



Chart 1
USA Funds' Florida Loan Volume
by Loan Type

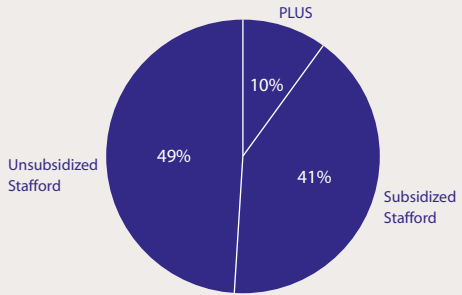
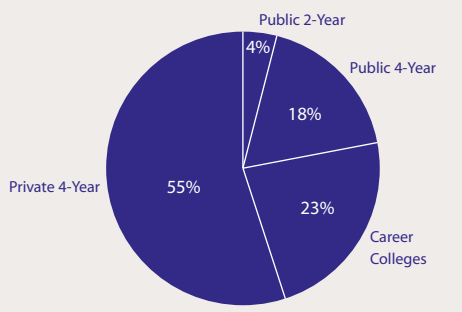


Chart 2
USA Funds' Florida Loan Volume
by Institution Type



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.



www.usafunds.org

As the nation's leading guarantor of federal education loans, USA Funds® links colleges, universities, career colleges, 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.

In Florida, during the fiscal year ending Sept. 30, 2005, USA Funds guaranteed more than \$1.5 billion in new education loans to nearly 142,000 borrowers — including 131,860 students and 10,024 parents — and served 117 postsecondary institutions.

USA Funds works with Florida schools and lenders to help reduce student-loan-default rates. The most-recent two-year cohort-default rate on USA Funds-guaranteed Federal Stafford loans for students attending Florida schools declined to 3.9 percent from 4.2 percent for the previous year. 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 2005 provided a broad spectrum of services in Florida, including the following:

- ◇ USA Funds’ debt-management consultants assisted 53 Florida 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 the USA Funds Life Skills® financial-literacy course. The number of schools in various stages of implementing USA Funds Life Skills in Florida stands at 34.
- ◇ Thirteen schools in Florida use USA Funds-provided tools that help students and graduates stay on the path to successful repayment. The new, Web-based USA Funds Debt ManagerSM assists with call or letter campaigns to borrowers experiencing repayment difficulties.
- ◇ To give schools greater flexibility as they help students track their education loans, USA Funds supports the Borrower Debt Management Information Service. Schools often use the service during student-loan exit counseling with borrowers.
- ◇ USA Funds conducted six debt-management workshops in Florida to help schools learn more about USA Funds Life Skills, and about student retention and its role in default prevention. A total of 86 higher-education professionals took part in workshops in Boca Raton, Fort Lauderdale and Orlando.

USA Funds also supported a variety of other programs for Florida schools and lenders, and the students and families they serve, to enhance preparation for, access to and success in higher education in 2005.

Florida advisory council

To ensure that its services meet the needs of postsecondary education in Florida, USA Funds hosts regular meetings of its Florida financial-aid advisory council. The council includes financial-aid administrators for Florida colleges and universities and representatives of lending institutions. A Florida financial-aid professional also serves on USA Funds’ national advisory council.

Staff-training opportunities

USA Funds helps colleges and lenders comply with program regulations and keeps them informed of policy developments and improved services through a wide array of training opportunities, including free

workshops in Florida. During fiscal 2005 USA Funds conducted 10 financial-aid workshops — in Fort Lauderdale, Jacksonville, Orlando, Tallahassee and Tampa — for a total of 399 participants.

Thirteen education-lending professionals attended a USA Funds Education-Lender Forum in Orlando to stay up to date on developments in the education-finance marketplace.

Scholarship support

The USA Funds Access to Education Scholarships® program awarded more than 650 new and renewal scholarships totaling nearly \$1 million to deserving college-bound students in Florida. 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 committed \$2.3 million to a scholarship fund through Scholarship America for students affected by hurricanes in 2005. Established in 2004, the Disaster Relief Fund for Postsecondary Education Students assists low-income students attending schools in disaster areas in five states, including Florida.

Under the USA Funds Scholars program, USA Funds awarded \$36,000 in scholarships to graduating seniors from 12 Florida high schools. USA Funds Scholars are outstanding students in USA Funds’ designated states and in communities in which USA Funds has offices.

Additionally, USA Funds sponsored three \$1,000 scholarships awarded at the Champions Fund College Bound Conference in St. Petersburg, where former athletes encouraged high-school students to pursue postsecondary education.

Early awareness program

USA Funds offers at no cost to Florida schools and community- and faith-based organizations its USA Funds Unlock the Future® early awareness program. Fourteen schools and organizations 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 partners with College Answer®, the foremost online resource for “going-to-college” information, to present Florida College Answer. The Web site, located at www.florida.collegeanswer.com, offers students and families information to assist in planning and paying for higher education, including free access to a database of billions of dollars in scholarships.

Learning Communities

USA Funds joined a coalition of organizations that are focusing services on six pilot communities — including Washington Shores in Orlando — in a bid to improve access to postsecondary education for low-income students. The Learning Communities Coalition is partnering with local leaders across the nation to significantly increase the number of youths in the selected communities who complete high school and successfully pursue postsecondary education.

As part of USA Funds’ involvement in the Learning Communities Coalition, USA Funds supported a college tour by students with strong academic potential at Jones High School in Orlando.

ScholarShop

Another component of USA Funds’ participation in the Learning Communities Coalition was a grant for developing a ScholarShop site in Orlando’s Washington Shores community. The site is the fourth ScholarShop location supported by USA Funds in Florida. A program of Scholarship America, ScholarShop is a curriculum and resource center designed to motivate and prepare students for postsecondary education.

U.S. Dream Academy

A \$100,000 grant from USA Funds to the U.S. Dream Academy is helping the organization to open and operate two new learning centers in the Orlando area. The centers provide after-school education programs for children of prisoners and those in danger of school failure because of poor academic, social and financial support.

‘USA Funds Countdown to College’

USA Funds sponsored the second-annual “USA Funds Countdown to College” for Florida, a supplement to the *Miami Herald*. The publication provides higher-education admissions and financial-aid information to assist high-school students and their parents.

Disability-services conference

USA Funds joined the Florida Foundation for Community Colleges, the Florida Board of Governors Foundation and other private supporters to sponsor the 2005 Postsecondary Disability Services Conference. The event trained more than 200 professional-staff members to better serve students with disabilities at Florida postsecondary institutions.

Table 1

25 Largest Florida Schools By USA Funds Loan Volume

Nova Southeastern University
Florida State University
Barry University
Full Sail Real World Education
Saint Leo University
Keiser College
St. Petersburg College
International Academy of Design & Technology
ITT Technical Institute
Florida Atlantic University
The Art Institute of Fort Lauderdale
St. Thomas University
Miami International University of Art & Design
Florida Institute of Technology
International College
Remington College
Florida Gulf Coast University
American InterContinental University
Hillsborough Community College
Lynn University
Stetson University
University of South Florida College of Medicine
New England Institute of Technology at Palm Beach
Manatee Community College
Southeastern University

Table 2

10 Largest Lenders By Loan Volume Served by USA Funds in Florida

Nova Southeastern University
J.P. Morgan Chase
Sallie Mae Education Trust
Bank of America
Bank One
SunTrust Bank
Wachovia Education Finance
Access Group
Student Loan Xpress
Southwest Student Services Corp.