

*NYSFAAA*  
*2007 Conference*

*October 15, 2007*



# Agenda

- FFELP market and NSLP growth
- NSLP's Mission / Vision
- NSLP Overview - Products & Services
  - financial literacy education
  - default prevention tools
  - loan processing services
  - training, resources & publications
- Questions



# FFELP Market and NSLP Growth



# Top 10 guarantors by FY06 volume

## Stafford and PLUS Guarantor 5-Year Performance, FY01 to FY06

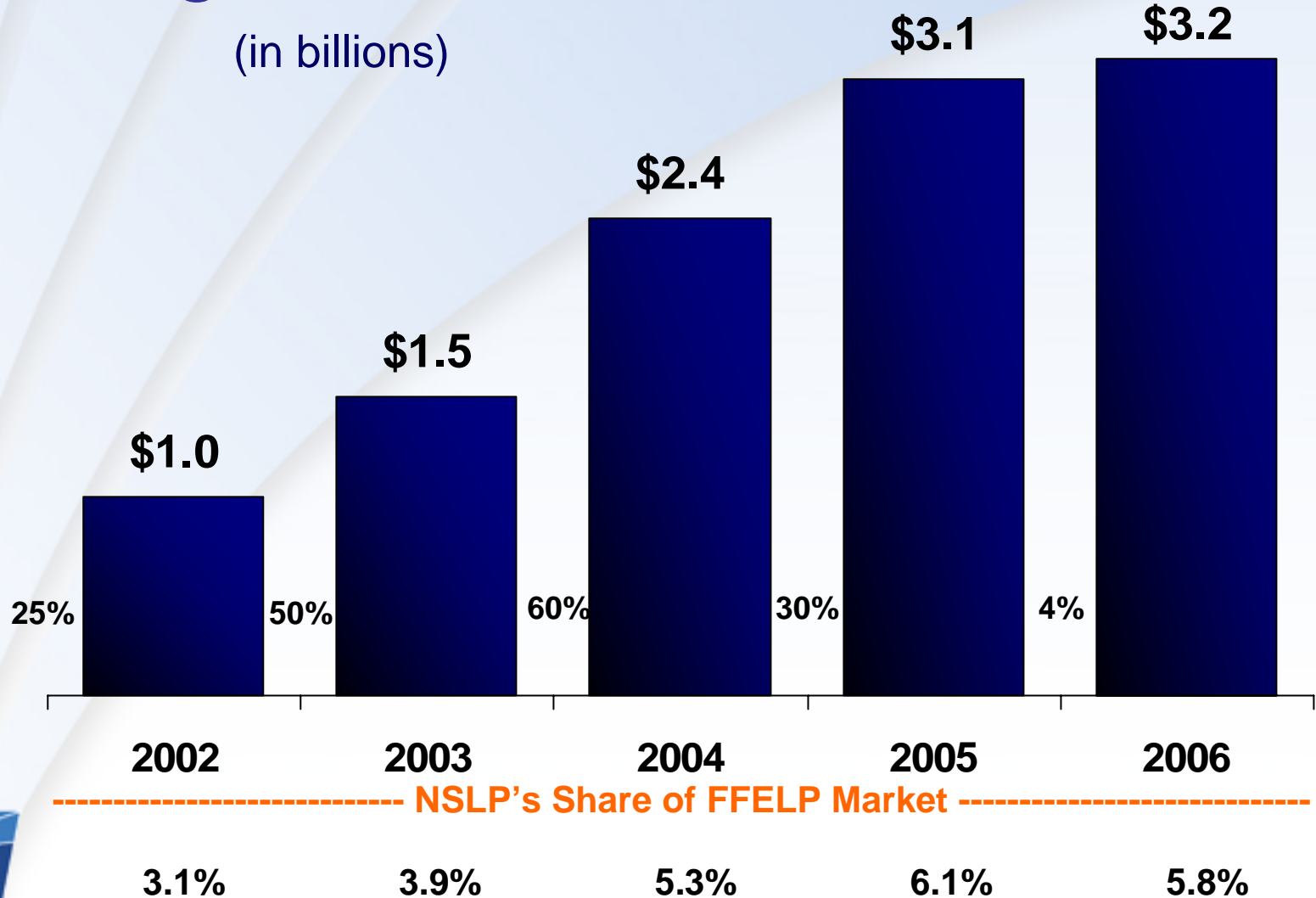
GA Abbrev	Volume Rank		SOM		Volume		5-year CAGR
	FY06	FY01	FY06	FY01	FY06 *	FY01	
USAF	1	1	22.8%	26.0%	\$12,576,174,372	\$7,358,590,615	11.3%
EdFund	2	2	13.5%	9.9%	\$7,454,236,138	\$2,802,533,542	21.6%
Great Lakes	3	4	9.4%	7.1%	\$5,185,168,419	\$2,011,336,763	20.9%
TG	4	6	7.3%	6.4%	\$4,021,152,763	\$1,807,417,707	17.3%
PHEAA	5	3	6.9%	7.9%	\$3,790,893,969	\$2,245,604,498	11.0%
<b>NSLP</b>	<b>6</b>	<b>7</b>	<b>5.8%</b>	<b>2.9%</b>	<b>\$3,194,158,530</b>	<b>\$829,710,622</b>	<b>30.9%</b>
HESC	7	5	5.4%	6.8%	\$2,969,264,604	\$1,934,731,104	8.9%
ASA	8	9	4.1%	2.9%	\$2,261,821,765	\$809,084,109	22.8%
ISAC (IL)	9	10	2.3%	2.7%	\$1,296,686,776	\$759,292,611	11.3%
HEAA (KY)	10	12	1.9%	1.8%	\$1,066,535,412	\$512,612,438	15.8%
<b>Total - Top 10</b>			<b>79.4%</b>	<b>74.4%</b>	<b>\$43,816,092,748</b>	<b>\$21,070,914,009</b>	<b>15.8%</b>
<b>Total - FFELP Market</b>			<b>100.0%</b>	<b>100.0%</b>	<b>\$55,201,704,610</b>	<b>\$28,335,601,253</b>	<b>14.3%</b>



Over the past five years, NSLP's compound average growth rate (CAGR) has been the highest in the industry at nearly 31% and it's market share has doubled.

# NSLP growth: FY 2002-06

(in billions)



# NSLP's Mission and Vision



## Mission

To assist students and families with higher education access and choice by providing loan guarantee and student loan-related services to the financial aid community and student loan industry.

## Vision

The best people, working with the best partners, providing the best products and services.



# Core values

- Embodying the highest ethical standards
- Treating people fairly, and with respect and dignity
- Satisfying customers by exceeding their expectations
- Promoting both teamwork and individual accountability
- Creating value for stakeholders



# NSLP Overview

## Products and Services



# Key products and services

- Financial literacy education
- Default prevention & management tools
- Loan processing services
- Training, resources, and publications



# Financial Literacy Education

- Financial literacy consulting services
- On-campus presentations
- NSLP Financial Literacy Online



# Financial literacy education

- On-campus presentations
  - over 200 presentations last year
  - 23 seminars
- Challenges for NSLP
  - how to deliver in mass to individuals
  - available when individual is ready to learn
  - how to measure understanding of concepts
  - will the education influence behavior



# Financial literacy education

- Challenges for schools
  - need a tool to educate their students
  - mixed turnout at event for effort
  - staff comfort level on presenting financial literacy topics
  - students motivated by crisis
  - ongoing educational need



# NSLP solution

- Financial Literacy Online
  - free, 24/7 online program
  - enhances personal money management skills for all users
  - provides user with information so they feel confident managing financial matters
  - trained presenters experienced in financial literacy
  - measures achievement of learning objectives



# NSLP solution

- Financial Literacy Online basic program
  - Budgeting: *Heads and Tails of Money Management*
  - Credit: *Choosing and Using Credit Cards Wisely*
  - Credit History: *Your (Credit) Life Story*
  - Identity Theft: *Is It You or an Identity Thief?*
  - Contracts: *Signing on the Dotted Line*
  - Financing Education: *Loans, Grants, Scholarships and Jobs*



# Accessing NSLP Financial Literacy Online

- Provide URL link on school's website
  - <http://www.nslpflonline.org>
- Contact your NSLP Regional Director



# Default prevention & management

- Online Loan Inquiry
- Loan Summary
- Extended Exit Counseling
- Default Aversion Assistance Report (DAAR)
- Cohort Estimator
- Cohort Analysis Reporting Service (CARS)
- Default Rescue Unit



# Online Loan Inquiry

Following borrower authentication:

- Provides detailed information about NSLP-guaranteed loans and associated lenders/servicers
- Available 24/7



# Loan Summary

- Provided annually and/or at graduation
- Online, easy-to-access
- Summarizes Title IV indebtedness (i.e. lets students view FFELP, DL and Perkins loans based on NSLDS data)
- Available in Spanish

# Extended Exit Counseling

At school's request:

- NSLP e-mails repayment reminders to Stafford borrowers during grace period
- E-mails are sent at 30th, 90th and 150th day of the student's grace period
- E-mail includes tips about their loans and tools to use in determining repayment amount



# Default Aversion Assistance Report

- Allows schools to take hands-on approach to preventing defaults
- Online report that helps schools identify and contact borrowers by phone or letter
- Schools can print letters, labels, and track contacts
- Updated weekly



# Cohort Estimator

- On request, NSLP provides school with a report that estimates the school's cohort default rate for borrowers with NSLP-guaranteed loans

# Cohort Analysis Reporting System

- Turnkey solution
- Helps schools analyze their cohort data
  - outlines steps to request NSLDS extract file
  - provides reports to analyze extract file data



# Default Rescue Unit

- NSLP personally contacts seriously delinquent borrowers before paying the lender a default claim
- Provide hands-on support to help borrower work with lender to avoid the default
- To date, rescued nearly 2,400 borrowers and averted over \$ 18.7 million in defaulted loans



# Loan Processing Products

- Blanket Guaranty
- EASI-App
- ELITE



# Blanket Guaranty

- Accelerates loan processing
- Helps lender deliver loans more quickly
- Makes same-day loan delivery a routine event
- Nearly \$9 billion guaranteed through Blanket Guaranty process since January 2000



# EASI-App

- SLATE compliant
- Customized electronic lender list
- Internet-based
- Convenient; accessible 24/7
- Free, secure, easy to use
- Truly open system



# ELITE

- Internet-based loan application software
- Facilitates electronic transfer of loan data and funds
- Stand-alone or integrated into existing FAMS
- Edits, tracks, reports through guarantee and disbursement
- CommonLine compatible



# Training, Resources & Publications

- AFC program
- Default prevention workshops
- Learning Links webcasts
- Ask Policy
- *Newsbriefs*



# Financial Counselor Program

- Earn accreditation through Association for Financial Counseling and Planning Education (AFCPE)
- Personal finance, financial counseling, and debt management courses
  - budgeting, cash flow management
  - credit use
  - insurance
  - saving and investments
  - income tax and estate planning basics



# Workshops and webcasts

- Default prevention & training workshops
  - learn how to develop default prevention plan for your school
  - pertinent topics applicable to today's issues
- Learning Links webcasts
  - free, monthly professional-enhancement series for financial aid community
  - easy-to-access, online delivery
  - subjects in financial literacy, policy updates, and professional development



# Resources & publications

- Ask Policy
  - fast, free, reliable responses to your policy questions
  - [NSLPpolicy@nslp.org](mailto:NSLPpolicy@nslp.org)
- *Newsbriefs*
  - bi-weekly, electronic newsletter
  - industry-related news

# Questions and discussion



# More information

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