

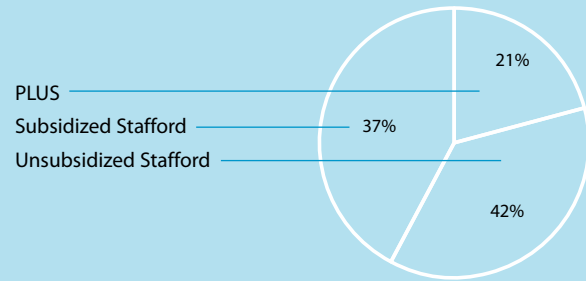
25 LARGEST CALIFORNIA SCHOOLS

By Loan Volume
Served by USA Funds

- Art Institute of California
- Chapman University
- ITT Technical Institute
- Azusa Pacific University
- University of California, Los Angeles
- University of La Verne
- Pepperdine University
- Westwood College
- Argosy University
- Universal Technical Institute
- Alliant International University
- Fashion Institute of Design & Merchandising
- University of Redlands
- California Lutheran University
- Biola University
- Fielding Graduate University
- Fuller Theological Seminary
- Loma Linda University
- Western Career College
- DeVry University
- California Institute of the Arts
- Career Colleges of America
- Fresno Pacific University
- Concordia University in Irvine
- University of San Diego

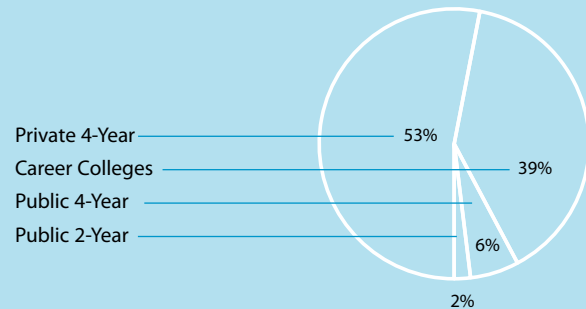
USA FUNDS' CALIFORNIA LOAN VOLUME

By Loan Type



USA FUNDS' CALIFORNIA LOAN VOLUME

By Institution Type



10 LARGEST LENDERS

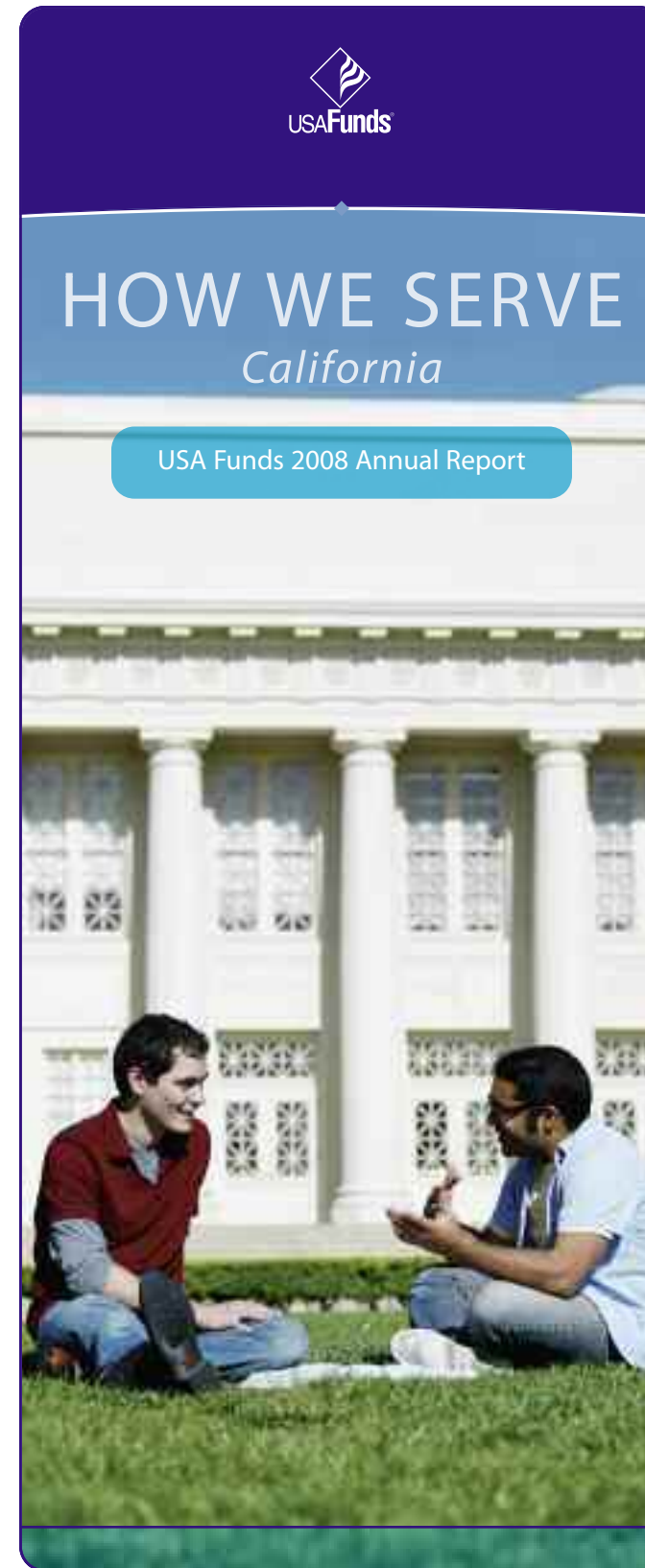
By Loan Volume
Served by USA Funds in California

- Sallie Mae Education Trust
- Wells Fargo Bank
- AMS Education Loan Trust
- Citibank Student Loans
- ALL Student Loan
- Nellie Mae
- J.P. Morgan Chase
- Wachovia Education Finance
- Bank of America
- Student Loan Funding

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® is the nation's leading guarantor of federal education loans. In its efforts to enhance higher education preparedness, access and success, USA Funds partners with schools, lenders, students, parents and community organizations.

In California, during the fiscal year ending Sept. 30, 2008, USA Funds guaranteed nearly \$1.3 billion in new education loans to more than 111,000 borrowers — including Federal Stafford loans for nearly 94,000 students and Federal PLUS loans for more than 17,000 parents and students. USA Funds served 170 postsecondary institutions in California.

USA Funds works with California schools and lenders to help reduce student loan defaults. The most recent default measure, the 2006 cohort default rate, was 2.85 percent for California borrowers with USA Funds-guaranteed loans, compared with the default rate of 4.8 percent recorded among all California 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 2008 provided a broad spectrum of services in California, including the following:

- ◆ USA Funds' debt management consultants assisted 71 California 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 65 schools in California have implemented USA Funds Life Skills, with 47 schools in the state ordering the program's materials in 2008.

- ◆ The year saw 29,557 borrower counseling sessions conducted through USA Funds Loan Counselor® in California. The suite of online products helps schools fulfill federal requirements for student loan counseling and simplify entrance and exit counseling. Twenty-three California schools offer entrance counseling for their graduate and professional students through USA Funds Grad GuideSM, which USA Funds introduced in 2008.

USA Funds Stafford Loan GuideSM, which provides entrance counseling for undergraduate students, is in place at 35 California schools. USA Funds Student Loan Transition GuideSM offers undergraduate exit counseling at 47 schools. USA Funds also recently introduced the exit counseling version of USA Funds Grad Guide.

- ◆ Ninety schools in California 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 conducted 10 debt management workshops in California to teach about USA Funds Life Skills, and about student retention and its role in default prevention. Events in Colton, Costa Mesa, Los Angeles, Riverside, San Bernardino and San Francisco reached 264 school participants.

USA Funds also supports a variety of other programs for California schools, lenders, students and families, and their communities. The following are some highlights from 2008:

CALIFORNIA ADVISORY COUNCIL

To ensure that its services meet the needs of postsecondary education in California, USA Funds

receives guidance from a California financial aid advisory council. The council includes financial aid administrators for California colleges and universities and representatives of lending institutions. Additionally, USA Funds' national advisory council includes a California financial aid professional.

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 online and in-person training opportunities, including free workshops in California. During fiscal 2008 USA Funds conducted 16 financial aid workshops — in Fresno, Irvine, Newark, Oakland, Ontario, Pasadena, Sacramento, San Diego and Woodland Hills — for 427 participants. Financial aid administrators and lenders from California recorded 1,092 learner sessions through USA Funds University online courses during 2008.

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

SCHOLARSHIP SUPPORT

The USA Funds Access to Education Scholarships® program awarded 811 new and renewal scholarships totaling more than \$1.2 million to deserving college-bound students in California for the 2008–2009 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.

EARLY AWARENESS PROGRAMS

USA Funds distributed 40 sets of USA Funds Unlock the Future® and USA Funds Consejos materials to California schools and organizations in 2008. The programs promote early awareness of the benefits of higher education. USA Funds Unlock the Future reached an estimated 1,920 California students and family members. USA Funds Consejos, geared toward Latino audiences, reached 1,040 California students and family members. California schools and community- and faith-based organizations may order these early awareness program materials at no cost.

NAVIGATION 101

USA Funds has partnered with Envictus Corp. to bring Navigation 101 into the curricula of nine high schools serving more than 3,300 students in California. Navigation 101 is a Web-based program that helps guidance staff provide customized college planning information. California students have demonstrated significant improvement in their mastery of college and career readiness following their use of Navigation 101.

USA FUNDS LOAN COMPARISON

USA Funds partnered with SimpleTuition, an independent loan comparison tool, to introduce USA Funds Loan Comparison. The online program simplifies the process of selecting an education loan for students and parents. Nine California campuses offer USA Funds Loan Comparison, with 7,631 visits to their sites.

'LA HABRA GOES TO COLLEGE'

"La Habra Goes to College" received continued support from USA Funds. The 2008 event, conducted by Advance! at the La Habra Community Center, drew 600 students and their families. Participants learned how to

apply for college and complete financial aid forms, and heard about college life from students and local postsecondary school representatives.

STEPS TO SUCCESS

USA Funds for the second year provided a grant to the Barrio Logan College Institute in support of its Steps to Success program. The initiative in 2008 helped 35 high school students prepare and apply for college. Program activities provide assistance in preparing for college admissions tests, finding financial aid for college, and selecting postsecondary schools.

TOMÁS RIVERA POLICY INSTITUTE

USA Funds supports annual education conferences conducted by the Tomás Rivera Policy Institute. The 2008 conference, "Policies, Programs and Practices: Latino Education for a New Era," drew more than 300 representatives of groups such as educators, government affairs officials and representatives of community-based organizations. Participants at the Long Beach event discussed ideas for strengthening educational achievement among Latino students.

MORE SUPPORT FOR CALIFORNIA EDUCATION

From sponsoring college preparatory and on-campus support for foster youth, to funding a college tour for low-income students, to supporting a summer conference promoting academic achievement among Latino students, USA Funds provided assistance for a variety of additional initiatives supporting California higher education preparedness, access and success.