

Chart 1  
USA Funds' Kansas Loan Volume  
by Loan Type

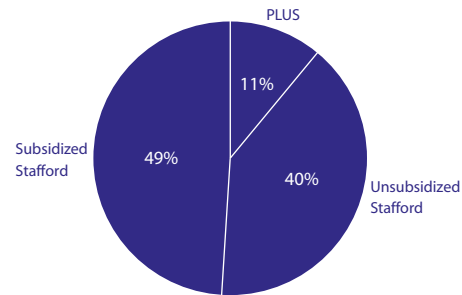
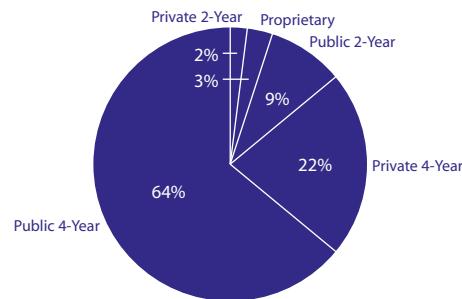


Chart 2  
USA Funds' Kansas Loan Volume  
by Institution Type



USA Funds® is the nation's leading education-loan guarantor. A nonprofit corporation, USA Funds works to enhance postsecondary-education preparedness, access and success by providing and supporting financial and other valued services.



**USA Funds® has served Kansas as its designated guarantor of federal education loans since 1991. As Kansas' designated guarantor, USA Funds links colleges, universities, proprietary schools, private lenders, students and parents to promote financial access to college. USA Funds supports critical education-loan services, including loan-application processing, customer assistance and default prevention and recovery, as well as policy guidance and training of school and lender staff.**

During the fiscal year ending Sept. 30, 2004, USA Funds guaranteed nearly \$379 million in new education loans to nearly 60,000 Kansas borrowers — including 54,672 students and 5,185 parents — and served 59 postsecondary institutions in Kansas.

USA Funds works with Kansas schools and lenders to help reduce student-loan-default rates. During the last 10 years, Kansas' default rate has dropped more than 72 percent. The most-recent default measure, the 2002 cohort-default rate, fell to 4.6 percent — a decline of more than 2 percent from the previous year in the default rate among Kansas borrowers. The cohort-default rate measures the percentage of students who entered repayment on their education loans during a given federal fiscal year and defaulted on their loans prior to the end of the following fiscal year.

### **Debt-management initiatives**

To partner with postsecondary institutions in their debt-management efforts, USA Funds in 2004 provided a broad spectrum of services in Kansas, including the following:

- ◇ USA Funds' debt-management consultants assisted seven Kansas schools in their work to curb student-loan defaults.
- ◇ To equip postsecondary institutions to teach their students to manage their time and money wisely while they are on campus and after graduation, USA Funds offers at no cost to Kansas schools the USA Funds Life Skills® financial-literacy course. The number of schools in various stages of implementing USA Funds Life Skills in Kansas stood at 38.
- ◇ Ten schools in Kansas used Default Management System™ software, which provides assistance with call or letter campaigns to borrowers experiencing repayment difficulties. USA Funds provides DMS at no cost to Kansas schools.

USA Funds also provided and supported a variety of other programs for Kansas schools and lenders, and the students and families they serve, to support preparation for, access to and success in higher education in 2004.

### **Kansas advisory council**

To ensure that its services meet the needs of postsecondary education in Kansas, USA Funds hosts regular meetings of its Kansas financial-aid advisory council, which includes financial-aid administrators for Kansas colleges and universities, as well as representatives of lending institutions.

### **Staff-training opportunities**

USA Funds helps colleges and lenders comply with program regulations and keeps them informed of policy developments and improved services through free workshops conducted in Kansas. During fiscal 2004, USA Funds conducted four student-loan workshops, in Kansas City and Wichita, for a total of 123 participants.

### **Scholarship funding**

The USA Funds Access to Education Scholarships® program awarded 362 new and renewal scholarships totaling \$532,125 to deserving college-bound students in Kansas for the 2004-2005 academic year. These scholarships assist students in financial need — particularly those who are either members of ethnic-minority groups or are physically disabled — as they finance their higher education.

USA Funds also awarded \$12,000 in scholarships to graduating seniors from eight Kansas high schools under the USA Funds Scholars program, which assists outstanding students in communities in which USA Funds has offices.

### **Early awareness program**

USA Funds offers at no cost to Kansas schools and community- and faith-based organizations its USA Funds Unlock the Future® early awareness program. A Kansas organization was among those that took advantage of the program, which introduces students and their families to the benefits of and options for education after high school.

### **College-planning Web site**

USA Funds partnered with College Answer®, the foremost online resource for “going-to-college” information, to present Kansas College Answer. The Web site, located at [www.kansas.collegeanswer.com](http://www.kansas.collegeanswer.com), offers students and families information to assist in planning and paying for higher education, plus free access to a database of billions of dollars in scholarships.

### **College Goal Sunday**

USA Funds supports College Goal Sunday. The event provides high-school seniors and their parents free help in completing the application necessary to qualify for federal aid for college. More than 2,100 students and parents in Kansas and Missouri received assistance at 19 College Goal Sunday sites during 2004. For the second consecutive year, USA Funds also sponsored a “USA Funds Countdown to College” supplement to the *Topeka Capital-Journal* and *Wichita Eagle* newspapers. The publication promotes College Goal Sunday and provides higher-education admissions and financial-aid information.

### **College-and-career hotline**

The toll-free USA Funds Career and Education Hotline for Kansas — (866) 897-8111 — provides students and parents information about hundreds of careers, postsecondary institutions in Kansas and nationwide, college majors, training programs and financial aid.

### **Young-entrepreneurs training**

USA Funds provided a grant to Youth Entrepreneurs of Kansas, a classroom program that provides students with business and entrepreneurial education and experiences to help them become contributing members of society.

### **Computer-based learning**

USA Funds also supports the “Piloting Your Future” program at Turner Middle School in Kansas City, Kan. The program aims to strengthen the math and reading skills of seventh- and eighth-grade students by using a computer-based learning system.

Table 1

### **25 Largest Kansas Schools by Loan Volume Served by USA Funds**

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Kansas State University	Kansas City Kansas Community College
Wichita State University	Brown Mackie College
Washburn University	Wichita Technical Institute
Emporia State University	Wright Business School
Baker University	University of Saint Mary
Friends University	Newman University
Pittsburg State University	Bethel College
Fort Hays State University	Tabor College
MidAmerica Nazarene University	Southwestern College
Johnson County Community College	McPherson College
Butler Community College	Neosho County Community College
Ottawa University	Bethany College
Benedictine College	

Table 2

### **10 Largest Lenders by Loan Volume Served by USA Funds in Kansas**

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Kansas State Bank
Bank of America
U.S. Bank
Commerce Bank of St. Louis
J.P. Morgan Chase
Commerce Bank & Trust
Kansas State University
Emprise Bank
Capitol Federal Savings
Bank One