Academic and Enrollment Services Review

FINANCIAL AID OFFICE

October 2007

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1. Overview

The Financial Aid Office administers University, federal and state student aid programs and is responsible for assuring compliance with all USF policies and procedures, and all federal and state regulations, policies and procedures. The staff of the aid office provides financial aid information, instruction and assistance to prospective, admitted and continuing undergraduate, graduate and professional students and their families. They process financial aid applications submitted by all of the University's students and the parents of dependent undergraduates; review and verify applicant information; award student financial aid; process all transactions related to the receipt of aid and its application to student accounts; maintain all required hardware and software in compliance with regulation; reconcile and report on all federal and state aid received; and are audited annually by the University's outside auditors.

2. Mission

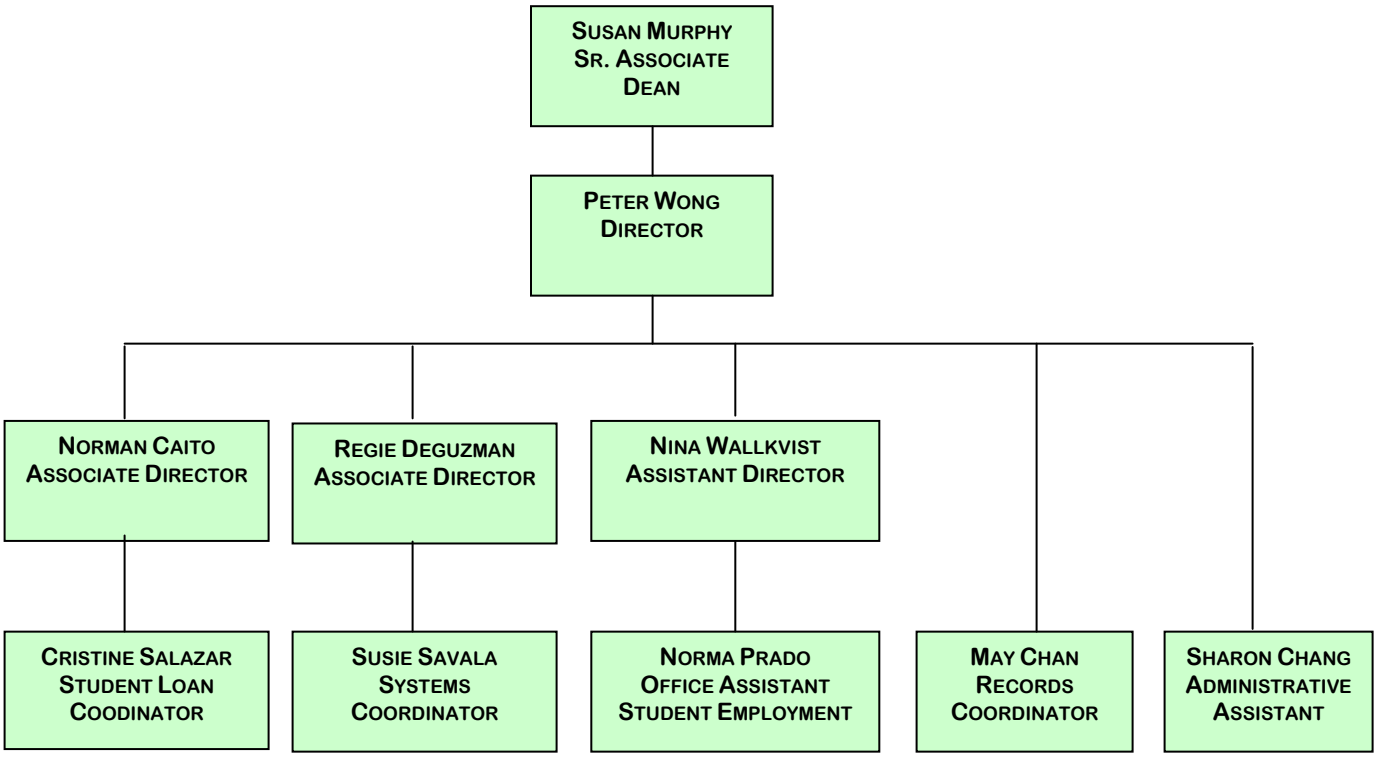
It is the mission of the Financial Aid Office to assure that all students admitted to and enrolled at the University of San Francisco are aware of and encouraged to apply for student financial aid; that available resources are managed to support access for a socio-economically diverse student body; and that student retention and success are supported by a continuing commitment to aid applicants with need for assistance.

3. Organization and Function

The Financial Aid Office, in collaboration with Student Accounts and One Stop Student Services, provides enrollment, financial aid and student employment services to the University's undergraduate, graduate and professional students enrolled on campus, at the regional campuses and in Los Angeles. The staff is experienced and stable, with an average of 15 years of service to USF's students. They annually participate in training on financial aid programs, policies, regulations, and technical requirements and changes provided by the US Department of Education, the California Student Aid Commission, the National Association of Student Financial Aid Administrators, EdFund, and other agencies and organizations. The professional staff are recognized as resources by their professional colleagues and the wider community. They serve as trainers for the US Department of Education, the National Association of Student Financial

Aid Administrators, The College Board, the California Student Aid Commission and the California Association of Student Financial Aid Administrators. They annually provide more than two dozen parent and student financial aid workshops for Bay Area high schools, college access organizations and community groups.

OFFICE OF FINANCIAL AID OPERATIONS AND SERVICES
UNIVERSITY OF SAN FRANCISCO



The Financial Aid Office staff:

3.1 Administers the University's grant, scholarship and student employment programs by

- Reviewing the effectiveness of the University's student financial aid and student employment programs in achieving assigned goals and objectives
- Recommending new programs and policies to respond to changing student demographics and University goals
- Establishing policies and procedures for effective administration of all programs

- Monitoring commitments to assure best use of aid and to achieve a balanced budget
- Administering all restricted funds in accordance with donor requirements
- Assuring compliance with all United States employment rules and regulations

3.2 Administers the Federal Title IV student financial aid programs, including the Federal Pell Grant Program, Academic Competitiveness Grant Program, SMART Grant Program, Supplemental Educational Opportunity Grant Program, Perkins Loan Program, Work-Study Program, Direct Student Loan Program and Family Education Loan Program, by

- Demonstrating administrative capability through audits, reports, reviews and the use of technology
- Establishing policies and procedures for determining eligibility, awarding funds, satisfactory academic progress, disbursements, refunds, and return of Title IV funds in compliance with all US Department of Education rules and regulations
- Verifying all student (and parent) information for those applications selected for review by the federal processor
- Working with the Social Security Agency, Selective Service and the Department of Homeland Security to resolve student eligibility issues
- Reconciling federal student aid funds drawn down from the federal student aid programs and paid to students
- Filing all reports and audits required of the financial aid office by the US Department of Education

3.3 Administers the California Student Aid Commission's Cal Grant Programs by

- Demonstrating administrative capability and compliance through audits, reports, reviews and use of technology
- Establishing policies and procedures that comply with Federal Title IV and Commission requirements
- Reviewing and determining continuing student eligibility for renewed awards
- Providing the Commission with revised financial and academic data that might affect a student's eligibility
- Reconciling all state student aid funds received by the University and paid to students

3.4 Participates in the administration of the federal Nursing student aid programs, including the Scholarships for Disadvantaged Students, the Federal Nursing Traineeship and the Nursing Student Loan Program, by

- Providing data in support of grant applications
- Assuring that awarding policies and procedures comply with regulations
- Identifying or confirming eligible aid recipients
- Filing all reports and audits required of the financial aid office

3.5 Provides information, instruction and counseling to USF students and parents by

- Developing and maintaining paper and electronic resources and instructions
- Guiding applicants and parents through the financial aid process
- Counseling students before, during and after the application and awarding process on aid eligibility, resources, and disbursement requirements
- Receiving and reviewing all review requests related to status, eligibility, special and/or changed circumstances, obligations and benefits; exercising professional judgment to assure that the information used to determine student awards is the most current and most appropriate

3.6 Determines aid eligibility for all student financial aid programs by

- Reviewing aid applications for all admitted and continuing student aid applicants
- Resolving all eligibility issues before offering assistance
- Applying the policies and procedures appropriate to University, federal and state student aid programs

3.7 Processes all aid from outside resources that benefit USF students by

- Providing scholarship and loan providers, at the request of the student, with current, accurate and applicable information

- Advising the recipient of all implications for University aid when an outside award is received; working with the recipient to assure the best combination of resources
- Accepting, disbursing and, if necessary, refunding awards to the provider

3.8 Identifies and implements all required systems for financial aid administration by

- Reviewing office equipment and software on a regular basis to assure compliance with Department of Education requirements
- Reviewing software to assure the financial aid office ability to participate in and benefit from all training and guidance
- Identifying, acquiring and implementing any new systems required by the federal, state, and institutional aid process

3.9 Supports the undergraduate and graduate admission effort by

- Preparing financial aid information for publications and web pages for Admission and the schools and colleges
- Providing regular staff briefings on student financial aid and updated information on program changes and/or new aid programs
- Participating in open houses, information meetings and yield events hosted by the admission offices
- Counseling applicants for admission on the financial aid process and programs

3.10 Serves as a resource for the University community by

- Supporting grant application and administration for schools, colleges and programs
- Responding to requests for comment on and response to new regulations
- Advising on program changes and their implications for USF students
- Providing information on issues such as study abroad and academic progress as they relate to financial aid eligibility
- Representing the University's perspective on financial aid issues to outside organizations such as the Association of Jesuit Colleges and Universities and The College Board

3.11 Serves as a resource for the wider community by

- Providing parent financial aid workshops for Bay Area high schools
- Providing student financial aid workshops for Bay Area access organizations
- Participating as trainers in workshops offered to financial aid peers and Bay Area high school counselors
- Developing and supporting, in collaboration with Student Academic Support Services and the Learning Center, a robust America Reads program for San Francisco elementary schools

4. Assessment

4.1 Audits and Reporting

The Financial Aid Office is assessed annually by audits and required reports.

The University's outside auditors, as part of the A133 audit, annually review the Financial Aid Office for compliance with the federal regulations governing administration of the Title IV student financial aid programs, including student eligibility and awarding, satisfactory academic progress, Return of Title IV funds, disbursement and refund, and the Fiscal Operations Report and Application to Participate (FISAP). For the period FY02 through FY07, there were no audit comments or exceptions noted for the Financial Aid Office. In addition to the extensive review of compliance issues, the auditors select one program for specific review. For 2006/07, the auditors chose to review the Federal Academic Competitiveness Grant Program. ACG, authorized by the Higher Education Reconciliation Act (HERA) was signed into law in late spring 2006 and universities whose students benefited from the Federal Pell Grant Program were required to implement for the 2006/07 award year. With minimal guidance that changed almost weekly, the Financial Aid Office established a process for determining eligibility, with the help and support of Undergraduate Admission identified eligible students, and disbursed the first awards in August 2006. The University's auditors made no comment on administration of the ACG Program.

The University is required to file the Fiscal Operations Report and Application to Participate (FISAP) no later than September 30 each year. The FISAP reports on administration of the campus-based Title IV programs (Perkins Loan, Supplemental Educational Opportunity

Grant Program, Work-Study Program) provides information on eligible aid applicants enrolled for the award year, level of participation in other federal and state student aid programs, and serves as an application for campus based funds for the upcoming award year. The information provided is used by the Department of Education to assess the University's compliance with best practice requirements including borrower default rates and work study earnings for community service placements, and to assure compliance with all required fiscal responsibility. For the period FY02 through FY07, the Financial Aid Office in collaboration with Business and Finance, provided all required information, filed by the published deadline, met all best practice requirements and demonstrated compliance with all administrative requirements. There were no additional requests for information or resolution.

Periodically the University is required to renew its Program Participation Agreement with the US Department of Education and demonstrate its continued eligibility to administer the federal student aid programs. During 2006 the Financial Aid Office prepared the renewal application for approval to participate and demonstrated that the University met the definition of an eligible institution. Approval to participate through June 30, 2012, was confirmed on September 12, 2006. A copy of the approval document is included as an appendix to this report.

For 2004/05, the Financial Aid Office implemented the School as Lender program for the University's graduate and professional student borrowers from the Federal Stafford Subsidized and Unsubsidized Student Loan Programs. In 2006, EdFund, the state guarantee agency, performed a compliance review on the University's administration of the program. The review examined the procedures related to the program in both the Financial Aid Office and in the Controller's Office. There were no compliance comments related to the procedures of the Financial Aid Office. A copy of the final letter is included as an appendix to this report.

4.2 Outside Peer Review

The Financial Aid Office invited three highly regarded professionals to conduct a review as part of this process. The reviewers were:

- S. Lynn Fox, Associate Dean of Enrollment and Director of Financial Aid, University of the Pacific. Dean Fox has over 20 years experience is student financial aid, is considered by peers

to be a leader in the profession, and has considerable expertise in technology as a tool in financial aid

- Carrie Steere-Salazar, Director of Student Financial Aid, University of California, San Francisco. Carrie Steere-Salazar has over 20 years experience is financial aid, all in graduate and professional schools, is considered by peers to be a leader in the profession, and has expert knowledge of student loan programs and their administration

- James White, Associate Provost for Enrollment Services, Seattle University. Associate Provost White served Seattle University as their financial aid director before assuming his present position. He was regarded as a leader in the financial aid profession, serving, among other positions, as president of the Western Association of Student Financial Aid Administrators. At Seattle he participated in the creation of a one-stop student services environment and was responsible for directing both the financial aid and student accounts offices

Before their visit, members of the review team were directed to the University's Vision, Mission and Values statement and the Financial Aid Office web page. They were provided with a summary of the results of audits, reviews and the University's current participation in federal and state student aid programs. They were not asked to perform a compliance review though the staff members of the Financial Aid Office were prepared to respond to any questions about the administration of the student financial aid programs. The visitors were asked to review, among other issues:

- How well the aid office reflects the mission of the University in its service to students and colleagues
- The aid office role in a one stop services environment
- How well the aid office collaborates with other offices
- How successful the aid office is in implementing new programs
- How ready the aid office is for new technology

The reviewers met with the Aid Office staff, the Associate Provost/Dean of Academic and Enrollment Services, Undergraduate and Graduate Admission staff, the Directors of Student Accounts and One Stop Student Services, the Associate Directors of University Records, staff and graduate program directors from the Schools and Colleges, the Senior Director of Regional Campuses and Regional Campus Directors, and general stakeholders. Their reports indicate that:

- The staff of the aid office has an "obvious and extraordinary commitment to the Mission, Vision and Values of the University." In spite of the time and energy the processing, compliance and technical side of the aid office operation demands, they are committed to student service and committed to providing colleagues with the information and support needed to serve students. They are seen by colleagues as accessible, responsive and student centered.

- There is general agreement that the One Stop Student Service collaboration is effective and student friendly. Colleagues as well as students appreciate the proximity of offices, standardized office hours, and the one stop contact point for multiple tasks. Regional campus colleagues feel that their students do not make use of One Stop and that a direct contact point would be preferable while graduate program colleagues would prefer committed contact points and a dedicated phone line.

- The financial aid office staff are extremely well respected by their colleagues and "… such universal respect from an entire campus community is extraordinarily rare…" The reviewers recognized that while financial aid and undergraduate admission share a common vision and purpose and are very effective collaborators, graduate programs staff would like to see an enhanced relationship, a better understanding of the particular demands of their students and programs, and more dedicated services for their students. They feel that the type of service presently provided is tuned too closely to the needs and expectations of undergraduates. The regional campus staff prefer to have all their financial aid needs, and the needs of their students, met directly by aid office staff and the aid office has not yet succeeded in persuading them that One Stop is often the most direct and quickest way for a student to have his or her needs addressed.

- In the period covered by this review, the Financial Aid Office staff created and implemented procedures for graduate borrowing from the School as Lender program. This involved technology not required for the Direct Loan Program, a separate origination process, a new electronic fund transfer process (with a new collaboration with Student Accounts) and an additional and complicated reconciliation process. A compliance review by EdFund, the state guarantee agency, found no exceptions and made no comments on the procedures of the Financial Aid

Office. For 2006/07, the aid office, with minimal and sometimes contradictory guidance from the US Department of Education and no lead time, implemented two new and complicated federal grant programs, ACG and SMART. Funds were provided to eligible students in a timely way and a review by the University's auditors found no exceptions and made no comments on the procedures established for ACG. Also for 2006/2007, with minimal guidance from the US Department of Education and no lead time the Financial Aid Office implemented a new federal loan program for graduate and professional students, Grad PLUS. An effective adaptation of procedures in place for the Parent PLUS program allowed student borrowers to receive their funds in a timely way. The three new programs and other regulatory changes mandated by HERA stretched the aid office staff to their limits. Additional changes that will result from the signing of the College Cost Reduction and Access Act, including at least one new grant program and substantial revisions to the student loan programs, will be a challenge for the aid office's limited resources.

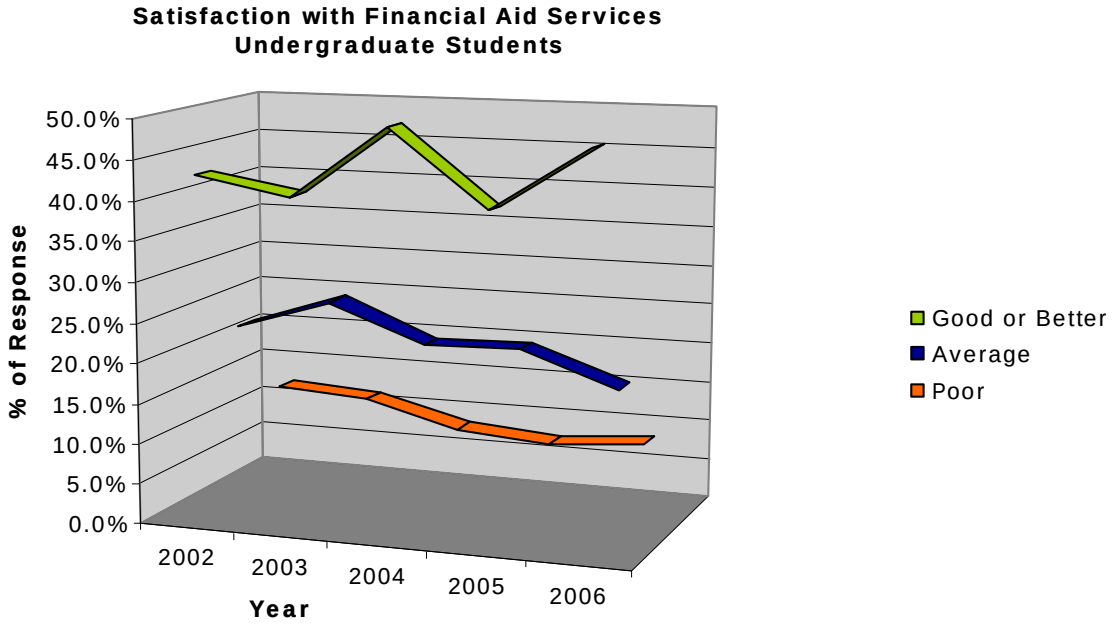
- The Aid Office staff has a positive expectation for Banner and anticipates that it will provide new tools for improving the delivery of student financial aid. Like all aid administrators, the reviewers have experience with technology change. They expressed concerns that the aid office staff, without additional technical assistance would be hard pressed to implement Banner according to the projected schedule. In addition, they feel that continued staff support for Banner is going to be necessary after it is up and running.

The reviewers concluded that despite limited resources, the Aid Office Staff are responsible and effective administrators of the student financial aid programs; that they are extremely aware of their role in assuring compliance with all policies and regulations that affect the University's ability to participate in student financial aid programs; that they are collegial, collaborative and committed to their student centered role; that they bring a rare stability and experience to Academic and Enrollment Services that would be difficult to replace; and that they face some substantial challenges in the future.

4.3 Student Satisfaction Survey Results

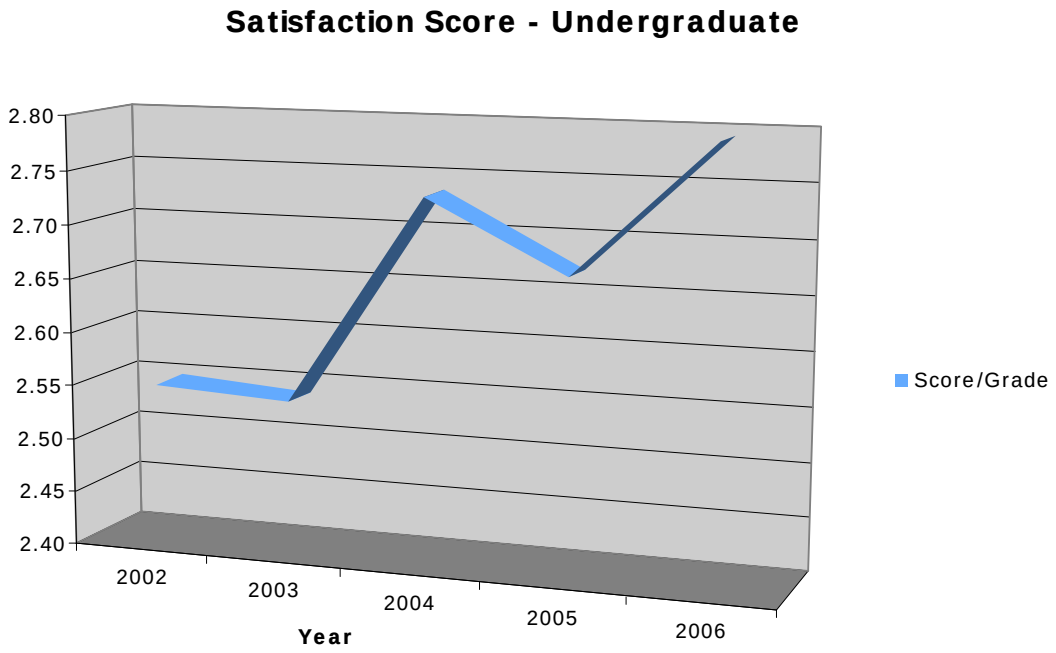
The information on student satisfaction with the services of the Financial Aid Office is taken from the Graduating Student Survey.

The number of undergraduate students who rated their satisfaction level as "Excellent to Good" has increased by 11.63%. The number of students who rated their satisfaction level as "Poor" has decreased by 32.23%



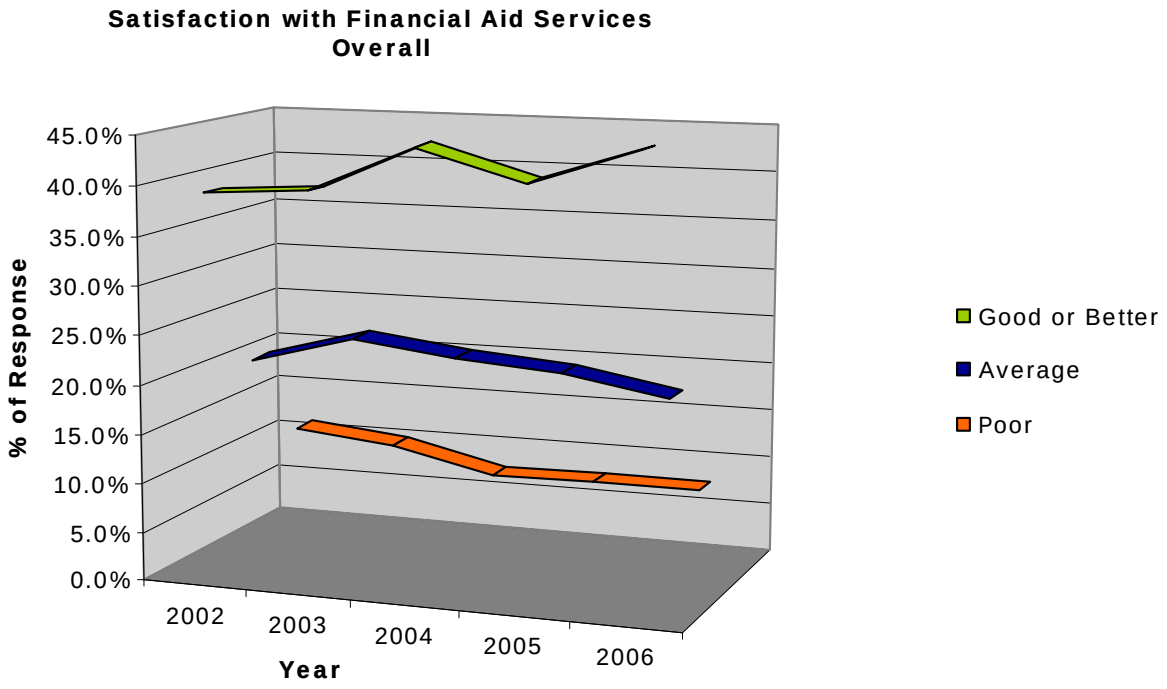
Year	Good or Better	Average	Poor	Does Not Apply	Sample Size	% Change in Good or Better Satisfaction from 2002 to 2006
2002	43.0%	22.2%	12.1%	22.7%	605	11.63%
2003	40.8%	26.1%	11.3%	21.7%	394	
2004	49.7%	21.5%	8.1%	20.7%	634	**% Change in Poor Satisfaction from 2002 to 2006**
2005	40.4%	21.8%	7.2%	30.6%	749	-32.23%
2006	48.0%	17.5%	8.2%	26.4%	248	

Undergraduate students satisfaction improved by 9.56% from 2002 through 2006.



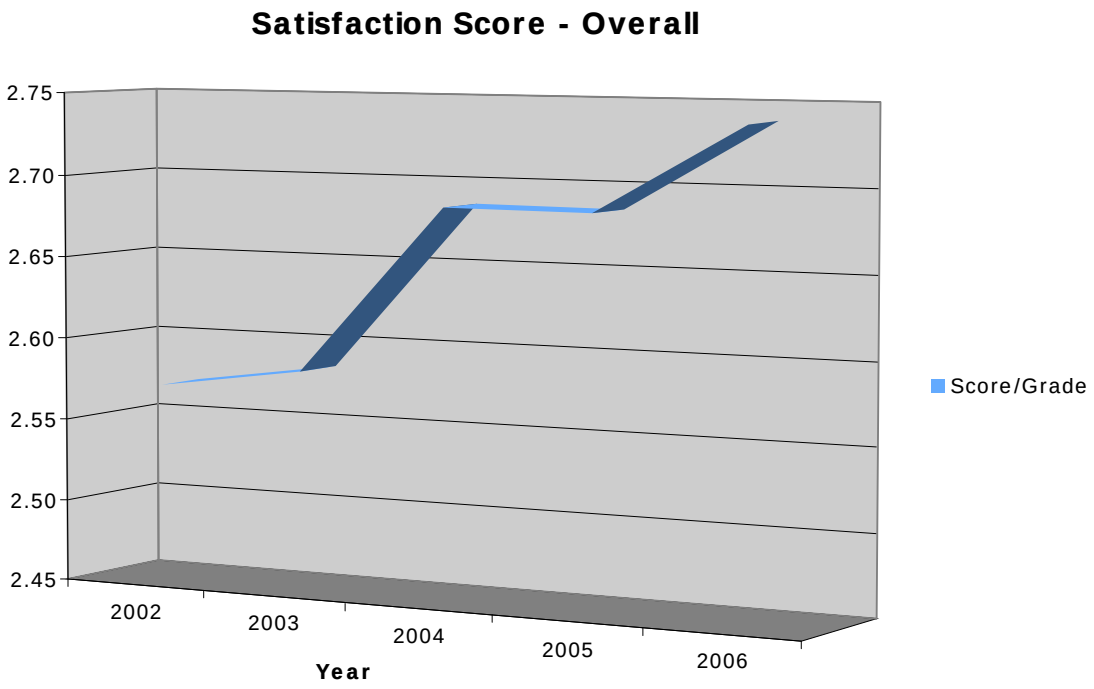
Year	Excellent	Points (4)	Good	Points (3)	Average	Points (2)	Poor	Points (1)	Total Points	Score (Grade)	% Change in Satisfaction from 2002 to 2006
2002	11.5%	345	31.5%	708	22.2%	333	12.1%	91	1476	2.55	
2003	13.0%	330	27.8%	529	26.1%	331	11.3%	72	1261	2.54	
2004	16.7%	263	33.0%	390	21.5%	169	8.1%	32	855	2.74	9.56%
2005	13.3%	132	27.1%	202	21.8%	108	7.2%	18	460	2.67	
2006	18.3%	443	29.7%	539	17.5%	212	8.2%	50	1243	2.79	

The overall number of students who rated their satisfaction level as "Excellent to Good" has increased by 14.83%. The number of students who rated their satisfaction level as "Poor" decreased by 30.00%



Year	Good or Better	Average	Poor	Does Not Apply	Sample Size	% Change in Good or Better Satisfaction from 2002 to 2006
2002	39.1%	20.5%	11.0%	29.4%	915	14.83%
2003	39.8%	23.4%	9.9%	26.8%	406	
2004	44.5%	22.1%	7.5%	25.9%	613	**% Change in Poor Satisfaction from 2002 to 2006**
2005	41.4%	21.2%	7.6%	29.9%	1163	-30.00%
2006	44.9%	19.3%	7.7%	28.1%	1379	

Overall, students are 6.52% more satisfied in 2006 than in 2002.

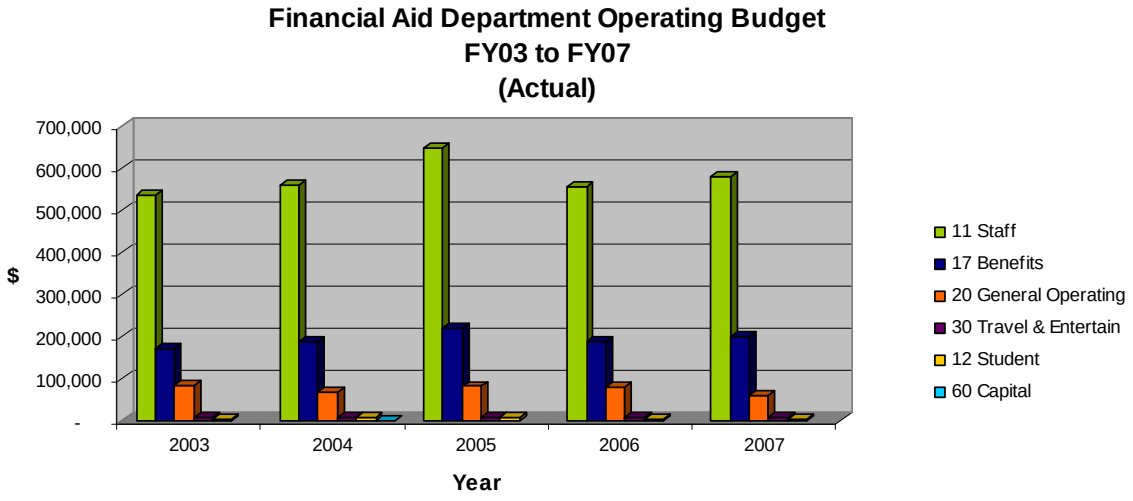


Year	Excellent	Points (4)	Good	Points (3)	Average	Points (2)	Poor	Points (1)	Total Points	Score (Grade)	% Change in Satisfaction from 2002 to 2006
2002	12.2%	447	26.9%	738	20.5%	375	11.0%	101	1661	2.57	
2003	13.0%	211	26.8%	326	23.4%	190	9.9%	40	768	2.58	
2004	13.8%	338	30.7%	565	22.1%	271	7.5%	46	1220	2.69	6.52%
2005	14.0%	651	27.4%	956	21.2%	493	7.6%	88	2189	2.68	
2006	15.9%	877	29.0%	1200	19.3%	532	7.7%	106	2715	2.74	

5. Financial

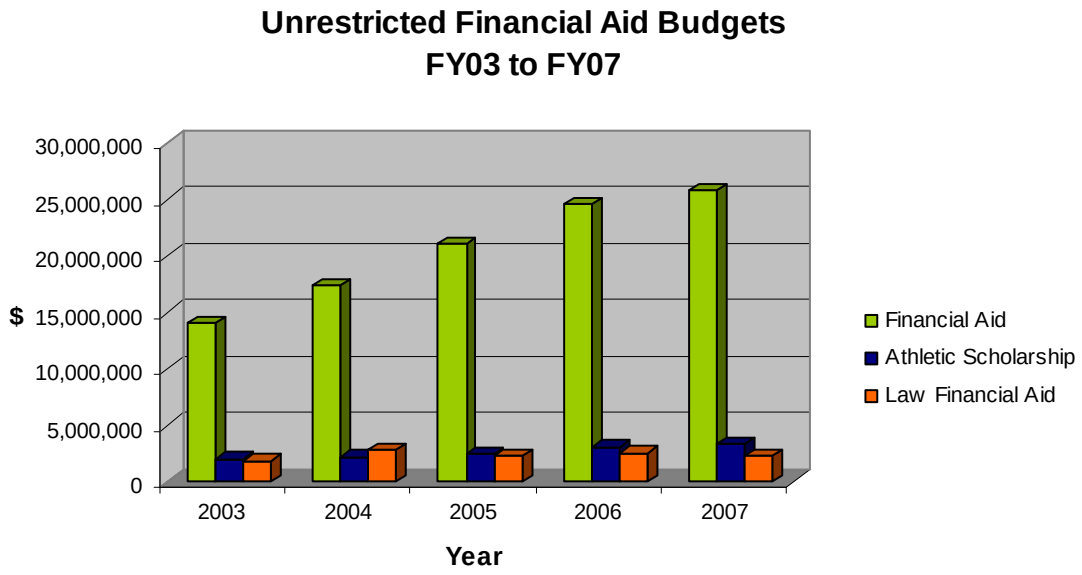
The Financial Profile, prepared by the University's Budget Office appears as Appendix C.

The financial aid staff are responsible administrators of the operating funds budgeted for the aid office. During the period under review, staff identified budget related to tasks now performed by One Stop and released budget to the new unit. The considerable reduction in the salary line for 2005/06 reflects the transfer of two positions, one exempt, one support, to One Stop.



Financial Aid Category	2003	2004	2005	2006	2007
11 Staff	535,737	558,667	648,529	555,865	580,215
12 Student	4,147	6,111	6,136	4,121	3,116
17 Benefits	172,854	186,143	220,500	187,357	199,762
20 General Operating	82,683	67,269	81,375	78,482	60,515
30 Travel & Entertain	7,815	8,086	7,259	8,725	8,947
60 Capital		1,065			
Grand Total	**803,236**	**827,341**	**963,799**	**834,550**	**852,555**

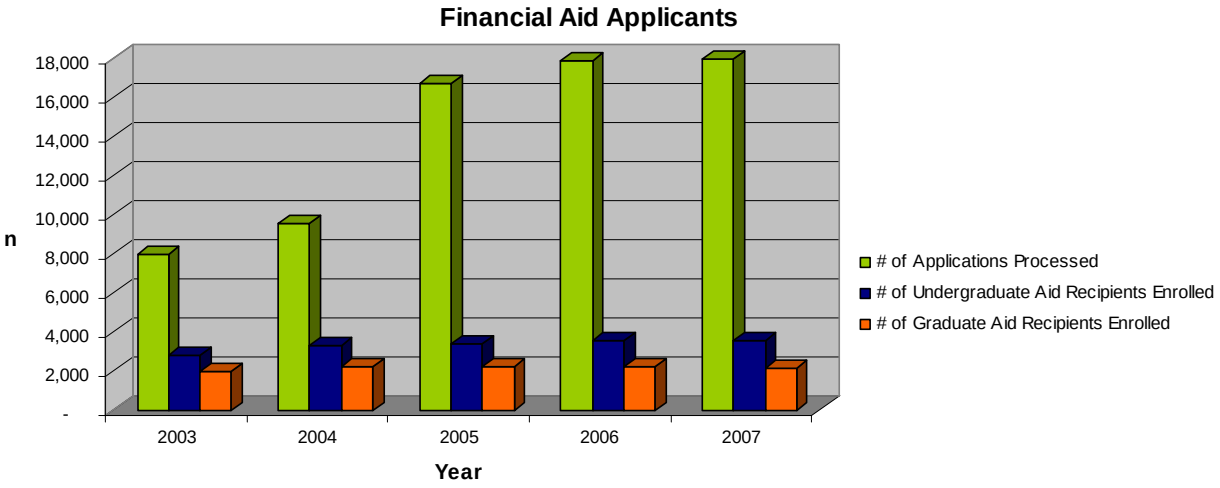
The financial aid staff are responsible stewards of the University's student financial aid budget, working specifically to make best use of the funds available while meeting their obligation to achieve a balanced budget at the end of the year.



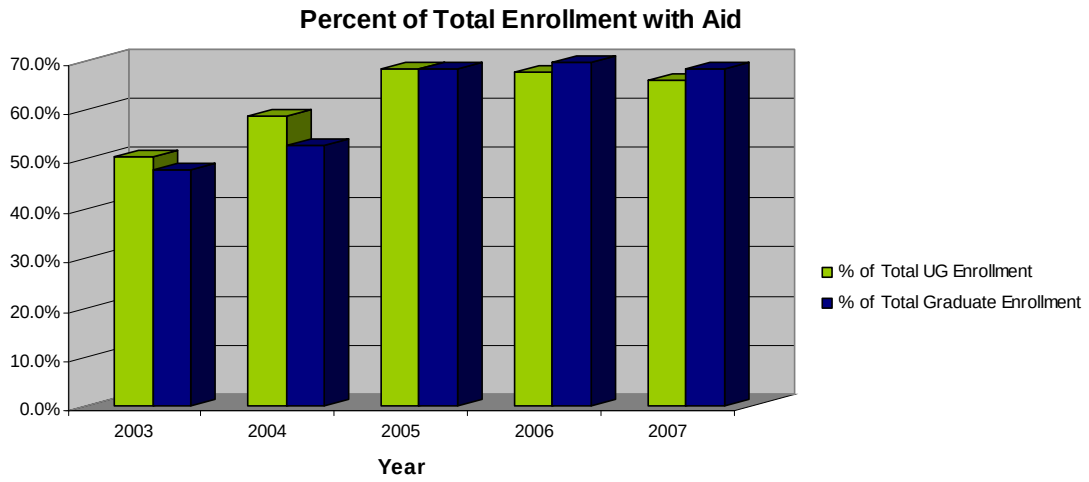
			2003		2004		2005		2006		2007	
Unit	**Account**	**Desc**	**Orig. Budget**	**Annual Budget**	**Orig. Budget**	**Annual Budget**	**Orig. Budget**	**Annual Budget**	**Orig. Budget**	**Annual Budget**	**Orig. Budget**	**Annual Budget**
Athletic Schol	**218200**	Athletic Student Aid	2,019,150	2,019,150	2,138,220	2,138,220	2,463,619	2,463,619	3,049,854	3,049,854	3,346,565	3,346,565
Total			**2,019,150**	**2,019,150**	**2,138,220**	**2,138,220**	**2,463,619**	**2,463,619**	**3,049,854**	**3,049,854**	**3,346,565**	**3,346,565**
Financial Aid	**218000**	UG Student Aid	13,728,786	13,728,786	16,261,930	16,261,930	19,797,903	19,756,421	22,314,338	23,394,121	23,487,280	23,487,280
	218010	Sal Funded Aid					0	0			1,000,000	1,000,000
	218400	Graduate Fin Aid	0	0	798,000	798,000	1,173,784	1,173,784	1,081,580	1,095,080	1,211,275	1,224,775
	218500	Sch of Ed Fin Aid	329,490	329,490	329,490	329,490	97,225	117,665	101,748	61,113	106,825	95,275
Total			**14,058,276**	**14,058,276**	**17,389,420**	**17,389,420**	**21,068,912**	**21,047,870**	**23,497,666**	**24,550,314**	**25,805,380**	**25,807,330**
Law Financial Aid	**218100**	Law Sch Funded Schol	1,878,044	1,878,044	2,792,759	2,792,759	2,262,002	2,262,003	2,483,509	2,483,509	2,281,448	2,281,448
Total			**1,878,044**	**1,878,044**	**2,792,759**	**2,792,759**	**2,262,002**	**2,262,003**	**2,483,509**	**2,483,509**	**2,281,448**	**2,281,448**
Grand Total			17,955,470	17,955,470	22,320,399	22,320,399	25,794,533	25,773,492	29,031,029	30,083,677	31,433,393	31,435,343

6. Student Aid Applicants

Despite the pressures of the rising cost of education and very little growth in the resources provided by the federal and state student and programs, the University continues to enroll an economically diverse student body. The financial aid staff is committed to making the best use of the resources provided to support access by students whose families do not have the means to afford a USF education.



Description	2003	2004	2005	2006	2007
# of Applications Processed	7,951	9,564	16,707	17,876	17,947
# of Undergraduate Aid Recipients Enrolled	2,775	3,269	3,392	3,554	3,558
# of Graduate Aid Recipients Enrolled	2,002	2,187	2,250	2,224	2,154

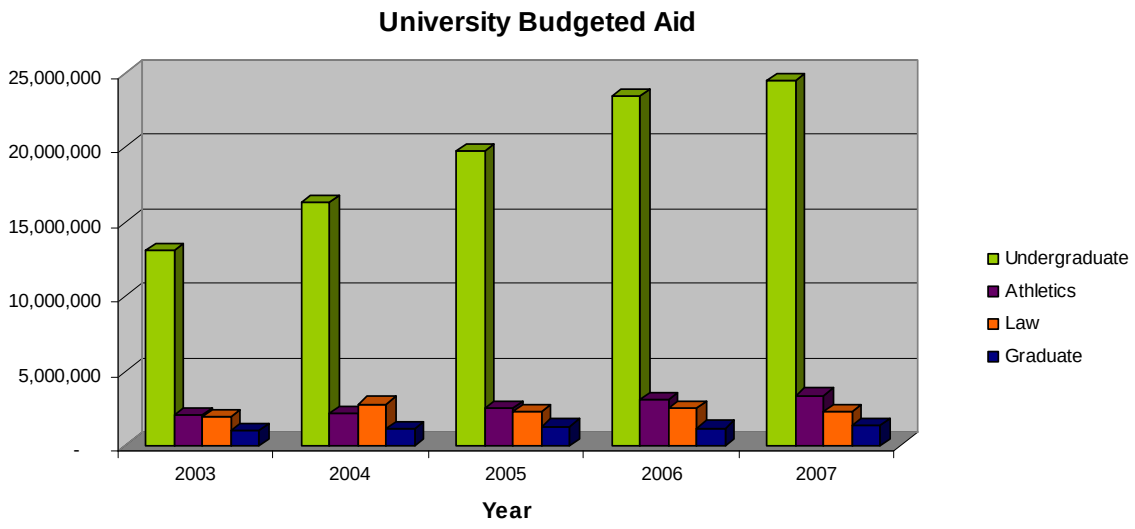


Description	2003	2004	2005	2006	2007
Total Enrollment - UG	5,506	5,568	4,975	5,248	5,404
Aid Recipients - UG	2,775	3,269	3,392	3,544	3,558
% of Total UG Enrollment	**50.4%**	**58.7%**	**68.2%**	**67.5%**	**65.8%**
Total Enrollment - Graduate	4,196	4,135	3,299	3,199	3,164
Aid Recipients - Graduate	2,002	2,187	2,250	2,224	2,154
% of Total Graduate Enrollment	**47.7%**	**52.9%**	**68.2%**	**69.5%**	**68.1%**

7. Student Aid Programs

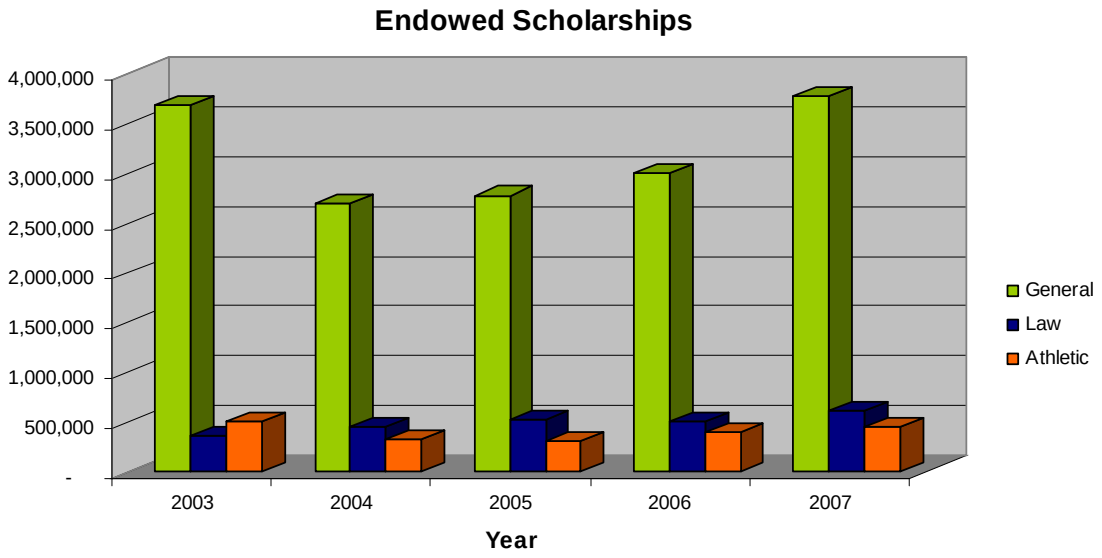
7.1 Grants and Scholarships

University funded student financial aid provides over $30 million in tuition grant and scholarship assistance. Ninety percent of aid to undergraduates is awarded to students with demonstrated need who, without assistance would be unable to enroll at the University of San Francisco. Aid to graduate and law students is offered based on academic merit and promise.



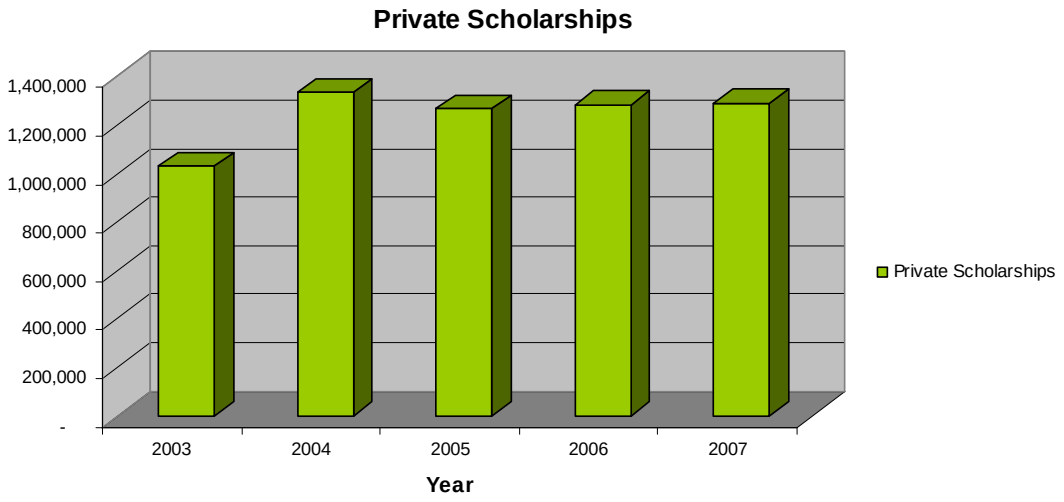
University Budgeted Aid	2003	2004	2005	2006	2007
Undergraduate	13,088,786	16,261,930	19,756,421	23,394,121	24,487,280
Graduate	969,490	1,127,490	1,291,452	1,156,193	1,320,050
Law	1,878,044	2,792,759	2,262,003	2,483,509	2,281,448
Athletics	2,019,150	2,138,220	2,463,619	3,049,854	3,346,565
Total	**17,955,470**	**22,320,399**	**25,773,495**	**30,083,677**	**31,435,343**

The University's endowed scholarships, gifts from alumni and friends of the University, from foundations and corporations who support USF's mission and values, provide financial aid to undergraduate, graduate and professional students. Undergraduate awards generally require demonstrated need while for graduate and law students merit is the determining factor.



Endowed Scholarships	2003	2004	2005	2006	2007
General	3,675,820	2,685,811	2,771,345	2,988,724	3,770,890
Athletic	504,516	326,249	313,138	389,016	450,438
Law	367,500	444,650	514,631	504,270	604,566
Total	**4,547,836**	**3,456,710**	**3,599,114**	**3,882,010**	**4,825,894**

In addition to the scholarship and grant assistance provided by the University, USF students successfully compete for private scholarships paid to the University on their behalf.

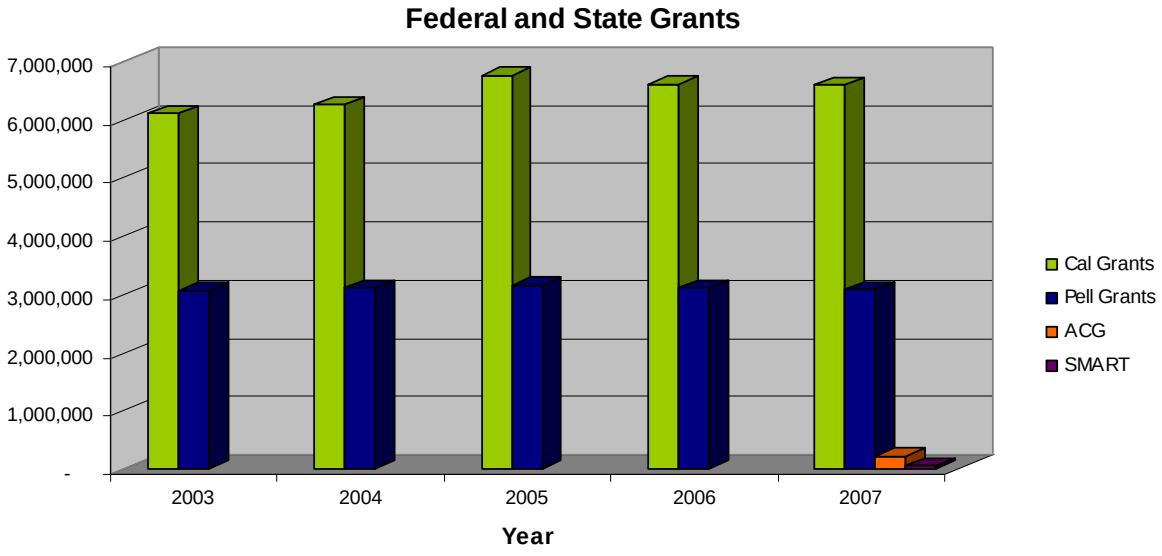


Private Scholarships	2003	2004	2005	2006	2007
Total	1,032,003	1,334,981	1,267,379	1,283,992	1,290,643

7.2 Federal and State Grants

There has been no significant growth in the value of the Federal Pell Grant awards and no growth in the value of the Cal Grant award for California residents. Where once the maximum Cal Grant represented over 60% of the cost of USF's undergraduate tuition, the $9,708 award for 2006/07 was just 34.3% of the cost of full-time enrollment.

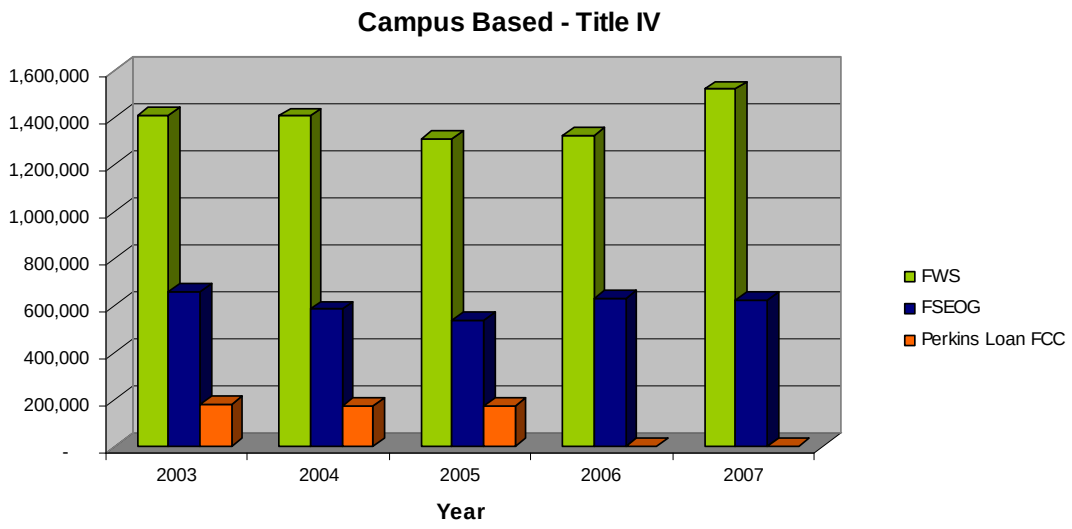
In 2006/07, the financial aid office implemented the Federal Academic Competitiveness Grant and SMART Grant programs for Pell Grant eligible students. The regulations governing the new programs restrict participation based on a Pell Grant recipient's citizenship status, the rigor of a new freshman's high school program, and the grade point average accomplished in high school for first year recipients and during their freshman year for continuing recipients. The SMART Grant is available to Pell eligible US citizens based on enrollment in an eligible major and their grade point average.



Federal and State Grants	2003	2004	2005	2006	2007
Pell Grants	3,057,783	3,101,843	3,143,813	3,109,220	3,072,585
Cal Grants	6,105,913	6,257,581	6,761,236	6,608,535	6,585,827
ACG					208,180
SMART					50,000
Total	**9,163,696**	**9,359,424**	**9,905,049**	**9,717,755**	**9,916,592**

7.3 Campus-Based Title IV Student Aid

The campus based Title IV student aid programs – Supplemental Educational Opportunity Grant, Perkins Loan and Federal Work Study – provide need-based student aid awarded according to federal regulation and USF policies and procedures. There were substantial federal budget cuts from FY03 through FY05. The aid office staff took advantage of opportunities to submit requests for additional Work-Study and Supplemental Educational Opportunity Grant funds and recent federal budget increases have had a positive impact on the work-study program.



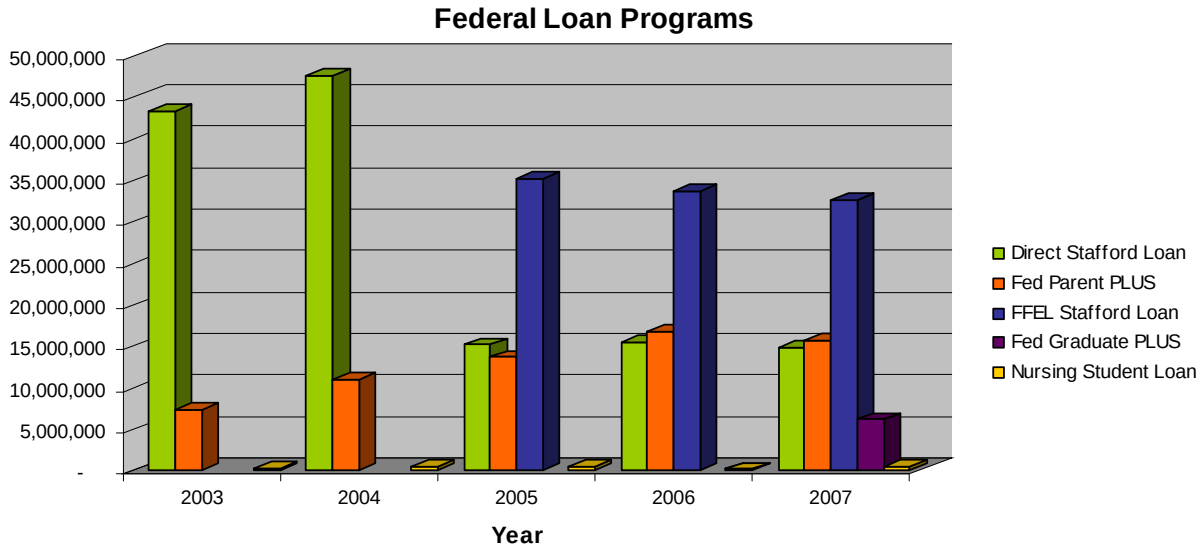
Campus Based Title IV	2003	2004	2005	2006	2007
FWS	1,409,385	1,407,307	1,308,751	1,325,719	1,521,922
FSEOG	662,622	585,210	541,592	630,684	622,917
Perkins Loan FCC	183,955	174,904	172,433	-	-
Total	**2,072,007**	**1,992,517**	**1,850,343**	**1,956,403**	**2,144,839**

7.4 Student Loans

USF students and their parents borrow from the federal student loan programs to meet both direct and indirect educational expenses, including, in the case of the Parent PLUS program, funds to cover the expected family contribution.

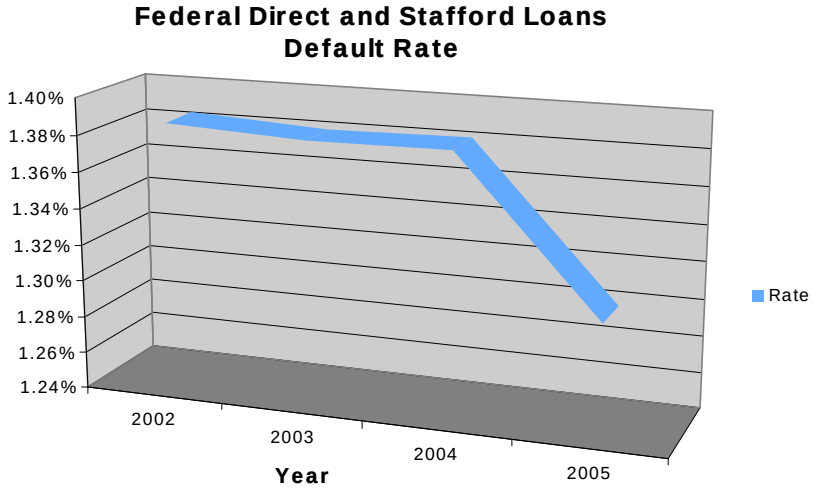
For the 2004/05 academic year, USF offered its graduate and professional students an opportunity to borrow from the FFEL/School as Lender program, offering a zero fee loan with very competitive repayment benefits.

For the 2006/07 award year, USF implemented the Federal Direct Graduate PLUS Program for graduate and professional students. The program was announced after the majority of applicants had made their loan decisions for the year. The aid office anticipates a substantial increase in volume for 2007/08.



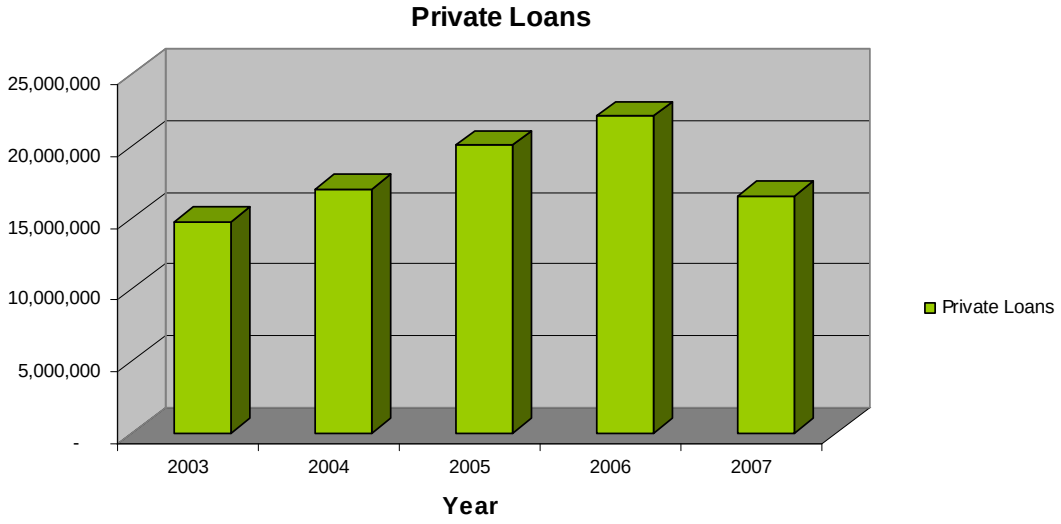
Federal Loan Programs	2003	2004	2005	2006	2007
Direct Stafford Loan	43,269,676	47,491,684	15,053,960	15,391,854	14,739,068
FFEL Stafford Loan			35,042,785	33,552,330	32,471,540
Fed Parent PLUS	7,236,880	10,787,647	13,541,734	16,590,088	15,643,595
Fed Graduate PLUS					6,041,938
Nursing Student Loan	211,900	349,850	295,250	47,000	327,780
Total	**50,718,456**	**58,629,181**	**63,933,729**	**65,581,272**	**69,223,921**

The cohort default rate for borrowers from the Federal Direct and Federal Stafford loan remains below 1.5% and has decreased since 2002, and has declined 6.2% during the period covered by this report.



Fiscal Year	Numerator	Denominator	Rate	% Change	Learning Out come
2002	23	1661	1.38%	-6.2%	The default rate has decreased since 2002, and has maintained below 1.5%
2003	23	1666	1.38%		
2004	24	1737	1.38%		
2005	29	2233	1.30%		

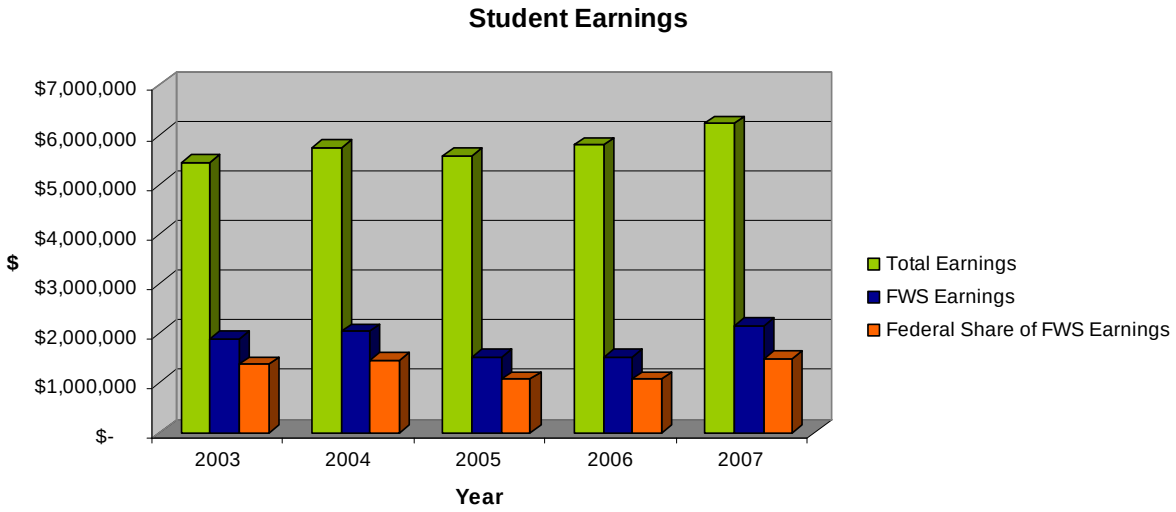
Undergraduate, graduate and law students have borrowed from private educational loan programs to supplement the resources available from the federal student loans. After steady and substantial growth in private loan volume, there was a sharp decline in 2005/06, attributable to graduate and law borrowers preferring the Federal Graduate PLUS program as a supplemental resource. The Aid Office expects the decline to continue but anticipates an increase in undergraduate borrowing unless there is a significant increase in the loan limits for undergraduates in the Federal Direct Student Loan Program.



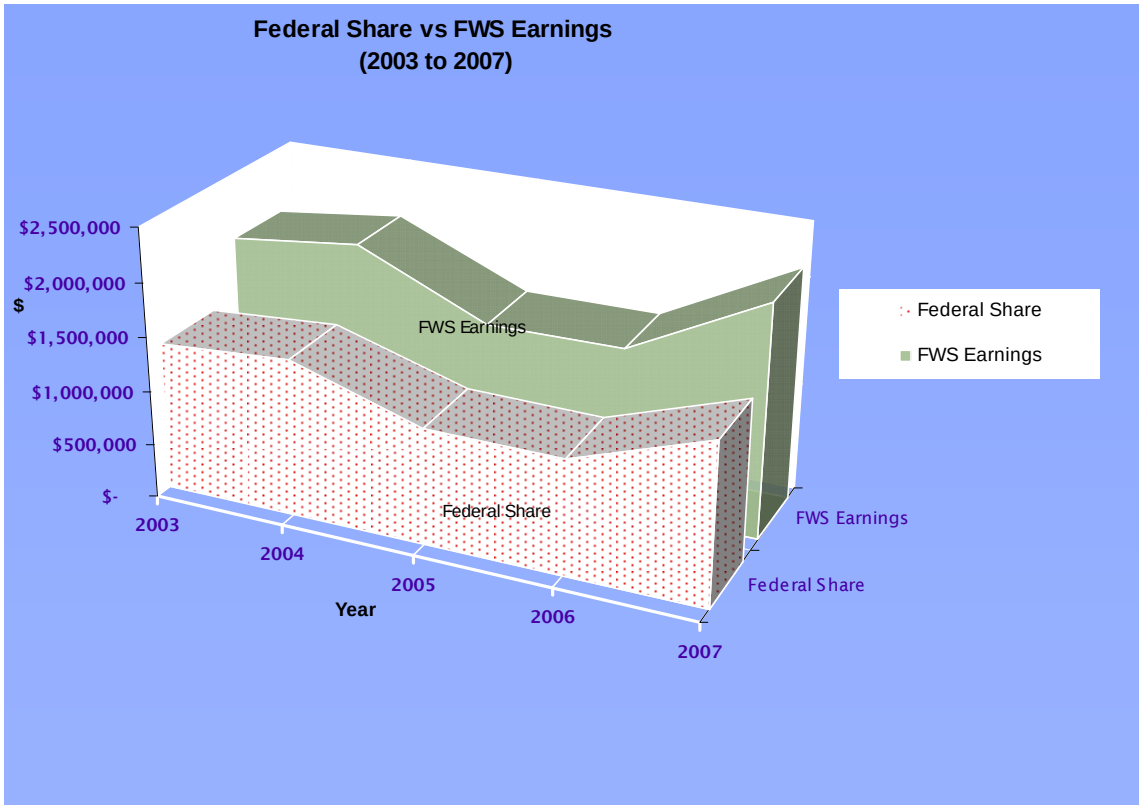
Private Loans	2003	2004	2005	2006	2007
Total	14,724,677	16,983,999	20,028,992	22,067,198	16,493,138

7.5 Student Employment

Earnings from on-campus student employment and off-campus federal work-study student employment have increased considerably. Part of the increase is due to a change in the minimum wage and adjustment of the student pay scale and part to the students' need for earnings from employment to meet educational expenses.



Year	Total Earnings	FWS Earnings	Federal Share	% of FWS Earnings from Total Earnings
2003	$ 5,437,788	$ 1,897,089	$ 1,369,045	34.9%
2004	$ 5,746,123	$ 2,036,549	$ 1,446,791	35.4%
2005	$ 5,577,445	$ 1,516,707	$ 1,076,775	27.2%
2006	$ 5,789,470	$ 1,512,643	$ 1,066,766	26.1%
2007	$ 6,226,469	$ 2,156,128	$ 1,486,390	34.6%



Year	FWS Earnings	Federal Share	% Federal Share from FWS Earnings
2003	$ 1,897,089	$ 1,369,045	72.2%
2004	$ 2,036,549	$ 1,446,791	71.0%
2005	$ 1,516,707	$ 1,076,775	71.0%
2006	$ 1,512,643	$ 1,066,766	70.5%
2007	$ 2,156,128	$ 1,486,390	68.9%

8. Goals and Objectives

- Support undergraduate and graduate enrollment goals by continued assessment and refinement of the University's student financial aid programs

- Successfully implement Banner Financial Aid and expand online services for student aid applicants. The intent is to have the system ready to accomplish all of the tasks associated with the 2008/09 financial aid cycle

- Further integrate enrollment and financial services for students, giving particular attention to the needs of graduate, professional and non-traditional students

- Successfully implement new federal aid programs created by the College Cost Reduction and Access Act and Reauthorization of the Higher Education Assistance Act

- Expand debt management resources for all student borrowers and create an evaluation tool for students considering private educational loans

- Identify additional on-campus community service opportunities for work study eligible students and develop additional off-campus community service work study opportunities for undergraduate and graduate students

FEDERAL STUDENT AID START HERE. GO FURTHER.

UNITED STATES DEPARTMENT OF EDUCATION

FEDERAL STUDENT AID
SCHOOL ELIGIBILITY CHANNEL
SCHOOL PARTICIPATION TEAM
SAN FRANCISCO/SEATTLE TEAM

Reverend Stephen A. Privett SJ
President
University of San Francisco
2130 Fulton Street
San Francisco, CA 94117-1080

09/12/2006

OPE ID 00132500

Dear Reverend Privett:

The San Francisco/Seattle School Participation Team is pleased to inform you that, based upon the information included in your Application for Approval to Participate in Federal Student Financial Aid Programs, the Secretary of Education (Secretary) has determined that University of San Francisco (Institution) satisfies the definition of an eligible institution under the Higher Education Act of 1965, as amended (HEA). University of San Francisco will be listed in the next edition of the Directory of Postsecondary Institutions published by the U.S. Department of Education (Department).

OPE ID NUMBER

The OPE ID Number 00132500 is a unique identifier for the Institution. The OPE ID Number will also be the Institution's identification number for the Title IV, HEA programs. Please use the OPE ID Number in all communications with the Department.

ELIGIBILITY AND CERTIFICATION APPROVAL REPORT

Please print a copy of the **Eligibility and Certification Approval Report** (ECAR) Together, the **Program Participation Agreement** (PPA) that has been signed on behalf of the Secretary and the ECAR constitute the San Francisco/Seattle School Participation Team's determination that the Institution has qualified to participate in programs under the Higher Education Act of 1965, as amended (HEA) and the Federal student financial assistance programs (Title IV, HEA programs).

The Institution must retain the ECAR and the PPA together.

The ECAR contains the most critical of the data elements that form the basis of the Institution's approval, and also a list of the highest level of offering, any nondegree or short term training programs, and any additional locations that provide 50 percent or more of an educational program that have been approved for the Title IV, HEA programs. The Institution may not award, distribute or disburse any Title IV, HEA program funds for any educational or training program that is beyond the scope of the approval contained in the ECAR, nor for any additional location providing 50 percent or more of an educational program that has not been approved and is not listed on the ECAR.

- In order to comply with the requirements of 34 CFR 668.8(1), some vocational or nondegree programs may have been approved for fewer credit hours than requested in the Institution's application.
- Vocational and nondegree programs that do not meet the requirements of 34 CFR Parts 600 and 668

have not been approved and are marked in the ECAR as not approved.

- The listing of Vocational Programs in the ECAR contains those nondegree programs that the San Francisco/Seattle School Participation Team has determined are eligible programs for participation in the Title IV, HEA programs.
- The ECAR contains a list of HEA programs other than Title IV, HEA programs, for which the Institution is eligible to apply. This list does not mean that the Institution will automatically be eligible to participate in or receive funds under any HEA competitive grant program. Information concerning applications for, and the individual requirements of, the competitive grant program can be obtained from:

Deputy Assistant Secretary
Office of Higher Education Programs
U.S. Department of Education
400 Maryland Avenue, S.W.
Washington, DC 20202-5140

PROGRAM PARTICIPATION AGREEMENT

The PPA contains the agreement between the Institution and the Secretary concerning the Institution's participation in the Federal student financial assistance programs (Title IV, HEA programs).

CERTIFICATION FOR TITLE IV, HEA PROGRAMS

As explained in the PPA, Title IV, HEA programs administered by participating educational institutions are subject to applicable laws, regulations, and guidelines. Listed below are the appropriate telephone numbers for further information on the HEA programs:

- Federal Pell Grant Program (800) 474-7268
- Federal Family Education Loan Program (202) 377-4008
- Federal Direct Student Loan Program (800) 848-0978
  If the Institution wishes to begin participating in the Direct Loan Program or to request a change in its funding method, contact COD School Relations at the Federal Direct Student Loan Program number above or send an email to codsupport@acs-inc.com
- Federal Campus-Based Programs (877) 801-7168
  The Federal Campus-Based Programs are (a) the Federal Supplemental Educational Opportunity Grant Program, (b) the Federal Work-Study Program, and (c) the Federal Perkins Loan Program. To obtain funding under any or all of these programs, the Institution must file the Fiscal Operations Report and Application to Participate (FISAP) annually. FISAP packages are typically available at the end of July each year and the due date for electronic submission of this data is generally a postmark or transmission date of October 1. Please keep in mind that the October 1 submission is to obtain funding for the Award Year that begins the following July 1.

If the Institution does not already participate in the Title IV, HEA programs, the Institution must complete Fundamentals of Title IV Administration (Precertification) Training no later than 12 months after the Institution executed the PPA. Completion of this training must be not earlier than one year before beginning to participate in any Title IV, HEA program for which the Institution has not previously participated. If you wish to register for Fundamentals of Title IV Administration (Precertification) Training, please register at . For information concerning the training, contact the San Francisco/Seattle Team at the telephone number listed later in this letter.

Participating educational institutions will be reviewed at least once every six years to determine whether the institutions remain administratively capable and financially responsible to administer Title IV programs and funds.

REPORTING AND REAPPLICATION REQUIREMENTS

The Institution must report promptly to the Department certain changes and actions that affect the Institution's participation approval, as specified in 34 CFR 600 and 668, including, but not limited to:

- Change of name and/or address;
- New contract or significant modification of existing contract with a third party servicer;
- Change in exercise of a person's substantial control over the Institution, e.g., a change in the chief executive officer or members of the board of trustees or board of directors.
- Change in the way the Institution measures educational program length;
- Change in the level of course offerings;
- Additions and/or closures of non-main campus locations that offer at least 50% of an educational program;
- Change of accrediting agency;
- Change of the State agency that confers legal authority on the Institution to offer programs of postsecondary education; or
- Change in ownership *whether or not* that ownership change results in a change in control of the Institution.

If the Institution fails to report any such changes within ten days after the change occurs, the ability of the Institution to administer the Title IV student financial assistance programs properly will be called into question. As a consequence, we will consider whether it is necessary to monitor the Institution's receipt of Federal funds more closely. Failure to report changes within the time frame required may also result in an adverse action being taken against the Institution in accordance with 34 CFR 668, Subpart G.

Automatic Termination of Approval

This Approval for Institutional Participation automatically terminates on the happening of any of the following events:

- June 30, 2012
- The date the Institution loses the legal authority to offer programs of postsecondary education in the State in which it is located;
- The date the Institution loses accreditation from its designated primary accrediting agency;
- The date the Institution ceases to offer all approved postsecondary instruction;
- The date the Institution merges with another institution;
- The date the Institution undergoes a change in ownership resulting in a change of control;
- The date the Institution files for bankruptcy; or
- The date the Institution otherwise ceases to meet the definition of an eligible institution of higher education.

Please send all information or documentation required by this letter to:

United States Department of Education
Federal Student Aid, Schools Channel
Attention: San Francisco/Seattle School Participation Team
50 Beale Street
Suite 9800
San Francisco, CA 94105-1863

One of the institutional eligibility requirements is that the institution must admit as regular students only persons who have a high school diploma; have the recognized equivalent of a high school diploma; or are beyond the age of compulsory school attendance in the State in which the institution is physically located (see 34 CFR 600.4, 5 or 6). This means if the student is not yet beyond the age of compulsory school attendance in the State in which the institution is physically located, the institution can only enroll the individual as a regular student if he or she has a high school diploma or its equivalent.

One of the student eligibility requirements is that an eligible student is one who is not enrolled in either an elementary or secondary school (see 34 CFR 668.32). This means that an institution cannot accept as a regular student at this school, an individual who is also enrolled at the same time in elementary or high school.

The telephone number for the San Francisco/Seattle Team is (415) 486-5677. The fax number is (415) 486-5676.

Sincerely,

Linda Henderson
Area Case Director
School Participation Team, NW
San Francisco/Seattle Team

cc: Ms Susan L. Murphy, Associate Dean of Academic Enrollment & Financial Services
Western Association of Schools and Colleges - Sr. Colleges & Universities
Guarantee Agency

EDFUND®

November 7, 2006

Susan Murphy
Senior Associate Dean, Academic & Enrollment
University of San Francisco, Lone Mountain Campus
2130 Fulton Street
San Francisco, CA 94117

RE: Program Compliance Review # 60683412900

Dear Ms. Murphy:

Thank you for your response received on November 2, 2006 to the program compliance review report pertaining to EDFUND's programs. Your comments/changes have been received and are found to be acceptable.

We appreciate the professional attention your staff has given to the issues raised. Your continued effort and consideration toward EDFUND's programs will help produce an efficient, beneficial program of student financial assistance.

If you have any questions, or if I can be of any further assistance, please call me at (916) 526-7357. If you have any comments or feedback on our program review process, please feel free to contact me at the number listed above or at jnorman@edfund.org.

Sincerely,

Jennifer Norman

Jennifer Norman, Manager
Program Review & Compliance Department
Audit Services Division

JN:tp

cc: Reggie Deguzman, Associate Director of Financial Operations & Services
U.S. Department of Education
Program Review File

P. O. BOX 419045 RANCHO CORDOVA, CALIFORNIA 95741-9045 916.526.7900 www.edfund.org

Information about the Financial Aid Office operating budget and the use of student financial aid funds for the period of the review appear in Sections 5 and 7 of the review. Appendix C, following this page, is the financial profile prepared by the University's budget office.