

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Report on Meeting of the Iowa College Student Aid Commission
Date: June 9, 2003

Recommended Action:

Receive the report.

Executive Summary:

The Iowa College Student Aid Commission met on May 20, 2003, with the Executive Director, who represents the Regents as a member of the Commission, in attendance.

Highlights of the discussion included the following items.

- The proposed student loan programs operating budget for FY 2004 was approved. The locally developed iSBS student loan servicing software has been successfully marketed elsewhere in the country, which will help allow for the retirement of remaining development liabilities for the system. The planned student loan-servicing center planned for Iowa is also anticipated to result in operating savings of up to \$500,000 in FY 04, and over \$1 million annually thereafter. Various federal sources may, however, begin to be reduced in FY 04 and thereafter.
- An extension was granted until December for a decision on a new contract for collections vendors.
- A legislative report was given, during which it was noted that total state appropriations for student aid programs administered by the Commission have dropped \$6 million, or 10%, since FY 2001, based on final legislative action. FY 2004 appropriations were essentially the same (increased by a fraction of a percent) compared to FY 03.
- Student loan guarantee volume through April 2003 was reported as \$196 million in the Stafford and PLUS (parents loans) programs, and total outstanding commitments as of mid-year were \$1.933 billion.

Additional discussions were held at the meeting on postsecondary institutions registrations and administrative rules revisions. Detailed information on any of these matters is available upon request.


Gregory S. Nichols