

REPORT DIGEST

ILLINOIS STUDENT ASSISTANCE COMMISSION

FINANCIAL AUDIT
For the Year Ended:
June 30, 2009

Release Date:
March 3, 2010



State of Illinois
Office of the Auditor General
WILLIAM G. HOLLAND
AUDITOR GENERAL

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INTRODUCTION

This digest covers our financial audit of the Illinois Student Assistance Commission (ISAC) for the year ended June 30, 2009. A compliance examination covering the two years ended June 30, 2010 will be conducted during our next audit cycle.

All findings related to ISAC pertain to the Illinois Designated Account Purchase Program. These findings are summarized in a separate report digest for the financial audit of the Designated Account Purchase Program for the year ended June 30, 2009.

AUDITORS' OPINION

Our auditors stated the June 30, 2009 financial statements of the Illinois Student Assistance Commission are fairly presented in all material respects.

WILLIAM G. HOLLAND, Auditor General

WGH:JAF:pp

SPECIAL ASSISTANT AUDITORS

Our special assistant auditors for this audit were
McGladrey & Pullen, LLP.

{Expenditures and Activity Measures are summarized on the reverse page.}

**ILLINOIS STUDENT ASSISTANCE COMMISSION
FINANCIAL AUDIT**

For The Year Ended June 30, 2009 (Amounts Expressed In Thousands)

FINANCIAL OPERATIONS (All Funds)	FY 2009	FY 2008
GOVERNMENTAL ACTIVITIES		
Program revenues:		
Operating grants and contributions	\$ 5,915	\$ 5,052
Program expenses:		
Scholarships, awards and grants	430,626	429,558
Interest.....	<u>429</u>	<u>569</u>
	<u>431,055</u>	<u>430,058</u>
Governmental activities, net (expenses)	<u>(425,140)</u>	<u>(425,006)</u>
BUSINESS-TYPE ACTIVITIES		
Program revenues:		
Charges for services	83,535	114,445
Operating grants and contributions	<u>37,128</u>	<u>131,839</u>
	<u>120,663</u>	<u>246,284</u>
Program expenses:		
Student loan purchase program.....	58,001	101,174
Prepaid tuition.....	74,718	73,559
Loan guarantee program.....	<u>231,148</u>	<u>226,553</u>
	<u>363,867</u>	<u>401,286</u>
Business-type activities, net (expenses)	<u>(243,204)</u>	<u>(155,002)</u>
Program activities, net.....	<u>(668,344)</u>	<u>(580,008)</u>
GENERAL REVENUES		
Appropriations	429,412	429,309
Investment income	1,281	2,579
Special item – loan purchase settlement.....	(2,730)	-
Special item – sale of loan portfolio	-	(10,855)
Other.....	<u>(4,746)</u>	<u>(4,702)</u>
	<u>423,217</u>	<u>416,331</u>
Change in net assets	\$ (245,127)	\$ (163,677)
SELECTED NET ASSET ACCOUNTS		
Cash and cash equivalents.....	\$ 176,386	\$ 134,374
Investments and marketable securities	964,046	987,650
Securities lending collateral.....	72,331	167,529
Student loans receivable, net	1,200,038	1,135,038
Other receivables	64,409	63,829
Notes receivable.....	48,553	98,838
Tuition & accretion payable.....	1,221,854	1,102,406
Revenue bonds payable and lines of credit	1,426,247	1,270,211
Securities lending collateral obligation.....	77,663	170,776
Total assets.....	2,540,826	2,603,605
Total liabilities.....	2,771,954	2,589,606
Total net assets	(231,128)	13,999
AGENCY DIRECTOR		
During Audit Period: Mr. Andrew Davis		
Currently: Mr. Andrew Davis		

