

ISAC Report for ICCTA – Kim Savage, ISAC Commissioner/COD Trustee

I recently met with Geoff Obrzut. He briefed me on the ICCB's Student Financial Aid Task Force recommendations.

MAP:

As of now, we have yet to be granted the additional spending authority that the Governor is seeking in order to reduce the likelihood of cuts to MAP grants in the second half of the year.

- We worked with financial aid advisors early this fall to reach students with the message that they could see smaller awards during the spring term because of a combination of increased demand and a smaller appropriation for MAP.
- Students' spring term grants could be as much as 15% smaller than their first term grants because of the shortfall.
- Luckily, we do have \$33.5m that is currently earmarked for MAP but that ISAC needs authority from the General Assembly to spend. If we receive that spending authority, cuts will be much smaller and may not even be needed.
- The General Assembly announced additional session days beginning on November 29, so it is still possible that we could get this authority before schools must inform students of their final spring financial aid packages.

For future fiscal years, although we expect that ISAC will always seek additional funding for MAP, the state's budget situation obviously reduces the likelihood that substantial new funds will be appropriated to the program.

- Given that, along with the push for more performance-based funding throughout higher ed, there's a lot of interest in ensuring that existing dollars are used in the most effective and efficient way. Our interim executive director, John Sinsheimer, has directed staff to renew their attention to how we can ensure that aid is getting to those who will benefit most from the grants so that we know we are maximizing the impact of MAP dollars.

We appreciate the insights and ideas that have been introduced so far from sector representatives and others, and ISAC staff are modeling a number of the suggestions that have been raised so far to determine how they might affect distribution and outcomes. Unfortunately, without new funding, any proposal to change how funds are distributed is a zero-sum game in which we have to consider who the winners and losers will be. It's a struggle with no easy answer.

- For those in attendance who might not be aware, the Commission will receive recommendations from the MAP Formula Committee before approving the MAP Formula for the coming award year, as it has in the past. That committee is made up of financial aid advisors from every sector that participates in MAP; they are chosen by their peers in financial aid to evaluate possible formulas and make a recommendation to the Commission. For FY12, the Formula Committee actually made a recommendation to impose a 5% cut on award size in order to extend application processing a little bit longer and accommodate more of the later applicants. The Commission approved that recommendation for the current award year. (This was also among the ICCB committee's recommendations.)

COLLEGE ILLINOIS!

The program has about \$1 billion in assets and is paying all of its contractual obligations for the year (about \$57m). The Commission is anticipating the results of an audit that it commissioned, along with a review from the Auditor General of investments and program administration. New appointees have been named to the program's Investment Advisory Panel, and we're interviewing Chief Investment Officer candidates, as well.

AGENCY STAFFING:

In other staffing issues, I mentioned already that the agency is being run by an interim Executive Director, John Sinsheimer. John previously worked as the agency's CFO before being asked to run bond sales for the state a couple of years ago. Prior to working for the state, John worked for the Illinois Institute of Technology (IIT). A few additional non-civil service positions have also been eliminated, but when it comes to school services and services for students, the personnel have remained largely unchanged.

CORPS:

Some of you may not be aware of the Illinois Student Assistance Corps, or ISACorps. This is a group of 87 recent college graduates (near-peer mentors) who have been through intensive residential training in college access and financial aid issues.

Funded by the federal College Access Challenge Grant Program, the Corps' main mission is to expand ISAC's college access and outreach programs and services to help students navigate the process of applying to and entering college. They offer financial aid workshops, one-on-one mentoring and counseling, and FAFSA completion assistance in high schools and public venues throughout their regions.

- One role of Corps members is to help students explore all of the available higher ed options for their areas of interest. In looking at college costs, Corps members strive to ensure that students fully understand the implications of accumulating student loan debt—and they're definitely aware of the value that community colleges provide, as a whole.
- The Student Assistance Commission really appreciates those many colleges where staff have welcomed their local Corps members and worked as partners and, in some cases, professional mentors.
- Corps members should be seen as a resource for the students, families, and counselors in every region, and they've developed great relationships with a lot of community college staff. You can find out who your region's Corps members are by going to the ISAC homepage (www.collegeillinois.org) and clicking on the map of Illinois. Please feel free to reach out to them if you haven't already had a chance to meet.