

Chart 1
USA Funds' Nevada Loan Volume
by Loan Type

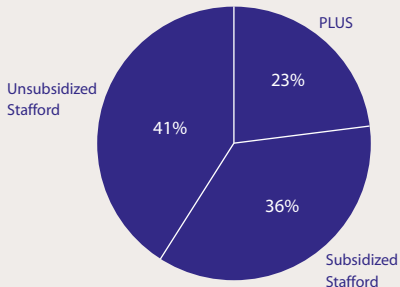
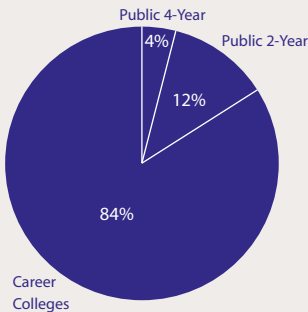
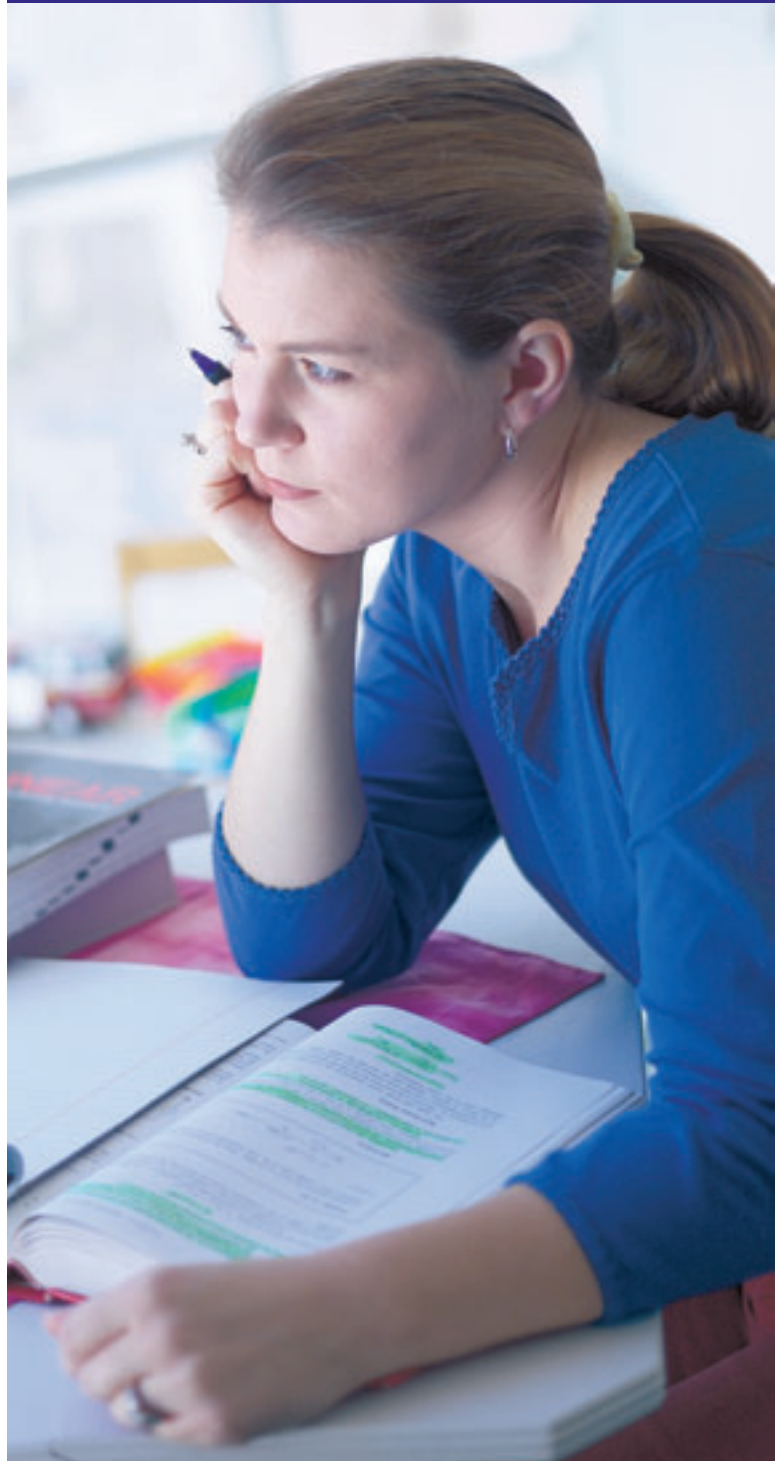


Chart 2
USA Funds' Nevada Loan Volume
by Institution Type



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 Nevada as its designated guarantor of federal education loans since 1988. As Nevada's designated guarantor, 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.

During the fiscal year ending Sept. 30, 2005, USA Funds guaranteed nearly \$37 million in new education loans to nearly 4,800 Nevada borrowers — including 4,239 students and 557 parents — and served 15 postsecondary institutions in Nevada.

USA Funds works with Nevada schools and lenders to help reduce student-loan-default rates. During the last 10 years, Nevada's default rate has dropped nearly 77 percent among all Nevada student-loan borrowers. The most-recent default measure, the 2003 cohort-default rate, was 8.5 percent. 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 Nevada, including the following:

- ◇ USA Funds' debt-management consultants assisted 11 Nevada 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 Nevada stands at eight.
- ◇ Five schools in Nevada 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 two debt-management workshops in Nevada to help schools learn more about USA Funds Life Skills, and about student retention and its role in default prevention. Twenty-eight higher-education professionals took part in workshops in Henderson and Las Vegas.

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

Nevada advisory council

To ensure that its services meet the needs of postsecondary education in Nevada, USA Funds hosts regular meetings of its Nevada financial-aid advisory council. The council includes financial-aid administrators for Nevada colleges and universities, as well as representatives from lending institutions and the Nevada Department of Education. A Nevada 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 Nevada. During fiscal 2005 USA Funds conducted two financial-aid workshops in Reno.

Scholarship funding

The USA Funds Access to Education Scholarships® program awarded 173 new and renewal scholarships totaling \$252,750 to deserving college-bound students in Nevada for the 2005-2006 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.

College-planning Web site

USA Funds partners with College Answer®, the foremost online resource for “going-to-college” information, to present Nevada College Answer. The Web site, located at www.nevada.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.

Dean's Future Scholars

The University of Nevada, Reno, received continued support from USA Funds for the school's Dean's Future Scholars Program. This endeavor promotes early awareness of the benefits of higher education to potential first-generation college students and recruits students into teacher education.

College Goal Sunday

USA Funds assisted with Nevada's first College Goal Sunday. The event provides high-school seniors and their parents free help in completing the application necessary to qualify for federal grants and loans for college. Approximately 500 students and parents in Nevada received assistance at 10 College Goal Sunday sites during 2005. USA Funds also sponsored the first “USA Funds Countdown to College” supplement to the *Las Vegas Review-Journal* and *Sun* and *Reno Gazette-Journal*. The publication promotes Nevada's College Goal Sunday and provides higher-education admissions and financial-aid information.

Conference of community-college directors

The 2005 National Council of State Directors of Community Colleges summer meeting received support from USA Funds. At the Lake Tahoe event, 50 participants discussed higher-education topics such as dual enrollment, credit transfer and remedial and developmental education.

Table 1

Nevada Schools Served by USA Funds

The Art Institute of Las Vegas
ITT Technical Institute
Le Cordon Bleu College of Culinary Arts-Las Vegas
Truckee Meadows Community College
International Academy of Design & Technology-Las Vegas
The Bryman School-High Tech Institute
Great Basin College
Academy of Hair Design
University of Nevada, Reno
Career Education Institute
Neumont University
Heritage College
Utah College of Massage Therapy
Carson City Beauty Academy
Western Nevada Community College

Table 2

10 Largest Lenders by Loan Volume Served by USA Funds in Nevada

Bank One
Stillwater National Bank & Trust Co.
Sallie Mae Education Trust
AMS Education Loan Trust
Bank of America
U.S. Bank
Nelnet
Wells Fargo Bank
J.P. Morgan Chase
Nellie Mae