This annual report fulfills the requirement outlined in Iowa Code 7C.13(2) by highlighting how our operations and activities served students and parents in fiscal year 2017.
From the Board Chair: Continued Commitment

In fiscal year 2017 (July 1, 2016, through June 30, 2017) we helped even more Iowa families as we developed new financial literacy tools, worked toward expanding our award programs, entered new partnerships with like-minded organizations and created new financial product offerings.

These additional resources and offerings were created to provide quality information and financing options for Iowa students and families. Development began on two new online financial literacy tools, one that will help individuals considering a graduate degree and one for families of students in grades six through 12.

New partnerships were formed to help students and families often underserved by traditional college planning and financing resources, including adult learners and students with autism and other intellectual, cognitive or learning disabilities.

We also created new products and services to help individuals repay their student loans and assist employers seeking to help their employees manage existing student debt or help family members pay for future educational expenses.

A college education remains an amazing opportunity for upward mobility but as costs continue to grow, student debt is an increasing concern for families across the nation. The board, management and staff of Iowa Student Loan® are determined to continue providing quality resources and tools to help families avoid unnecessary debt while reaching their educational goals.

Iowa Student Loan’s unwavering commitment to help Iowa students and families succeed is evidenced in the accomplishments described in this report. On behalf of Iowa Student Loan’s board of directors, management and staff, I am pleased to provide our fiscal year 2017 Annual Report.

Christine L. Hensley, Chair, Iowa Student Loan Board of Directors

Additional information and updates for the current fiscal year can be found at any time on our website, www.IowaStudentLoan.org.
Our Mission for Iowans

A private, nonprofit corporation, Iowa Student Loan’s mission is to help Iowa students and families obtain the resources necessary to succeed in postsecondary education. These resources are not just loans but also include educational tools and programs.

Iowa Student Loan is Iowa’s state-designated student loan secondary market. We are not a state agency and do not receive any state appropriations.

Based in West Des Moines, we are self-funded and self-capitalized, governed by a board of directors appointed by the governor of Iowa and who represent education, financial services and the general public. To date, we have helped more than 392,500 students pay for college.

For nearly 40 years, Iowa Student Loan has worked to support the local economy by maintaining and growing jobs and providing competitive salaries and benefits.

<table>
<thead>
<tr>
<th>Original Team Members</th>
<th>Current Team Members</th>
<th>Average Tenure</th>
</tr>
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<tbody>
<tr>
<td>16</td>
<td>219</td>
<td>10.5</td>
</tr>
</tbody>
</table>

Board Leadership

Iowa Student Loan Board of Directors

| Christine Hensley  | Tammy Bramley       | Dan Clute       | Rob Denson    |
| (Chair) Des Moines | (Vice Chair) Ute    | Urbandale       | Ankeny        |
| Lorraine Groves    | Laurie Hempen       | Miles Lackey    | Marcia Rogers |
| Sioux City         | New London          | Ames            | Cedar Rapids  |
| Jim Schipper       | Scott Schneidemann  | Adam Voigts     |               |
| Ankeny             | Rock Rapids         | Indianola       |               |

Aspire Resources Inc.®, Iowa Student Loan’s wholly owned, for profit subsidiary, was created to perform functions not specifically included in Iowa Student Loan’s original tax-exempt designation. All revenues beyond operating expenses and reserves are returned to Iowa Student Loan to fulfill its nonprofit purpose of helping Iowa students and families. The Aspire board is appointed annually by the Iowa Student Loan board of directors.

Aspire Resources Inc. Board of Directors

| Dr. Norm Nielsen   | Dr. John Hartung    | Catherine “Kay” E. Beyerink |
| (Chair) Cedar Rapids | (Vice Chair) Des Moines | Sioux City |
| John Hintze       | Tony Kaska          |                           |
| Des Moines        | Chariton            |                            |
Student Loan Game Plan and ROCI Reality Check

Our free Student Loan Game Plan™ and ROCI Reality Check tools continue to help students and their parents understand maximum advisable borrowing levels based on college major; a realistic estimation of the return on college investment, or ROCI, students may expect; and ways to reduce the need to borrow to pay for college.

These tools are integrated into our scholarships and programs as well as the application process. We continue to see good results from the applicants who experience Student Loan Game Plan as part of the application process for private student loans offered by Iowa Student Loan.

**Student Loan Game Plan Impact**

*Based on Applications in Fiscal Year 2017 (July 1, 2016–June 30, 2017)*

3,374 loan applicants completed the tool

- 15.3% reduced their requested student loan amount after experiencing the tool
- $2,257 was the average reduction in requested loan amount after completing the tool
- 91.2% indicated the tool had increased their knowledge of how borrowing would impact their future

College Funding Forecaster

During fiscal year 2017, nearly 3,000 people visited the College Funding Forecaster online tool, which was introduced in March 2016 to help families estimate the total cost of a four-year college career based on a freshman-year financial aid award package. This tool allows families to input a single year’s costs, expected aid, and student and family contributions and get a forecast of total cost to help them make more informed decisions about college choices and financing.

The College Funding Forecaster was also used to help families who brought their financial aid award packet to one of the nine Award Letter Nights we hosted in eight locations around the state in March and April 2017.
Parent Handbook

Developed in 2017, the Parent Handbook is a module of valuable tips to help families of students in sixth through 12th grades prepare for success in college and other postsecondary options. The Handbook addresses common questions and provides a roadmap for academic and financial success. Users choose the topics they are most interested in at their students’ current stage and may request additional detailed information on any topic covered.

Grad Degree Gauge

A large segment of today’s student loan debt is taken on by students pursuing an advanced degree. Graduate student loans made up 43% of the total volume of student loans disbursed in the 2015–2016 academic year, according to the College Board’s 2016 Trends in Student Aid report.

The Grad Degree Gauge, also developed in 2017, is designed to help students who are thinking about either moving directly from undergraduate to graduate education or returning to school from the workforce. Users:

- Compare expected earnings between current degrees and additional grad degrees.
- Weigh the expected borrowing level and cost to attain a graduate degree against estimated earnings.
- Explore career opportunities for those with the desired graduate degree.

Your Results

Your potential to successfully repay new student loan debt after earning your desired graduate degree is shown on a scale from 1 to 100 below. This result is calculated using the four factors shown below and is based on the information you previously entered.

- 0–40: Potentially poor ability to repay new student loan debt
- 41–70: Potentially fair ability to repay new student loan debt
- 71–100: Potentially good ability to repay new student loan debt
Save Now, Save Later: College Savings Plan Parent Giveaway

For the third year in a row, parents of Iowa high school students in grades nine, 10, 11 or 12 were able to enter the Save Now, Save Later: College Savings Plan Parent Giveaway drawing for a contribution into a college savings plan after experiencing the parent version of Student Loan Game Plan. We again worked directly with College Savings Iowa on the Giveaway, which awarded 30 $1,500 college savings deposits in 2016.

The program for fiscal year 2018, which ran Sept. 5–Oct. 23, 2017, was expanded to parents and guardians of students in grades six through 12. In addition, the required component was changed to the new Parent Handbook module to provide more appropriate information to the expanded audience. Results will be provided in the fiscal year 2018 annual report.

Iowa Financial Know-How Challenge: Senior Scholarship

More than 3,500 Iowa high school seniors registered for the 2016–2017 Iowa Financial Know-How Challenge: Senior Scholarship, which awards $2,000 scholarships to each of 30 recipients. To qualify, students must complete Student Loan Game Plan and ROCI Reality Check and score highest on a related assessment. Each recipient’s high school also receives a corresponding award of $500. The 2016–2017 recipients were recognized by then-Gov. Terry Branstad and by Iowa Student Loan board members and executives during an award ceremony in April 2017.

Come 2 Iowa Senior Scholarship

The Come 2 Iowa Senior Scholarship awards college scholarships to high school seniors from Illinois, Minnesota, Missouri, Nebraska, South Dakota or Wisconsin intending to attend college in Iowa the following fall. In 2017, nearly 650 students entered, and five recipients each received a $1,000 scholarship for completing Student Loan Game Plan and ROCI Reality Check and achieving one of the top scores on a related assessment.

The 2018 program, which will be open Feb. 5–May 31, 2018, will be based on a random drawing.

College Funding Forecaster Giveaway

Two Iowa high school seniors each received a $1,500 college scholarship and 20 additional students received a $250 award for educational expenses during a new award program that ran March 13–June 9, 2017. To qualify, Iowa high school students and their parents or guardians entered random drawings after completing College Funding Forecaster to estimate total college cost over four years.

The 2018 Giveaway will run March 5 to May 11, 2018.

Please visit www.IowaStudentLoan.org/Programs for more information about and current results for any of our scholarships and programs.
Helping Families Plan for College

The Iowa College Access Network (ICAN) offers free college planning services statewide, thanks to lead funding from Iowa Student Loan. ICAN’s services are offered at in-person sessions at 99% of Iowa’s high schools, during appointments at locations throughout the state and through initiatives like the Golden Circle College Fair and FAFSA Ready Iowa.

A main focus of ICAN’s appointments, workshops and presentations is the Free Application for Federal Student Aid, or FAFSA, which college-bound students and families complete as early as the fall before their next college year to qualify for federal, state and institutional financial aid. This fall, ICAN staff trained and certified almost 20 Iowa Student Loan employee volunteers to help families complete the FAFSA, and several have already volunteered their time at ICAN FAFSA completion events.

ICAN continues to be our longest-standing community reinvestment partner because of its impact on Iowa’s college-bound students and families. For this reason, ICAN also receives the largest portion of our available annual financial support.

During the 2016–2017 academic year, ICAN served 769,734 customers through:

- 5,508 appointments
- 6,270 FAFSA completions
- 1,561 presentations
- 20,239 phone calls
- 441,960 resource and newsletter subscriptions
- 277,922 visits to ICAN’s website

ICAN serves a diverse population and meets a need for college planning and financing resources.

- 20% of ICAN’s customers identify as a race other than Caucasian, compared to 6.7% of Iowa’s population.
- Two out of three families served make less than $50,000 per year.
- 46% of the students working with ICAN are first-generation college students who have no family members to help guide them through college planning.
Engaging in Iowa Financial Literacy Efforts

We actively participate in multiple conferences and events each year to share insight, information and resources with like-minded organizations, experts and families throughout Iowa.

<table>
<thead>
<tr>
<th>Exhibit</th>
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| **Golden Circle College and Career Fair**  
  September 2016  
  College-bound students and families  
  Information on upcoming scholarship and college funding programs |

<table>
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<tr>
<th>Exhibit</th>
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</table>
| **Iowa School Counselor Association Conference**  
  November 2016  
  Iowa school counselors  
  Information on scholarship programs |

<table>
<thead>
<tr>
<th>Presentation</th>
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</thead>
</table>
| **Iowa Jump$tart Conference for Personal Financial Literacy**  
  June 2017  
  High school educators and counselors  
  Using online smart borrowing tools in the classroom |

<table>
<thead>
<tr>
<th>Exhibit</th>
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| **Iowa Association of Student Financial Aid Administrators Fall Conference**  
  October 2016  
  85 college personnel  
  Information on loan programs and smart borrowing tools |

<table>
<thead>
<tr>
<th>Exhibit</th>
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</table>
| **Iowa Association of Student Financial Aid Administrators Spring Conference**  
  April 2017  
  105 college personnel  
  Information on loan programs and smart borrowing tools |

<table>
<thead>
<tr>
<th>Other Events</th>
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<tbody>
<tr>
<td>School Services staff also shared information on smart borrowing tools, resources and scholarships with approximately 500 students at additional college fairs and as guest presenters at various college and university classes across the state.</td>
</tr>
</tbody>
</table>

Please visit [www.IowaStudentLoan.org/Planning](http://www.IowaStudentLoan.org/Planning) for more information about college planning.
Engaging Findley Elementary Families

In partnership with the I Have a Dream Foundation of Des Moines, we sponsor financial literacy events for parents of students attending the Dreamer Academy at Findley Elementary in Des Moines. The I Have a Dream Foundation program works to help disadvantaged families begin to imagine the possibilities of college — a dream that can often seem out of reach for students and their families.

The Beginner’s Guide to Paying for College events offer free seminars on several topics related to financial literacy and planning and paying for college, as well as a free meal and free child care for parents. Parents who attend also receive a $30 college savings plan deposit for each of their students who are enrolled at Findley.

About the Dreamer Academy

- Ethnically and racially diverse population
- High percentage of low-income families (100% free and reduced lunch)
- Innovative move from I Have a Dream’s traditional format of a grade-level cohort to a building-wide (K–5) program
- Strong partnerships with surrounding community, middle and high schools, community organizations
- All students are exposed to and encouraged to attend some sort of postsecondary institution, ranging from training in skilled trades to traditional four-year colleges and universities.
Engaging King and Moulton Families

As a member of the ISU 4U Promise Community Alliance, which helps community organizations, agencies and businesses participate in programming, Iowa Student Loan works with Iowa State University to maintain a college-going pathway for youth attending King and Moulton elementary schools in Des Moines.

In March 2017, Iowa Student Loan demonstrated a customized version of College Funding Forecaster to students and families attending the first ISU 4U Promise Family Event. Participants were able to see how their participation in the ISU 4U Promise affected their projected cost of attendance for Iowa State University and hear ways to further reduce their need to borrow.

"We heard amazing reviews from students and families about how much fun they had and how much they learned at the event. We know that families really enjoy learning as much as they can about the financial side of things."
— Kayla Pippitt, Program Assistant for ISU 4U Promise

Financing Independence for Students with Disabilities

The University of Iowa REACH (Realizing Educational and Career Hopes) Program is a two-year transitional certificate program for students with multiple intellectual, cognitive and learning disabilities. Students are empowered to learn the social and life skills, including money management and financial planning, necessary to become independent, active members of the community.

Iowa Student Loan provided $10,000 to fund a scholarship, first awarded in the spring of 2017, to one or more Iowa students who would benefit from the UI REACH program but would otherwise not be able to attend due to unmet financial need. Recipients for the current academic year are from Center Point and Norwalk, Iowa.

Supporting Students with Autism Spectrum Disorder

Iowa Student Loan provided funding to the Kirkwood Focused Skill Training (FST) program to support students with autism spectrum disorder who are pursuing two-year degrees and certificates. FST staff work with students to create an individualized plan that incorporates Kirkwood resources, community partnerships and research-based interventions.

Iowa Student Loan has helped fund acquisition of software and other program costs enhancing services for FST students.

"[Iowa Student Loan’s] encouragement and support has provided many opportunities for the students. The encouragement and support from Iowa Student Loan has given us the opportunity to provide an avenue for students to practice … social skills. We have had soaring numbers of attendees at each of these events … [that] provide an opportunity for students to practice the personal and social skills they have been working on with their coaches."
— Amanda Thompson, accommodation services coordinator for Kirkwood’s Learning Services

Please visit www.IowaStudentLoan.org/Community for more information about any of our community outreach efforts.
Supplemental Loans for Students and Families

The Partnership Advance Education Loan® (Partnership Loan) remains our cornerstone supplemental loan option for students, and their cosigners, who need additional funds to pay college costs. The Partnership Loan features fixed and variable interest rates and three in-school payment options so that students can determine what is most important to them based on their financial situation.

To provide a better product to students facing this need, we reduced the majority of Partnership Loan interest rates in February 2017, and in May 2017, we were able to eliminate the origination fee for those Partnership Loans. These actions were possible because of our current access to federally tax-exempt Private Activity Bonds, used to fund our loan products for Iowa students and families.

In March 2017, we introduced the College Family Loan®. This supplemental loan program was created to assist parents, family members and others who wish to borrow on behalf of their student to help with college costs and is very similar to the Partnership Loan. The main differences between the loans are who the borrower is, and that the College Family Loan is a fixed-rate only loan. And like the Partnership Loan, funding for the College Family Loan for Iowans comes from our access to Private Activity Bonds.

Information about both loans is provided in full detail — from underwriting criteria to examples detailing the annual percentage rate, estimated finance charges and approximate monthly payment amount for each interest rate — on our website. This includes guidance that strongly encourages students and families to explore and exhaust all sources of student financial aid before applying for either of the loans as they are both supplemental private loans.

A Competitive Option for Parents

Our goal has always been to provide funds at reasonable rates to students and families who need the additional money to achieve a postsecondary education.

For the 2017–2018 academic year, the Partnership Loan and the College Family Loan have rates that are lower than the Federal PLUS Loan.

Currently, the highest fixed annual percentage rate for any Partnership Loan or College Family Loan and for any in-school payment option is 6.85%, which is lower than what we have calculated for the Federal Direct PLUS Loan due to its higher interest rate and fee charges.

Loan for Borrowers Already in Repayment

Iowans and others across the country continue to struggle with repaying student loans saddled with high interest rates. Our Reset Refinance Loan™ is one option for credit-qualified individuals looking to reduce costs on existing student loan debt.

This refinancing option offers borrowers the opportunity to lower:
- The interest rate they are paying on their student loan debt.
- The amount they will pay over time through shorter repayment terms or lower rates or a combination of both.
- Their monthly payment amount through a longer repayment term.

As with the other loans offered by Iowa Student Loan, all information, from credit criteria requirements to interest rate tier details, is provided upfront and in clearly defined language. In addition, interested borrowers can see estimates of monthly payment amounts and finance charges for different repayment terms to see if the loan will benefit them and their finances before they apply.
Loans to Meet Workforce Needs

Our partnership with Skills Fund — an innovative startup company that provides financing for students attending highly skilled accelerated information technology bootcamps — is one way we are growing to meet the demands of the changing education landscape.

Skills Fund provides competitive financing to selective bootcamps, where most students do not qualify for federal student aid, after ensuring the coding, data science and other skills-oriented programs meet a stringent set of quality standards.

Our continued alliance with LinkCapital, a startup specializing in refinance loans for medical professionals, was another way we assisted in meeting the demand for medical professionals in fiscal year 2017.

LinkCapital’s refinance programs are for medical professionals who have completed their post-graduate training and for medical residents who have completed at least one year of post-graduate training.

Skills Fund and LinkCapital loans are serviced by Aspire staff, and our staff also provides pre-application information about the LinkCapital loan to interested medical workers.

Offerings to Support and Enhance Employer Benefits

In an effort to support economic growth and assist employers in their efforts to recruit and retain top talent, Iowa Student Loan’s Reset Loan, College Family Loan and financial literacy resources have been packaged and made available to employers as voluntary employee benefits. The package, called College Finance Benefits, is marketed by Aspire and includes an Employer Contribution Program element offered by Aspire. Under this option, employers make supplemental payments on the student loans of their employees.

Learn more about College Finance Benefits at www.AspireResourcesInc.com/CFB.
Customer Service for Borrowers

We strive to provide the necessary resources, information and assistance to ensure borrowers can successfully repay their student loans. Our loan counselors currently provide customer service functions for more than 156,000 borrowers with private and federal student loans from our office in West Des Moines, Iowa, under the name Aspire Servicing Center.

What Borrowers Say

Borrowers consistently rate our customer service high in monthly surveys.

Customer Service Ratings
July 1, 2016–June 30, 2017
On a scale of 1 to 5, where 1 indicates "very dissatisfied" and 5 indicates "very satisfied"

<table>
<thead>
<tr>
<th>Service</th>
<th>Rating</th>
<th>Percentage</th>
<th>(n)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall customer service</td>
<td>4.49</td>
<td>88%</td>
<td>588</td>
</tr>
<tr>
<td>Representative Knowledge</td>
<td>4.55</td>
<td>92%</td>
<td>334</td>
</tr>
<tr>
<td>Representative Courtesy</td>
<td>4.75</td>
<td>92%</td>
<td>292</td>
</tr>
<tr>
<td>Representative Time to Resolve Issues</td>
<td>4.67</td>
<td>90%</td>
<td>292</td>
</tr>
</tbody>
</table>

Percentages indicate borrowers who rated the service they received with either four or five stars.

Interest Reduction for Armed Forces

To meet the needs of borrowers and cosigners who are serving our country, we continue to offer reduced interest rates of **0.00% on private loans for service members while serving on active duty.**

**Who:** 655 service members on active duty

**Duration:** Through June 30, 2019

**Total reduction:** $1.1 million in interest reductions for participating service members since 2001

Loan Forgiveness in the Event of Death or Disability

In the unfortunate event of a borrower’s or cosigner’s death or permanent disability or the death or permanent disability of the student for whom the funds were borrowed, we have policies in place to release the borrower or cosigners from a loan obligation. In addition, we support Stop Taxing Death and Disability legislation that would put an end to a borrower’s (or a borrower’s estate’s) tax liability on the amount forgiven.
Meeting High Customer Service Standards

We fully embrace the principals of the Education Finance Council (EFC)’s guiding statement for nonprofit, state-based and state-chartered organizations that make loans to cover educational expenses. These general principles, which promote borrower success, help borrowers make the best decisions for their individual situations.

Recognizing Our Outstanding Staff Members

We are very proud of our experienced and dedicated staff members who spend their days answering questions from and providing important information to borrowers, students and families using a counseling approach. And our leadership team works hard to recognize staff members who go above and beyond in the daily interactions.

- Call center staff are recognized with an Aspiring to Greatness award each time a customer contacts a coordinator, supervisor, manager or director and compliments the service the employee provided.
- Each quarter, a loan counselor is recognized with the Sally Sunshine Award. This award is presented to one counselor who comes to work with a great attitude and makes the office a happy place to be.
- Loan counselors choose the recipient of the quarterly T.E.A.M. award. This award recognizes the counselor who best embodies team spirit by helping others, having a positive attitude and acting as a leader.

Staff members who receive these awards from their departments, as well as outside recognition, are highlighted in a monthly employee newsletter.

Promoting Beneficial Public Policy Changes

Iowa Student Loan works with state and federal policymakers to provide information they need to make informed decisions about education finance policies and regulations. We also advocate for specific policies in the interest of the students and families we serve.

Throughout fiscal year 2017 we advocated for improvements in state and federal higher education programs and policies toward the goals of simplification, increased consumer transparency and options that make sense for today’s students and families. Examples of these priorities include:

- Simplification of both application processes and repayment options for federal student loan borrowers.
- Ending federal and state taxation of loans forgiven due to borrower death or total and permanent disability.
- Support for tax exemption of employer-sponsored programs to assist with college savings and student loan repayment.
- Continuation of tax policy supporting use of qualified student loan bonds providing reasonable student loan financing.

The one thing I hear over and over again is, “I really appreciate the information I have been given. I have loans with other places and they don’t go over my options as clearly as your company does.” I think this is what makes us stand out from other student loan servicers.

— Brian Kessler, Loan Counseling Coordinator

One of the things I enjoy most is when I get customers who really want to understand their loans and options. This could be customers who are past due and need to postpone or lower their payment, but they want to really understand their options so they make the best decision for themselves. Or this could also be borrowers who are current or even ahead on their loans, and they want to try to figure out the best strategy for paying down their loans faster. It’s really nice when I am able to share information and counsel customers in this manner.

— Heather Taylor, Senior Default Prevention Counselor

See Iowa Student Loan’s Support for the EFC’s Guiding Principles at www.IowaStudentLoan.org/AboutUs.