



STATE OF ILLINOIS
**OFFICE OF THE
 AUDITOR GENERAL**

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

**ILLINOIS STUDENT ASSISTANCE COMMISSION -
 ILLINOIS PREPAID TUITION PROGRAM**

**Financial Audit
 For the Year Ended June 30, 2022**

Release Date: April 13, 2023

FINDINGS THIS AUDIT:	0
FINDINGS LAST AUDIT:	0

INTRODUCTION

This report covers our financial audit of the Illinois Student Assistance Commission (Commission) – Illinois Prepaid Tuition Program (Program) as of June 30, 2022 and for the year then ended.

As of June 30, 2022, the Program has a **deficit** of \$14.8 million. The table below details a reconciliation of the fund deficit in the financial statements to the fund deficit in the Actuarial Soundness Report as of June 30, 2022.

Reconciliation of Fund Deficit with Unfunded Liability in the Actuarial Report

Unfunded liability per actuarial soundness report	\$ (28,006,113)
Present value of accrued future administrative expense	14,616,878
Other accrued liabilities	<u>(1,373,128)</u>
Fund deficit per Statement of Net Position	<u>\$ (14,762,363)</u>

AUDITOR’S OPINION

The auditors stated the financial statements of the Commission - Program as of and for the year ended June 30, 2022 are fairly stated in all material respects. The auditors included a paragraph emphasizing that the Program has a deficit of \$14.8 million as of June 30, 2022.

This financial audit was conducted by Crowe LLP.

SIGNED ORIGINAL ON FILE

JANE CLARK
 Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
 Auditor General

FJM:JGR

ILLINOIS STUDENT ASSISTANCE COMMISSION
ILLINOIS PREPAID TUITION PROGRAM
FINANCIAL AUDIT
For the Year Ended June 30, 2022

STATEMENT OF NET POSITION	2022	2021
Assets		
Cash and cash equivalents.....	\$ 225,174,776	\$ 2,297,246
Investments.....	413,853,080	526,981,324
Contracts receivable.....	7,825,403	11,814,477
Recoverable taxes.....	830	24,686
Accrued interest on investments.....	209,103	70
Investments receivable.....	212,603,523	-
Due from other State Funds.....	-	30,000,000
Total.....	<u>859,666,715</u>	<u>571,117,803</u>
Liabilities		
Accounts payable and accrued expenses.....	1,363,984	937,924
Investments purchased.....	212,603,523	-
Due to other ISAC funds.....	122,354	133,927
Due to State of Illinois component units.....	95,894	26,237
Tuition obligation.....	660,243,323	786,267,831
Total.....	<u>874,429,078</u>	<u>787,365,919</u>
Net Position, Unrestricted (Deficit).....	<u>\$ (14,762,363)</u>	<u>\$ (216,248,116)</u>
REVENUES, EXPENSES AND CHANGES IN NET POSITION	2022	2021
Operating and non-operating revenues		
Income from investment securities.....	\$ (49,104,200)	\$ 89,485,043
Fees.....	194,832	201,609
Interest Revenue.....	394,364	19,211
Transfer from other State Funds.....	-	30,000,000
Total.....	<u>(48,515,004)</u>	<u>119,705,863</u>
Operating expenses		
Accreted tuition expense.....	(3,909,446)	8,801,914
Salaries and employee benefits.....	814,797	1,599,649
Management and professional services.....	1,938,627	1,980,683
Investment advisory fees.....	878,497	1,398,958
Investment management fees.....	276,768	345,292
Total.....	<u>(757)</u>	<u>14,126,496</u>
Transfers.....	250,000,000	-
Change in net position.....	<u>\$ 201,485,753</u>	<u>\$ 105,579,367</u>
Actuarial Report on Soundness (Unaudited)	2022	2021
Unfunded liabilities.....	\$ (14,762,363)	\$ (238,281,263)
Funded Ratio.....	95.9%	70.6%

AGENCY EXECUTIVE DIRECTOR

During Audit Period and Currently: Mr. Eric Zarnikow