



MONTANA LEGISLATIVE AUDIT DIVISION

FINANCIAL AUDIT

Montana Guaranteed Student Loan Program

For the Fiscal Year Ended June 30, 2009

NOVEMBER 2009

09-06

REPORT SUMMARY

The Montana Guaranteed Student Loan Program (MGSLP) was established by the Office of the Commissioner of Higher Education in 1981 to coordinate and administer the federally insured student loans issued by various lending institutions. The original principle balance of guaranteed loans outstanding held by MGSLP as of June 30, 2009 was approximately \$2,049,077,593.

Context

The Office of the Commissioner of Higher Education's Montana Guaranteed Student Loan Program allows eligible students to receive loans from lending institutions to pay for post-secondary education. The federal government guarantees the loans made by lending institutions and makes administrative cost reimbursements to the MGSLP for acting as a collection agent. The MGSLP performs the administrative duties associated with the loan guarantee process but contracts with an outside vendor for computer support services.

State Law requires an annual financial audit of the MGSLP financial statements in addition to the biennial financial-compliance audit over the Office of the Commissioner of Higher Education.

Results

This report contains no recommendations to the MGSLP. The prior audit report contained one recommendation which was implemented.

Recommendation Concurrence	
Concur	0
Partially Concur	0
Do Not Concur	0
Source: Agency audit response included in final report.	

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