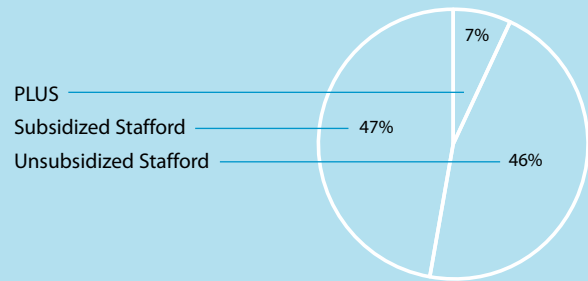


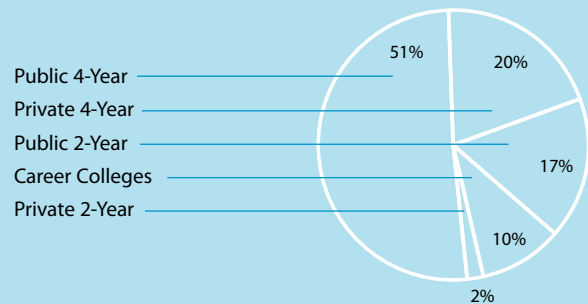
USA FUNDS' KANSAS LOAN VOLUME

By Loan Type



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 student loans since 1991. 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, 2008, USA Funds guaranteed more than \$271.5 million in new education loans to nearly 40,000 Kansas borrowers — including Federal Stafford loans for nearly 37,500 students and Federal PLUS loans for more than 2,300 parents and students. USA Funds served 59 postsecondary institutions in Kansas.

USA Funds works with Kansas schools and lenders to help reduce student loan default rates. The most recent default measure, the 2006 cohort default rate, was 3.9 percent for Kansas borrowers with USA Funds-guaranteed loans, compared with the default rate of 4.5 percent recorded among all Kansas 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 Kansas, including the following:

- ◇ USA Funds' debt management consultants assisted 26 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 the USA Funds Life Skills® financial literacy course. Approximately 36 schools in Kansas have implemented USA Funds Life Skills, with nine schools in the state ordering the program's materials in 2008.
- ◇ The year saw 14,501 borrower counseling sessions conducted through USA Funds Loan Counselor® in Kansas. The suite of online products helps schools fulfill federal requirements for student loan counseling and simplify entrance and exit counseling. Three Kansas 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 18 Kansas schools. USA Funds Student Loan Transition GuideSM offers undergraduate exit counseling at 18 schools. USA Funds also recently introduced the exit counseling version of USA Funds Grad Guide.
- ◇ Eighteen schools in Kansas use USA Funds Debt Manager®, a Web-based tool that helps them stay in contact with student loan borrowers during school and after graduation.
- ◇ USA Funds conducted a debt management workshop in Kansas to teach about student retention and its role in default prevention. Fifty-eight higher education professionals took part in the Wichita workshop.

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

KANSAS ADVISORY COUNCIL

To ensure that its services meet the needs of postsecondary education in Kansas, USA Funds receives guidance from a Kansas financial aid advisory council. The council 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 a wide array of online and in-person training opportunities, including free workshops in Kansas. During fiscal 2008 USA Funds conducted four financial aid workshops, in Kansas City, Kan., and Wichita, for a total of 160 participants. Financial aid administrators and lenders from Kansas recorded 479 learner sessions through USA Funds University online courses during 2008.

Eleven education lending professionals attended a USA Funds Education Lender Forum in Kansas City, Mo., to stay up to date on developments in the education finance marketplace.

SCHOLARSHIP FUNDING

The USA Funds Access to Education Scholarships® program awarded 340 new and renewal scholarships totaling \$502,500 to deserving college-bound students in Kansas 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 20 sets of USA Funds Unlock the Future® and USA Funds Consejos materials to Kansas schools and organizations in 2008. The programs promote early awareness of the benefits of higher education. USA Funds Unlock the Future reached an estimated 560 Kansas students and family members. USA Funds Consejos, geared toward Latino audiences, reached 1,040 Kansas students and family members.

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

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 1,700 students and parents in Kansas received assistance at 19 College Goal Sunday sites during 2008.

For the sixth consecutive year, USA Funds also sponsored a "USA Funds Countdown to College™" supplement. The *Topeka Capital-Journal* and *Wichita Eagle* distributed nearly 200,000 copies of the publication, which promotes College Goal Sunday and provides higher education admissions and financial aid information.

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. Three Kansas campuses offer USA Funds Loan Comparison, with 611 visits to their sites.

COLLEGE PLANNING WEB SITES

Online college planning resources supported by USA Funds — including those on USA Funds' Web site, www.usafunds.org — received approximately 33,000 visits in 2008. Through these resources USA Funds offers college planning information specific to Kansas.

YOUNG ENTREPRENEURS TRAINING

USA Funds supported Youth Entrepreneurs of Kansas, whose classroom program provides high school students with business and entrepreneurial education and experiences to help them become contributing members of society. Approximately 800 students take part in the program.

ACADEMIC DECATHLON

To encourage academic competition and the early introduction of students to higher education, USA Funds for the fourth consecutive year provided funding for the Kansas Academic Decathlon. More than 200 students in grades 10-12 took part in the 2008 competition, which featured the awarding of four USA Funds-sponsored scholarships.

ADDITIONAL SUPPORT FOR KANSAS EDUCATION

From sponsoring college visits for middle school students, to supporting college admissions test preparation for low-income students, to funding the purchase of educational items for a hospital pediatric care unit, USA Funds provided assistance for additional initiatives supporting Kansas higher education preparedness, access and success.

25 LARGEST KANSAS SCHOOLS

By Loan Volume

Served by USA Funds

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

10 LARGEST LENDERS

By Loan Volume

Served by USA Funds in Kansas

Sallie Mae Education Trust
Bank of America
Commerce Bank of St. Louis
U.S. Bank
Citibank Student Loans
Kansas State Bank
J.P. Morgan Chase
CoreFirst Bank & Trust
Wachovia Education Finance
Wells Fargo Bank