



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

William G. Holland, Auditor General

SUMMARY REPORT DIGEST

ILLINOIS STUDENT ASSISTANCE COMMISSION

FINANCIAL AUDIT

For the Two Years Ended: June 30, 2011

Release Date: April 24, 2012

Summary of Findings:

Total Prepaid Tuition Program	5
Total IDAPP	<u>5</u>
TOTAL: ISAC	10
Total Last Audit: Prepaid Tuition Program	1
Total Last Audit: IDAPP	<u>5</u>
TOTAL Last Audit: ISAC	6
Repeated from Last Audit: Prepaid Tuition	1
Repeated from Last Audit: IDAPP	<u>4</u>
TOTAL Repeated from last Audit: ISAC	5

INTRODUCTION

The Illinois Student Commissions (Commission) financial audit report consists of three sets of financial statements as follows – the financial statements of the Illinois Student Assistance Commission; the financial statements of the Illinois Prepaid Tuition Program (Program), a major fund of the Commission; and the financial statements of the Illinois Designated Account Purchase Program (IDAPP), a major fund of the Commission.

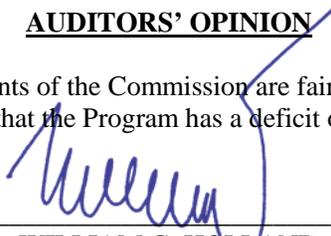
This report covers our financial audit of the Commission as of June 30, 2011 and for the year then ended.

All the Financial Statement Audit Report findings of the Commission pertain to either the Program or IDAPP. These findings are summarized in the separate report digests for the financial audit of the Program and IDAPP for the year ended June 30, 2011.

The Management Audit of the College Illinois Prepaid Tuition Program administered by the Illinois Student Assistance Commission will be released in the near future.

AUDITORS' OPINION

Our auditors stated the financial statements of the Commission are fairly presented in all material respects. Auditors included a paragraph emphasizing that the Program has a deficit of \$262 million as of June 30, 2011.



WILLIAM G. HOLLAND
Auditor General

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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, 2011 (in thousands)

STATEMENT OF NET ASSETS	2011	2010
Unrestricted assets		
Unexpended appropriations.....	\$ 45,824	\$ 3,282
Cash and cash equivalents.....	60,139	65,296
Intergovernmental and other receivables.....	38,101	44,265
Securities lending collateral of State Treasurer	15,343	15,406
Investments.....	1,128,440	971,481
Capital assets, net.....	12,788	12,717
Restricted assets		
Cash and cash equivalents.....	56,638	49,108
Investments.....	19,606	229,436
Student loan and other receivables, net.....	957,186	1,145,618
Other.....	6,881	1,462
Total.....	<u>\$ 2,340,946</u>	<u>\$ 2,538,071</u>
Liabilities		
Accounts payable and accrued liabilities.....	\$ 31,872	\$ 26,780
Securities lending collateral obligation.....	15,343	15,406
Line of credit.....	314,457	360,174
Tuition and accreted tuition payable.....	1,392,329	1,323,030
Revenue bonds payable.....	704,284	1,019,701
Other.....	17,987	23,743
Total.....	<u>\$ 2,476,272</u>	<u>\$ 2,768,834</u>
Net assets		
Invested in capital assets, net of related debt...	\$ 9,188	\$ 7,447
Restricted.....	64,057	93,947
Unrestricted.....	<u>(208,571)</u>	<u>(332,157)</u>
Total.....	<u>\$ (135,326)</u>	<u>\$ (230,763)</u>

STATEMENT OF ACTIVITIES	2011	2010
Expenses		
Scholarships, awards and grants.....	\$ 422,326	\$ 431,457
Student loan purchase program.....	44,347	45,471
Prepaid tuition.....	94,405	86,446
Loan guarantee program.....	238,506	243,076
Interest.....	273	354
Total.....	<u>\$ 799,857</u>	<u>\$ 806,804</u>
Program revenues		
Charges for services.....	75,243	83,234
Operating grants and contributions.....	<u>377,068</u>	<u>300,537</u>
Net program revenues	(347,546)	(423,033)
General revenues		
Appropriations from State resources.....	455,081	425,082
Other.....	<u>(12,098)</u>	<u>(1,684)</u>
Change in net assets.....	<u>\$ 95,437</u>	<u>\$ 365</u>

AGENCY EXECUTIVE DIRECTOR
During Examination Period: Mr. Andrew Davis
Currently: Mr. Eric Zarnikow