

Department of Finance		Fund: 0951a
STATE OF CALIFORNIA MANUAL OF STATE FUNDS		PAGE 1 Renumbered From:
<u>Legal Title</u> State Guaranteed Loan Reserve Fund		
<u>Legal Citation/Authority</u> Chapter 1270, Statutes of 1975 Education Code sections 69760-69771		
<u>Fund Classification</u> <u>GAAP Basis</u> Governmental/Special Revenue Funds	<u>Fund Classification</u> <u>Legal Basis</u> Nongovernmental/Trust and Agency Funds- Non-Federal	
<u>Purpose</u> To guaranteeing loans to college students. Loans made by banks and other financial institutions may be guaranteed by the state for 100 percent of the amount of the loan. If the student defaults on the loan, the lending institution is reimbursed from the fund. The state's total legal obligations for loans guaranteed under this program are limited to the amount in the fund. Administrative costs of the commission from the interest on investments.		
<u>Administering Agency/Organization Code</u> Student Aid Commission/ Org 7980		
<u>Major Revenue Source</u> Federal, state or local governments, or from other private or public sources. Interest on investments of surplus money.		
<u>Disposition of Fund (upon abolishment)</u> Pursuant to Education Code Section 69766 (a), funds remaining in this fund on January 1, 2000, will be transferred to the Federal Student Loan Reserve Fund (0783) or the Student Loan Operating Fund (0784).		
<u>Appropriation Authority</u> Section 69766 of the Education Code appropriated the money deposited in the fund "without regard to fiscal years, for purposes of this Chapter".		
<u>State Appropriations Limit</u> <i>Always Excluded</i> --Non governmental cost funds are always excluded from the State Appropriations Limit because the moneys are derived from non-tax revenues. Expenditures from these funds do not represent a cost of government. These funds consist of receipts from the sale of lands, funds created for accounting purposes, fines and penalties or moneys held in trust.		
<u>Comments/ Historical Information</u> Chapter 63, Statutes of 1961, originally created this fund. Chapter 1270, Statutes of 1975 changed the administering agency from the State Scholarship and Loan Commission to the Student Aid Commission. Chapter 636, Statutes of 1999 abolished this fund and replaced it with Fund 0783 and Fund 0784, effective January 1, 2000.		

