

**STUDENT LOAN AUTHORITY (347) - 2007-2009 BIENNIUM  
BUDGET INFORMATION ACCORDING TO ALC/JBC RECOMMENDATIONS**

**I) AGENCY SUMMARY & REVENUE SOURCES**

**MISSION**

The agency's purpose is to increase the accessibility of student loans by acting as an original direct lender and as a secondary market for loans (purchasing loans made by local banks).

**TOTAL BIENNIAL BUDGET**

The agency's total budget for the 2007-2009 Biennium is \$11,951,461 in year one and \$13,490,383 in year two.

**FUNDING SOURCE**

The budget is funded with cash funds generated from loan program operations - bond issues.

**II) CHANGES/APPROPRIATIONS**

- Increase Operating Expenses \$129,932 in FY08 and \$153,546 in FY09 due to an update in accounting procedures that affect office rent, equipment rental, telephone services and postage.
- Increase in Travel of \$6,453 in FY08 and \$7,839 in FY09 for increased conference expenses.
- Increase in Professional Fees of \$2,754,289 in FY08 and \$4,254,289 in FY09 - increases based on loan servicing and program administration expenses, which are directly proportional to the balance of outstanding student loan receivables.
- Continuation of \$3.3 million each year for Building/Land Acquisition to purchase or construct a building, land acquisition and associated expenses to house the Authority.
- Increase in Capital Outlay of \$4,000 in FY08 and \$9,500 in FY09 for additional needs for office furniture and general equipment upgrades.
- Increase of \$9,000 each year for computer system and equipment upgrade due to volume and complexity of student loan program.

**III) ADDITIONAL POSITIONS**

Total positions for 2007-09 biennium: 6

Total positions for FY 2007: 6

**IV) SPECIAL LANGUAGE**

None

