND GRANTS | | | | |
| Federal Grant - Gear Up Program | 13,000,000 | 2,333,683 | N/A | 18.0% |
| John R Justice Student Loan Repayment Program | 300,000 | 113,444 | 27 | 37.8% |
| Transfer to ED -Paul Douglas Funds Collected | 100,000 | 260 | N/A | 0.3% |
| TOTAL | \$13,400,000 | \$2,447,387 | \$27 | 18.3% |
| OTHER | | | | |
| ISAC Accounts Receivables | 300,000 | 52,551 | N/A | 17.5% |
| Higher Education License Plate Program | 110,000 | 95,750 | N/A | 87.0% |
| Optometric Education Scholarship Program | 50,000 | 50,000 | 10 | 100.0% |
| IVG- National Guard Grant Fund | 20,000 | 0 | 0 | 0.0% |
| Golden Apple Scholars of Illinois Prog | 100,000 | 40,129 | 0 | 40.1% |
| Contracts and Grants Fund | 10,000,000 | 0 | N/A | 0.0% |
| TOTAL | \$10,580,000 | \$238,430 | 10 | 2.3% |
| TOTAL, SPECIAL REVENUE FUNDS | \$275,033,700 | \$108,646,649 | 10 | 39.5% |
| GRAND TOTAL | \$779,674,900 | \$607,866,213 | 141,066 | 78.0% |