



Preparing Alaska's Citizens for Alaska's Future

*The Alaska Commission
on Postsecondary Education,
funded by the Alaska Student
Loan Corporation, is charged
with providing Alaska's students
and families with the tools and
resources they need to access the
individual and community benefits
of higher education.*



AlaskaAdvantage Programs

*Annual Report to Alaskans
Year ending June 30, 2009*



David Rees Lydia H. Wirkus Diane Barrans

Program year 2009 was one of great challenges and great opportunities. Over the coming decade, ACPE and ASLC expect the 2009 challenges and opportunities to be the fulcrum for organizational transformation as the capital markets continue to reorganize and new federal leadership implements its higher education agenda. ACPE expects its loan programs to be transformed by the changes at the federal level, and ASLC anticipates significant change in its financing strategies.

What remains unchanged, however, is our combined mission to provide Alaska's students with the encouragement, tools, and resources to successfully gain the benefits of higher education. Nor has Alaska's need changed: we continue to see the lowest rate of college-going among recent high school graduates of any state, and our economy continues to pay the price for having to import workforce.

Nevertheless, the ACPE/ASLC partnership remains a healthy, future-oriented asset for Alaska. In 2009, this organization expanded programs and services to Alaskans through initiatives to address the challenges arising from the current economic climate and likely elimination of the Federal Family Education Loan Program (FFELP). We also expanded financial literacy activities, while proactively advising borrowers about upcoming changes to the Alaska Supplemental Education Loan credit requirements and streamlining the online application process to better support cosigner involvement.

In 2010, our priorities will be deploying innovative financing strategies to sustain higher education access programs and services to Alaskans at no cost to the state, and extending opportunities to our investors and public, including:

- ✓ Expanding partnerships with: other agencies, school districts, and the state's University to broaden our reach through online services, shared resources, and targeted program delivery
- ✓ Leveraging grant opportunities to bring both foundation and federal dollars to Alaska to fund higher education grants to Alaska's neediest citizens, expand peer mentoring across the state, and provide research and policy analysis to ensure the interventions we deploy are those most likely to make a difference
- ✓ Providing Alaska's executive administration and legislature with the informational resources they need to develop effective, cost-efficient programs for Alaska's higher education students

We invite you to visit us online at www.akadvantage.alaska.gov or stop by one of our events to learn more about how the ACPE/ASLC partnership is transforming our services for the future.

Respectfully,

David Rees, Chair
Alaska Commission on Postsecondary Education

Lydia H. Wirkus, Chair
Alaska Student Loan Corporation

Diane Barrans, Executive Director/Officer
ACPE/ASLC



Sean Parnell, Governor

Alaska Commission on Postsecondary Education

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- Rebecca Huggins, Vice Chair
- Milton B. Byrd, Ph.D.
- Jennifer Chambers
- Fuller Cowell
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- Representative Carl Gatto
- Sharon Charnell Gherman
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Lydia Wirkus

Alaska Student Loan Corporation

Lydia H. Wirkus, Chair

Hugh Grant, Vice Chair

Commissioner Patrick S. Galvin (Designee: Jerry Burnett)

Commissioner Annette Kreitzer (Designee: Kevin Brooks)

Commissioner Emil Notti (Designee: Greg Winegar)

Management Team

Diane Barrans, Executive Director/Officer

Stephanie Butler, Director of Program Operations

Kenneth Dodson, Director of Information Support Services

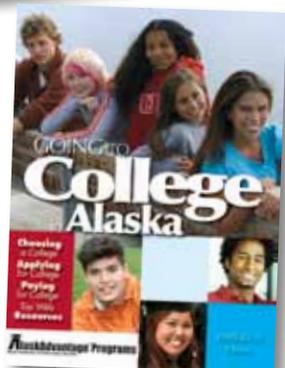
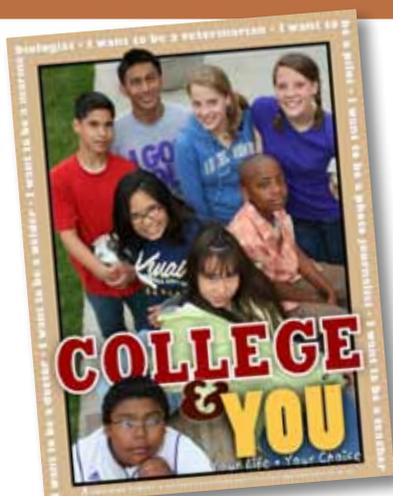
Lora Jorgensen, Director of Outreach and Early Awareness

Frank Love, Administrative Officer

Charlene Morrison, CPA, Chief Financial Officer

Kerry Thomas, Internal Auditor

Donna Vargas, Commission/Corporation Secretary



Alaska Advantage Programs

Alaska Commission on Postsecondary Education
Alaska Student Loan Corporation
PO Box 110505, Juneau, Alaska 99801-0505
Toll-free 800-441-2962 • Juneau 907-465-2962

For complete information and financial statements, visit our Web site at www.AKAdvantage.alaska.gov.

ACPE provides its programs and services to all persons without regard to race, color, religion, national origin, gender, age, political affiliation, or disability. Upon request, information contained in this publication will be made available in an alternate format.

ALASKA STUDENT LOAN CORPORATION
Summary Financial Information (in thousands)
Balance Sheet (As of June 30th)

	<u>2009</u>	<u>2008</u>
Assets:		
Cash and investments	\$ 129,520	197,619
Loans receivable, net	586,462	556,562
Interest receivable-loans, net	21,842	21,319
Other assets	<u>4,887</u>	<u>5,598</u>
Total assets	<u>\$ 742,711</u>	<u>781,098</u>

Liabilities:

Bonds payable, net	534,187	565,626
Bond interest payable	3,063	3,861
Arbitrage payable	2,653	2,987
Return of capital payment	14,180	21,737
Other liabilities	<u>7,979</u>	<u>9,898</u>
Total liabilities	<u>562,062</u>	<u>604,109</u>

Net assets:

Unrestricted net assets	140,686	139,437
Restricted net assets	<u>39,963</u>	<u>37,552</u>
Total net assets	<u>180,649</u>	<u>176,989</u>
Total liabilities and net assets	<u>\$ 742,711</u>	<u>781,098</u>

Statement of Revenues and Expenses Year Ended June 30th

	<u>2009</u>	<u>2008</u>
Operating revenue:		
Interest - loans, net	\$ 37,017	41,383
Investment income	2,922	18,588
Other	<u>53</u>	<u>30</u>
Total operating revenue	<u>39,992</u>	<u>60,001</u>

Operating expense:

Interest	13,346	27,990
Administration	13,881	14,190
Provision for:		
Loan losses	5,185	5,447
Forgiveness	178	167
Other	<u>613</u>	<u>2,088</u>
Total operating expense	<u>33,203</u>	<u>49,882</u>
Operating income	<u>6,789</u>	<u>10,119</u>

Nonoperating expense:

Interest expense	3,683	4,388
Administration	18	14
Other	<u>(572)</u>	<u>760</u>
Nonoperating expense	<u>3,129</u>	<u>5,162</u>
Income before return of capital	3,660	4,957
Return of capital	<u>-</u>	<u>(9,139)</u>
Change in net assets	3,660	(4,182)
Total net assets - beginning	<u>176,989</u>	<u>181,171</u>
Total net assets - ending	<u>\$ 180,649</u>	<u>176,989</u>

Summary of Cumulative AlaskAdvantage Benefits to Borrowers

	Rate Reductions/ Acct Credits	Federal Loan Fee Reductions	Total
FY2002	\$ 1,149,390	\$ -	\$ 1,149,390
FY2003	1,822,021	96,211	1,918,232
FY2004	2,895,956	153,754	3,049,710
FY2005	3,670,795	274,754	3,945,549
FY2006	3,284,571	215,824	3,500,395
FY2007	2,907,728	656,395	3,564,123
FY2008	3,675,138	773,364	4,448,502
FY2009	3,285,183	722,477	4,007,660
Total	\$ 22,690,782	\$ 2,892,779	\$ 25,583,561

Note: The Alaska Student Loan Corporation (ASLC) is committed to providing qualifying AlaskAdvantage federal and alternative loan borrowers with an annual benefits package that provides Alaska students with the lowest possible financial aid costs. These benefits are provided to reduce borrower-paid costs in each year that ASLC determines it has the financial capacity to do so. A borrower who defaults on a loan forfeits benefits.

Summary of FY2009 Borrowing (Stafford, PLUS, ASEL, FEL, and TEL Programs)

Student Level	In-State		Out-of-State		Total	
	Loans	Dollars	Loans	Dollars	Loans	Dollars
Vocational	1,115	\$ 4,716,805	157	\$ 651,066	1,272	\$ 5,367,871
Undergraduate	13,134	\$ 59,082,171	3,331	\$ 20,298,777	16,465	\$ 79,380,948
Graduate	714	\$ 5,336,454	571	\$ 5,714,535	1,285	\$ 11,050,989
Total	14,963	\$69,135,430	4,059	\$26,664,378	19,022	\$95,799,808

Three-Year Summary of Number of Loans by Student Level (In-State and Out-of-State)

Student Level	In-State			Out-of-State			Total		
	FY09	FY08	FY07	FY09	FY08	FY07	FY09	FY08	FY07
Undergraduate	14,249	10,567	9,583	3,488	3,238	3,232	17,737	13,805	12,815
Graduate	714	620	638	571	568	476	1,285	1,188	1,114
Total	14,963	11,187	10,221	4,059	3,806	3,708	19,022	14,993	13,929

Institutions With at Least 50 Borrowers in FY2009

School Name	Total Amount	# of Borrowers	State Alternative Loans	Federally Guaranteed Loans
University of Alaska Anchorage	\$ 30,251,212	3,303	\$ 12,730,289	\$ 17,520,923
University of Alaska Fairbanks	\$ 12,402,523	1,391	\$ 7,045,307	\$ 5,357,216
Charter College - Anchorage	\$ 10,706,739	831	\$ 3,348,145	\$ 7,358,605
University of Alaska Southeast	\$ 4,082,367	422	\$ 731,415	\$ 3,350,952
Career Academy	\$ 2,944,962	378	\$ 519,030	\$ 2,425,932
Alaska Pacific University	\$ 4,674,734	370	\$ 1,916,614	\$ 2,758,120
Charter College - Mat Su Campus	\$ 2,603,259	233	\$ 809,044	\$ 1,794,215
AVTEC	\$ 972,591	113	\$ 351,976	\$ 620,615
University of Idaho	\$ 580,272	72	\$ 580,272	0
University of Washington	\$ 1,287,540	68	\$ 1,287,540	0
DeVry University	\$ 945,929	64	\$ 389,201	\$ 556,728

FY2009 Summary by Loan Program

	In-State		Out-of-State		Total	
	Loans	Dollars	Loans	Dollars	Loans	Dollars
Stafford Subsidized	4,573	\$ 16,960,191	854	\$ 3,825,177	5,427	\$ 20,785,368
Stafford Unsubsidized	5,934	\$ 23,659,520	1,119	\$ 6,010,728	7,053	\$ 29,670,248
PLUS	72	\$ 551,135	112	\$ 1,372,283	184	\$ 1,923,418
Grad Student PLUS	2	\$ 15,732	70	\$ 960,163	72	\$ 975,895
Federally Guaranteed Total:	10,581	\$ 41,186,578	2,155	\$ 12,168,351	12,736	\$ 53,354,929
ASEL	4,323	\$ 27,552,081	1,714	\$ 13,092,157	6,037	\$ 40,644,238
Family Education Loan	17	\$ 105,303	144	\$ 1,087,603	161	\$ 1,192,906
Teacher Education Loan	42	\$ 291,468	46	\$ 316,267	88	\$ 607,735
State Alternative Loan Total:	4,382	\$ 27,948,852	1,904	\$ 14,496,027	6,286	\$ 42,444,879
Grand Total:	14,963	\$69,135,430	4,059	\$26,664,378	19,022	\$95,799,808

Top Five States of Attendance for FY2009 Borrowers

Undergraduate Borrowers		
State	# of Loans	Avg Loan Amt
Alaska	8,724	\$4,814
Washington	502	\$7,507
Oregon	354	\$6,601
Arizona	240	\$6,280
California	212	\$6,799

Graduate Borrowers		
State	# of Loans	Avg Loan Amt
Alaska	572	\$ 6,936
Oregon	74	\$ 8,989
California	72	\$10,498
Washington	57	\$ 9,896
Arizona	36	\$ 9,192

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	Alaska Residents Attending Out-of-State	Dollar Savings
*Western Undergraduate Exchange Program	1,631	\$12,078,526

Summary of Non-Resident Borrowing at Alaska Institutions

	Loans	Dollars
ASEL	725	\$4,501,929
Stafford	1,025	\$3,947,473
Total:	1,750	\$8,449,402

Alaska Advantage Programs

For more information about how ACPE/ASLC meet their combined mission of making higher education more accessible for Alaskans, visit our State of Alaska performance information at omb.alaska.gov/results/view.php?p=32.

Visit our Web site to view a complete audited financial report for 2009.