

25 Largest Arizona Schools

By USA Funds Loan Volume

University of Phoenix
 University of Arizona
 Midwestern University
 High-Tech Institute-Phoenix
 Mesa Community College
 Universal Technical Institute-Arizona
 Collins College
 A.T. Still University
 Universal Technical Institute Motorcycle Mechanics Institute
 Pima Community College
 Rio Salado College
 Southwest College of Naturopathic Medicine
 Apollo College
 ITT Technical Institute
 The Art Institute of Phoenix
 Ottawa University
 Argosy University
 DeVry University
 Scottsdale Community College
 GateWay Community College
 Glendale Community College
 The Bryman School
 Phoenix College
 Estrella Mountain Community College
 Western International University

10 Largest Lenders

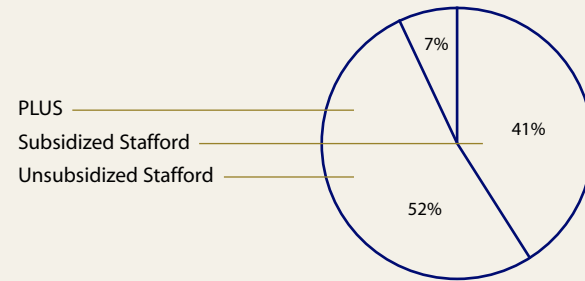
By Loan Volume

Served by USA Funds in Arizona

Sallie Mae Education Trust
 University of Phoenix
 J.P. Morgan Chase
 Southwest Student Services Corp.
 AMS Education Loan Trust
 Bank of America
 Midwestern University
 Wells Fargo Bank
 University of Arizona
 A.T. Still University

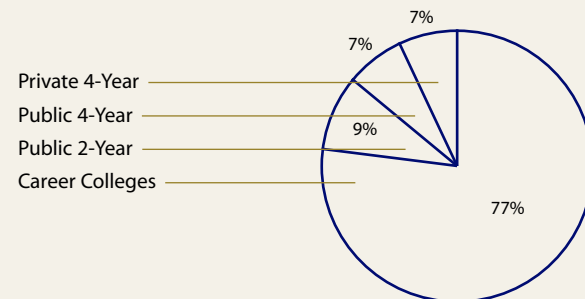
USA Funds' Arizona Loan Volume

By Loan Type



USA Funds' Arizona Loan Volume

By Institution Type

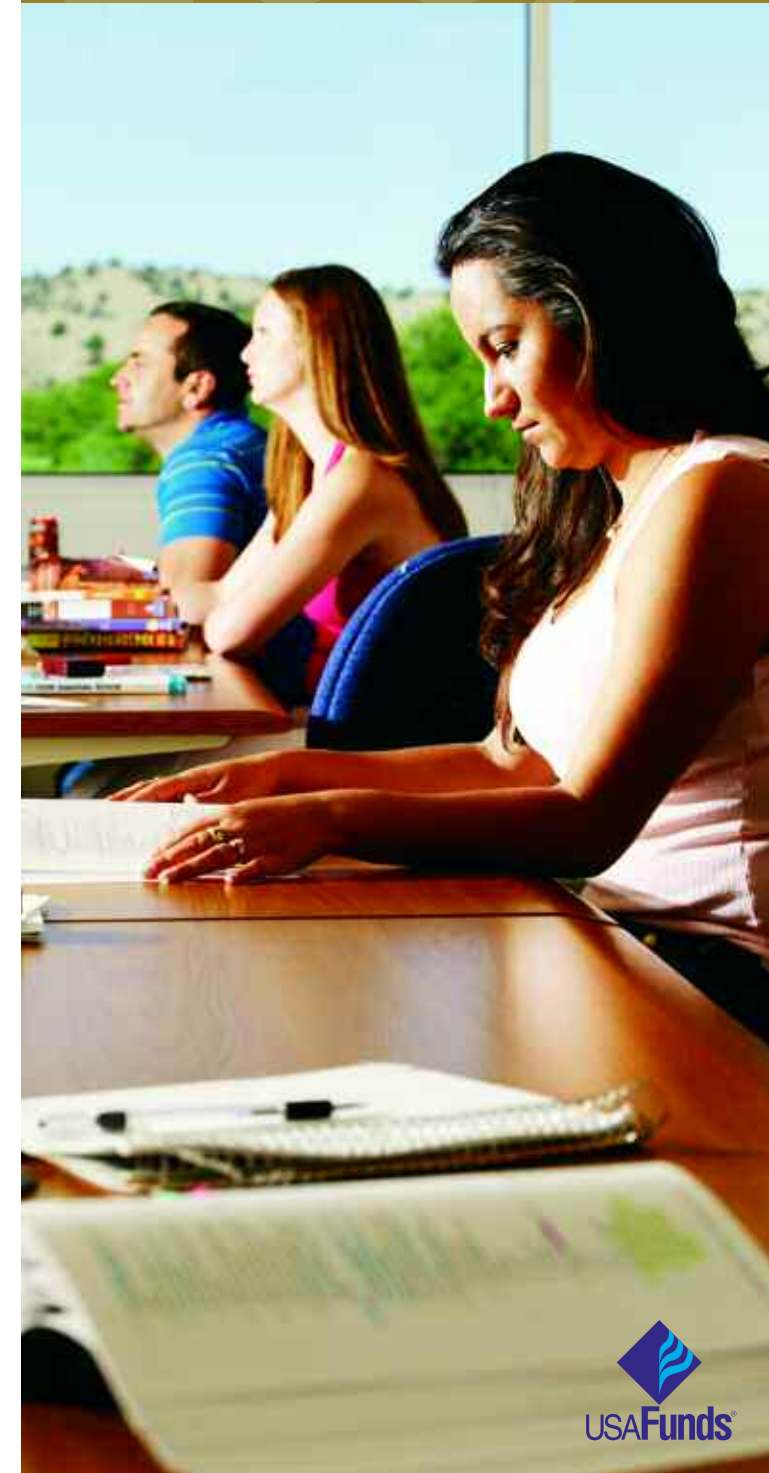


USA Funds® is the nation's leading education-loan guarantor. A nonprofit corporation, USA Funds works to enhance postsecondary-education preparedness, access and success by providing and supporting financial and other valued services.



www.usafunds.org

USA Funds 2007 Annual Report to Arizona



USA Funds® has served Arizona as its designated guarantor of federal student loans since 1981. In its efforts to enhance higher-education preparedness, access and success, USA Funds partners with schools, lenders, students, parents and community organizations.

During the fiscal year ending Sept. 30, 2007, USA Funds guaranteed nearly \$1.5 billion in new education loans to nearly 150,000 Arizona borrowers — including Federal Stafford loans for nearly 141,000 students and Federal PLUS loans for more than 8,000 parents and students. USA Funds served 60 postsecondary institutions in Arizona.

USA Funds works with Arizona schools and lenders to help reduce student-loan-default rates. The most-recent default measure, the 2005 cohort-default rate, was 5.5 percent for Arizona borrowers with USA Funds-guaranteed loans, compared with the default rate of 7 percent recorded among all Arizona student-loan 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 2007 provided a broad spectrum of services in Arizona, including the following:

- ◆ USA Funds' debt-management consultants assisted 50 Arizona 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. Approximately 25 schools in Arizona have implemented USA Funds Life Skills, with 21 schools in the state ordering the program’s materials in 2007.

- ◇ Thirty-seven schools in Arizona use USA Funds Debt Manager®, a Web-based tool that helps schools stay in contact with student-loan borrowers during school and after graduation. USA Funds Debt Manager assists with e-mail, call or letter campaigns to borrowers experiencing repayment difficulties.

- ◇ USA Funds Loan Counselor® is a suite of custom counseling products that helps schools fulfill all federal requirements for loan counseling and simplifies Stafford-loan entrance and exit counseling with one online program. Ten schools in Arizona are taking advantage of the tool’s entrance-counseling component, USA Funds Stafford Loan GuideSM. Seven Arizona schools offer USA Funds Student Loan Transition GuideSM, which provides exit counseling. In 2007 more than 11,000 counseling sessions were completed on USA Funds Loan Counselor in Arizona.

- ◇ 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 seven debt-management workshops in Arizona to help schools learn more about USA Funds Life Skills, and about student retention and its role in default prevention. A total of 119 higher-education professionals took part in workshops in Mesa, Phoenix and Tucson.

USA Funds also supports a variety of other programs for Arizona schools, lenders, students and families, and their communities. The following are some highlights from 2007:

Arizona advisory council

To ensure that its services meet the needs of postsecondary education in Arizona, USA Funds receives guidance from an Arizona financial-aid advisory council. The council includes financial-aid administrators for Arizona colleges and universities, representatives of lending institutions, as well as officials of the state’s commission for postsecondary education, board of private postsecondary education, and private-school association. An Arizona 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 Arizona. During fiscal 2007 USA Funds conducted four financial-aid workshops, in Phoenix and Tucson, for a total of 188 participants. Financial-aid administrators from 24 postsecondary-school campuses and a lender from Arizona took advantage of USA Funds University online courses during 2007, with 786 learner sessions recorded.

A USA Funds Education-Lender Forum in Mesa helped 10 education-lending professionals stay up to date on developments in the education-finance marketplace.

Scholarship funding

The USA Funds Access to Education Scholarships® program awarded 456 new and renewal scholarships totaling \$672,000 to deserving college-bound students in Arizona for the 2007-2008 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.

Under the USA Funds Scholars program, USA Funds awarded \$21,000 in scholarships to 14 graduating seniors from six Arizona high schools. USA Funds Scholars are outstanding students in USA Funds’ designated states and in communities in which USA Funds has offices.

A \$100,000 USA Funds grant to the Arizona College Scholarship Foundation is assisting the ACSF Scholar program for low-income, high-potential students attending Arizona colleges and universities.

Early awareness programs

In late 2007 USA Funds introduced USA Funds Consejos, a program designed to encourage Latino middle-school students and their families to prepare for and pursue higher education. USA Funds Consejos provides Latino students and their families more-complete information about the value of post-secondary education, the education options available to them, and the availability of financial aid.

Seventeen Arizona schools and organizations took advantage of USA Funds Unlock the Future®, which introduces students and their families to the benefits of and options for education after high school.

Arizona schools and community- and faith-based organizations may order these early awareness-program materials at no cost.

Learning Communities

USA Funds continued its work with a coalition of organizations that are focusing services on six pilot communities — including Sunnyside Unified School District in Tucson — 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 post-secondary education.

A grant of more than \$149,000 from USA Funds in 2007 supported Tucson’s Learning Communities activities — such as the delivery of USA Funds Unlock the Future — that bolster college readiness and access.

College-planning Web sites

Online college-planning resources supported by USA Funds — including those on USA Funds’ Web site, www.usafunds.org — received approximately 50,000 visits in 2007. Through these resources USA Funds offers college-planning information specific to Arizona.

College Goal Sunday

In partnership with the Arizona Commission for Postsecondary Education and other organizations, USA Funds supports College Goal Sunday in Arizona. 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 3,000 students and parents in Arizona received assistance at 30 College Goal Sunday sites during 2007. USA Funds also sponsored for the seventh-consecutive year “USA Funds Countdown to College™.” The *Arizona Republic* in Phoenix and *Arizona Daily Star* in Tucson distributed some 800,000 copies of the publication, which promotes Arizona’s College Goal Sunday and provides higher-education-admissions and financial-aid information.

Jobs for Arizona’s Graduates

For the sixth-consecutive year, USA Funds collaborated with Jobs for Arizona’s Graduates, a school-to-work transition program, in an effort to help at-risk students in Arizona stay in school and to graduate with the skills necessary to gain employment or further their education.

Arizona Community Foundation

A 2007 grant to the Arizona Community Foundation is helping the City of Phoenix to develop The College Depot, a center with information about college admissions and financial aid for students and families in Phoenix.

Additional support for Arizona education

From sponsoring a conference aimed at improving how undergraduate students transfer college credits, to providing assistance for middle-school students, to funding services for homeless youth, USA Funds gave its support to a variety of additional initiatives supporting Arizona higher-education preparedness, access and success.