

Student Aid Commission, Ohio

State Special Revenue Fund Group

462 373-603 Operating Expenses

1998 Actual	1999 Actual	2000 Actual	2001 Actual	2002 Appropriation	2003 Appropriation
\$ 833,854	\$ 2,017,906	\$ 0	\$ 19,836	\$ 0	\$ 0
	142.0%	-100.0%	N/A	-100.0%	N/A

Source: State Special Revenue Fund Group: Federal reimbursement funds, student premiums

Legal Basis: Discontinued line item (previously established by Am. Sub. H.B. 204 of the 113th G.A.; the final appropriation was for FY 1998 in Am. Sub. H.B. 215 of the 122nd G.A.)

Purpose: This line item was the only remaining appropriation item in the budget of the Ohio Student Aid Commission (SLC) for FY 1998. It was subsequently discontinued when SLC was closed. The loan administration operations were transferred to a non-state third party; the scholarship/grant administration operations were transferred to the Board of Regents. The termination authority was provided by uncodified law in the budget, Am. Sub. H.B. 215 of the 122nd G.A.

The appropriation for FY 1998 was intended to pay the commission's close-out obligations, consisting of any outstanding obligations from previous fiscal years and any FY 1998 obligations associated with the termination of the operations of the commission. Any unobligated balance in Fund 462 (the Operating Expenses Fund) remaining on June 30, 1998 was transferred "to such agency as shall be designated by written directive of the federal agency responsible for administering the Federal Family Education Loan Program", which was the Board of Regents.

Under the Student Aid Commission, this appropriation item covered the commission's administrative expenses. Into this item the commission received reimbursement funds from the federal government for allowable expenses incurred by the commission in administering the federal student loan program. The item also received the guarantee premiums charged to students during the times they were in school or during the grace period, prior to the commencement of loan repayment. Revenues generated by the premiums were used to fund operations of the commission that were not federally funded; any excess was placed in the commission's reserve fund (outside the state treasury). The reserve fund underwrote student loans for which the commission had some liability.