

**Federal Budget Authority and Outlays**  
(in thousands of dollars)

	2008 actual	2009 est.	2010 est. <sup>1</sup>
Program Cost:			
a Liquidating <sup>2</sup>	(402,317)	(574,479)	(527,756)
Program:			
b New Loan Subsidies (Privately Funded)	(4,464)	(1,219,833)	619,794
c New Loan Subsidies (ECASLA)	(498,523)	(4,760,792)	(3,348,878)
d Net Reestimate of Prior Year Costs	989,951	(15,952,714)	-
e Net Modification <sup>3</sup>	<u>(2,464,349)</u>	<u>(2,640,420)</u>	<u>-</u>
f Subtotal, Program	<u>(1,977,385)</u>	<u>(24,573,759)</u>	<u>(2,729,084)</u>
g Total FFEL	(2,379,702)	(25,148,238)	(3,256,839)
Direct Loans:			
Program:			
h New Loan Subsidies	(652,462)	(6,712,511)	(13,847,300)
i Net Reestimate of Prior Year Costs	584,519	119,364	-
j Net Modification <sup>3</sup>	<u>4,143,273</u>	<u>-</u>	<u>-</u>
k Total, Direct Loans	<u>4,075,330</u>	<u>(6,593,147)</u>	<u>(13,847,300)</u>
l Total, FFEL and Direct Loans	1,695,628	(31,741,385)	(17,104,140)
Program Cost Outlays:			
FFEL:			
m Liquidating <sup>2</sup>	(687,627)	(574,479)	(527,756)
Program:			
n New Loan Subsidies (Privately Funded)	1,241,539	(810,610)	112,705
o New Loan Subsidies (ECASLA)	(169,502)	(2,346,708)	(2,833,392)
p Net Reestimate of Prior Year Costs	989,951	(15,952,714)	-
q Net Modification <sup>3</sup>	<u>(2,464,349)</u>	<u>(1,862,065)</u>	<u>(42,663)</u>
r Subtotal, Program	<u>(402,361)</u>	<u>(20,972,098)</u>	<u>(2,763,350)</u>
s Total, FFEL	(1,089,988)	(21,546,577)	(3,291,106)
Direct Loans:			
Program:			
t Regular	(75,318)	(5,196,104)	(10,718,030)
u Net Reestimate of Prior Year Costs	584,519	119,364	-
v Net Modification <sup>3</sup>	<u>4,143,273</u>	<u>-</u>	<u>-</u>
w Total, Direct Loans	<u>4,652,474</u>	<u>(5,076,740)</u>	<u>(10,718,030)</u>
x Total, FFEL and Direct Loans	3,562,486	(26,623,316)	(14,009,136)

<sup>1</sup>FFEL data represents activity for the first 9 months. Under the budget proposal all activity in the final 3 months would be in Direct Loans.

<sup>2</sup>Liquidating account reflects loans made prior to 1992.

<sup>3</sup>Reflects the cost or savings associated with policy changes, including those contained in the Ensuring Continued Access to Student Loans Act of 2008 (ECASLA) and the Higher Education Opportunity Act of 2008, that would affect the terms of existing loans.

**Federal Budget Authority and Outlays**

Data Source: original data in \$M			Baseline	Policy Delta	Policy Total
a BA: Liquidating account 0230: Line 8900	(402)	(574)	(528)	-	(528)
b FFEL Prog acct 0231(Guaranteed) NEW Loans BA Sch U Line 2339	(4)	(1,220)	1,163	(543)	620
c FFEL Prog acct 0231(Direct ECASLA) NEW Loans BA Sch U Line 1339	(499)	(4,761)	(3,349)	-	(3,349)
d Combined Upward and Downward reestimates In Sch U: lines 2350,2370,1350	990	(15,953)	-	-	-
e Combined Up and Down modifications based on FFEL program and financing Acct	(2,464)	(2,640)	-	-	-
f Sum of FFEL above (b+c+d+e)	(1,977)	(24,574)	(2,186)	(543)	(2,729)
g Sum of FFEL and Liquidating above (a+f)	(2,380)	(25,148)	(2,713)	(543)	(3,257)
h Direct Loans Prog acct 0243 New Loans BA Sch U line 1339	(652)	(6,713)	(7,432)	(6,415)	(13,847)
i Combined Upward and Downward reestimates In Sch U: lines 1350,1370	585	119	-	-	-
j Combined Up and Down modifications based on DL program and financing Accts.	4,143	-	-	-	-
k Sum of Direct Loans above (h+i+j)	4,075	(6,593)	(7,432)	(6,415)	(13,847)
l Sum of FFEL and Direct Loans above (g + k)	1,696	(31,741)	(10,146)	(6,958)	(17,104)
					-
					-
m Net Outlays Liquidating Account 0230 Line 9000	(688)	(574)	(528)	-	(528)
					-
n FFEL program acct 0231 Sch U.: line 2349	1,242	(811)	459	(346)	113
o FFEL program accr 0231 Sch U line 1349	(170)	(2,347)	(2,833)	-	(2,833)
p same as BA above (d)	990	(15,953)	-	-	-
q Combined Up and Down modifications based on FFEL program and financing Acct	(2,464)	(1,862)	(43)	-	(43)
r Sum of FFEL above (n,o,p,q)	(402)	(20,972)	(2,417)	(346)	(2,763)
s Sum of FFEL and Liquidating above (m+r)	(1,090)	(21,547)	(2,945)	(346)	(3,291)
					-
					-
t Direct Loan program account 0243 Sch. U line 1349	(75)	(5,196)	(6,889)	(3,829)	(10,718)
u Same as BA above (i)	585	119	-	-	-
v Same as BA above (j)	4,143	-	-	-	-
w Sum of Direct Loans above (t+u+v)	4,652	(5,077)	(6,889)	(3,829)	(10,718)
x Sum of FFEL and Direct Loans above (s+w)	3,562	(26,623)	(9,834)	(4,175)	(14,009)

**Programs Authorized Under the Ensuring Continued Access to Student Loans Act**  
(in millions of dollars)

	Net Loan Volume Funded	Loans Purchased by Government	Loans Redeemed by Lenders
Loan Participation Purchase Program -2008/9 and 2009/10	70,470	56,376	14,094
Loan Purchase Program - 2008/9 and 2009/10	10,039	9,879	n/a
Short-Term Loan Purchase - 2007/8	1,083	1,083	n/a
Asset-Backed Commercial Paper Conduit - 2004/5 to 2009/10	25,000	5,294	11,547

	Total Subsidy Outlays	Est. Lifetime Admin. Costs	Total Program Costs
Loan Participation Purchase Program -2008/9 and 2009/10	-4,073	759	-3,314
Loan Purchase Program - 2008/9 and 2009/10	-1,430	133	-1,297
Short-Term Loan Purchase - 2007/8	-686	14	-672
Asset-Backed Commercial Paper Conduit - 2004/5 to 2009/10	-1,448	25	-1,423
	<b>a</b>	<b>b</b>	

Funded Amount: The dollar volume of loans purchased (Loan Purchases and Short-Term Loan Purchase); loan participation (Loan Participation Purchase Program); or placed in the Asset-Backed Commercial Paper Conduit.

Amount Purchased by Government: Dollar volume of loans purchased.

Amount Redeemed by Lenders: Dollar amount of loans in the Participation and Conduit programs purchased by lenders at the end of the participation agreement or conduit funding note. The difference between Funded Amount and the sum of Amount Purchased and A

Total Subsidy Outlays: Includes costs of life of loans, including modifications to existing guaranteed loans and the cost of transferring loans to government-held assets.

**Programs Authorized Under the Ensuring Continued Access to Student Loans Act**

(in millions of dollars)

**a Total Subsidy Outlays**

	Total Outlays	Modification	Total
Loan Participation Purchase Program -2008/9 and 2009/10	-4073		-4,073
Loan Purchase Program - 2008/9 and 2009/10	-1430		-1,430
Short-Term Loan Purchase - 2007/8	-160	-526	-686
Asset-Backed Commercial Paper Conduit - 2004/5 to 2009/10	-670	-778	-1,448

Note: Outlays extend into future years. Total Outlays are cumulative across all years.

**b Est. Lifetime Admin. Costs**

	Lifetime Administrative Rates	Volume	Lifetime Administrative Costs
Loan Participation Purchase Program -2008/9 and 2009/10	1.35%	56,376	759
Loan Purchase Program - 2008/9 and 2009/10	1.35%	9,879	133
Short-Term Loan Purchase - 2007/8	1.29%	1,083	14
Asset-Backed Commercial Paper Conduit - 2004/5 to 2009/10	0.47%	5,294	25

Note: Administrative costs only for loans after purchase by the Department. Older loans in the short-term program or loans bought in the future under the conduit have lower remaining maturity and corresponding lower administrative costs.

**Loan Volumes by Program, Including Ensuring Continued Access to Student  
Loans Act**  
(in millions of dollars)

	2008-2009	2009-2010
Direct Loans	20,658	22,373
Loan Participation Purchase Program (ECASLA)	33,802	36,668
Loan Purchase Program (ECASLA)	4,815	5,223
Asset-Backed Commercial Paper Conduit (ECASLA)	<u>3,105</u>	<u>-</u>
Subtotal, Federally Funded	62,380	64,264
FFEL (Privately Funded)	<u>19,640</u>	<u>24,673</u>
Total, New Student Loan Volume	82,020	88,937

Note: Academic years are July 1 through June 30. Activity from 2008 represents actual activity which differs from the projected activity funded in 2008. The difference is reflected in the subsidy re-estimate.

**Summary of Loans Available**  
(net commitments in millions of dollars)<sup>1</sup>

	2008 actual	2009 est.	2010 est. <sup>2</sup>
FFEL:			
Stafford	23,055	23,885	12,000
Unsubsidized Stafford	26,034	31,392	17,409
PLUS	<u>8,207</u>	<u>8,702</u>	<u>3,428</u>
Subtotal	57,296	63,980	32,837
Consolidation	<u>9,270</u>	<u>1,007</u>	<u>802</u>
Total, FFEL	66,566	64,987	33,639
Direct Loans:			
Stafford	7,380	8,464	21,860
Unsubsidized Stafford	7,628	9,596	26,610
PLUS	<u>3,205</u>	<u>3,776</u>	<u>10,352</u>
Subtotal	18,213	21,836	58,823
Consolidation	<u>5,840</u>	<u>16,431</u>	<u>19,564</u>
Total, Direct Loans	<u>24,053</u>	<u>38,267</u>	<u>78,387</u>
Total, All Loans	90,619	103,254	112,026

<sup>1</sup> Net commitments equal gross commitments minus undisbursed loans.

<sup>2</sup> FFEL data represents activity for the first 9 months. Under the budget proposal all activity in the final 3 months would be in Direct Loans.

**Number of Loans**  
(in thousands)

	2008 actual	2009 est.	2010 est. <sup>1</sup>
FFEL:			
Stafford	6,147	6,279	3,387
Unsubsidized Stafford	5,834	7,189	4,261
PLUS	<u>717</u>	<u>718</u>	<u>327</u>
Subtotal	12,698	14,185	7,974
Consolidation	<u>288</u>	<u>10</u>	<u>8</u>
Total, FFEL	12,985	14,196	7,982
Direct Loans:			
Stafford	1,783	2,047	5,296
Unsubsidized Stafford	1,649	2,150	5,709
PLUS	<u>297</u>	<u>339</u>	<u>783</u>
Subtotal	3,730	4,536	11,788
Consolidation	<u>207</u>	<u>470</u>	<u>523</u>
Total, Direct Loans	3,937	5,006	12,312
Total, All Loans	16,922	19,202	20,294

<sup>1</sup> FFEL data represents activity for the first 9 months. Under the budget proposal all activity in the final 3 months would be in Direct Loans.

**Average Loan Size**  
(in whole dollars)

	2008 actual	2009 est.	2010 est. <sup>1</sup>
FFEL:			
Stafford	3,751	3,804	3,543
Unsubsidized Stafford	4,463	4,367	4,086
PLUS	<u>11,449</u>	<u>12,129</u>	<u>10,493</u>
Weighted Average, without Consolidations	4,512	4,510	4,118
Consolidation	<u>32,223</u>	<u>97,348</u>	<u>102,691</u>
Weighted Average, FFEL	5,126	4,578	4,214
Direct Loans:			
Stafford	4,139	4,134	4,128
Unsubsidized Stafford	4,625	4,464	4,661
PLUS	<u>10,778</u>	<u>11,122</u>	<u>13,217</u>
Weighted Average, without Consolidations	4,883	4,813	4,990
Consolidation	<u>28,188</u>	<u>34,980</u>	<u>37,381</u>
Weighted Average, Direct Loans	<u>6,109</u>	<u>7,644</u>	<u>6,367</u>
Weighted Average, All Loans	5,355	5,377	5,520

<sup>1</sup> FFEL data represents activity for the first 9 months. Under the budget proposal all activity in the final 3 months would be in Direct Loans.

**Summary of Default Rates <sup>1</sup>**  
(expressed as percentages)

	2008 est.	2009 est.	2010 est. <sup>2</sup>
FFEL:			
Stafford	11.70	11.49	12.85
Unsubsidized Stafford	10.65	11.21	12.49
PLUS	4.51	4.30	4.56
Consolidation	<u>16.25</u>	<u>15.74</u>	<u>15.73</u>
Weighted Average, FFEL	11.03	10.46	11.89
Direct Loans:			
Stafford	11.39	11.97	10.90
Unsubsidized Stafford	10.70	11.82	10.60
PLUS	5.51	5.37	4.63
Consolidation	<u>25.93</u>	<u>15.19</u>	<u>14.29</u>
Weighted Average, Direct Loans	13.92	12.66	10.82

<sup>1</sup> Default rates displayed in this table, which reflect projected defaults over the life of a loan cohort, are used in developing program cost estimates. The Department uses other rates based on defaults occurring in the first two years of repayment to determine institutional eligibility to participate in Federal loan programs. (The Higher Education Opportunity Act of 2008 changed this requirement to a three-year rate.) These two- and three-year rates tend to be lower than those included in this table.

<sup>2</sup> FFEL data represents activity for the first 9 months. Under the budget proposal all activity in the final 3 months would be in Direct Loans.

**Selected Program Costs and Offsets**  
(in thousands of dollars)

	2008 actual	2009 est.	2010 est. <sup>1</sup>
FFEL:			
Payments to lenders			
Interest benefits	4,022,978	6,022,936	4,702,194
Special allowance payments	2,522,595	(6,217,619)	(7,183,574)
Default claims	8,502,989	9,031,385	6,920,848
Loan discharges	1,443,608	1,529,241	1,589,624
Teacher loan forgiveness	47,250	221,363	233,696
Administrative payments to guaranty agencies	663,634	697,583	587,322
Fees paid to the Department of Education			
Borrower origination fees	(928,749)	(1,022,348)	(441,298)
Lender origination fees	(512,667)	(843,994)	(575,246)
Loan holder fees	(2,457,088)	(2,304,834)	(2,171,906)
Other Major Transactions			
Net default collections	(5,359,385)	(6,220,578)	(6,934,830)
Contract collection costs	89,181	90,842	75,419
Federal administrative costs	<u>219,331</u>	<u>264,257</u>	<u>272,697</u>
Net Cash Flow, FFEL	<u>8,253,677</u>	<u>1,248,235</u>	<u>(2,925,053)</u>
Ensuring Continued Access to Student Loans (ECASLA)			
Inflows (primarily fees, interest yield, and loan redemptions)	(467,766)	(90,572)	(3,793,841)
Outflows (primarily payment to lenders at time of purchase)	<u>549,201</u>	<u>2,138,010</u>	<u>4,432,878</u>
Net Cash Flow, ECASLA	<u>81,435</u>	<u>2,047,438</u>	<u>639,036</u>
Direct Loans			
Loan disbursements to borrowers	21,528,951	37,994,381	61,371,904
Borrower interest payments	(2,252,656)	(3,046,056)	(4,648,096)
Borrower principal payments	(7,041,133)	(7,694,881)	(11,319,626)
Borrower origination fees	(396,675)	(505,023)	(785,811)
Net default collections	(991,087)	(2,091,842)	(2,343,622)
Contract collection costs	237,637	183,447	206,124
Federal administrative costs	<u>337,012</u>	<u>406,043</u>	<u>419,012</u>
Net operating cash flows	<u>11,422,048</u>	<u>25,246,069</u>	<u>42,899,883</u>
Loan capital borrowings from Treasury	(21,528,951)	(37,994,381)	(61,371,904)
Net interest payments to Treasury	4,820,190	7,324,123	9,296,120
Principal payments to Treasury	<u>4,662,856</u>	<u>5,467,514</u>	<u>8,929,376</u>
Subtotal Treasury activity	<u>(12,045,906)</u>	<u>(25,202,744)</u>	<u>(43,146,407)</u>
Net Cash Flow, Direct Loans	<u>(623,857)</u>	<u>43,324</u>	<u>(246,524)</u>

Details may not sum to total due to rounding.

<sup>1</sup>FFEL data represents activity for the first 9 months. Under the budget proposal all activity in the final 3 months would be in Direct Loans:

**Selected Program Costs and Offsets**  
(in thousands of dollars)

	FFEL Liquidating only (in thousands of dollars)			FFEL Financing (in thousands of dollars)			FFEL (in thousands of dollars)		
	2008 actual	2009 est.	2010 est.	2008 actual	2009 est.	2010 est.	2008 actual	2009 est.	2010 est.
FFEL:									
Payments to lenders									
Interest benefits	5,112	3,082	1,710	4,017,866	6,019,854	4,700,484	4,022,978	6,022,936	4,702,194
Special allowance payments	19	1,018	595	2,522,577	(6,218,637)	(7,184,170)	2,522,595	(6,217,619)	(7,183,574)
Default claims	136,805	104,300	84,968	8,366,185	8,927,085	6,835,880	8,502,989	9,031,385	6,920,848
Loan discharges	22,949	19,010	14,336	1,420,659	1,510,231	1,575,289	1,443,608	1,529,241	1,589,624
Teacher loan forgiveness	-	-	-	47,250	221,363	233,696	47,250	221,363	233,696
Administrative payments to guaranty agencies	4,082	-	-	659,552	697,583	587,322	663,634	697,583	587,322
Fees paid to the Department of Education									
Borrower origination fees	-	-	-	928,749	1,022,348	441,298	928,749	1,022,348	441,298
Lender origination fees	-	-	-	512,667	843,994	575,246	512,667	843,994	575,246
Loan holder fees	-	-	-	2,457,088	2,304,834	2,171,906	2,457,088	2,304,834	2,171,906
Other Major Transactions									
Net default collections	909,397	747,426	668,794	4,449,989	5,473,152	6,266,036	5,359,385	6,220,578	6,934,830
Contract collection costs	55,133	45,538	40,430	34,049	45,304	34,990	89,181	90,842	75,419
Federal administrative costs	-	-	-	219,331	264,257	272,697	219,331	264,257	272,697
Net Cash Flow, FFEL	<u>(685,298)</u>	<u>(574,479)</u>	<u>(526,756)</u>	8,938,975	1,822,714	(2,398,297)	8,253,677	1,248,235	(2,925,053)

	ECASLA Financing (in thousands of dollars)		
	2008 actual	2009 est.	2010 est.
Ensuring Continued Access to Student Loans (ECASLA)			
Inflows (primarily fees, interest yield, and loan redemptions)	(467,766)	(90,572)	(3,793,841)
Outflows (primarily loan capital)	<u>549,201</u>	<u>2,138,010</u>	<u>4,432,878</u>
Net Cash Flow, ECASLA	81,435	2,047,438	639,036

**Selected Program Costs and Offsets**  
(in thousands of dollars)

	Direct Loan Financing (in thousands of dollars)		
	2008 actual	2009 est.	2010 est.
Direct Loans:			
Loan disbursements to borrowers	21,528,951	37,994,381	61,371,904
Borrower interest payments	2,252,656	3,046,056	4,648,096
Borrower principal payments	7,041,133	7,694,881	11,319,626
Borrower origination fees	396,675	505,023	785,811
Net default collections	991,087	2,091,842	2,343,622
Contract collection costs	237,637	183,447	206,124
Federal administrative costs	<u>337,012</u>	<u>406,043</u>	<u>419,012</u>
Net operating cash flows	11,422,048	25,246,069	42,899,883
Loan capital borrowings from Treasury	<u>(21,528,951)</u>	<u>(37,994,381)</u>	<u>(61,371,904)</u>
Net interest payments to Treasury	4,820,190	7,324,123	9,296,120
Non subsidy related principal payments to Treasury--prin payments for loans	<u>4,662,856</u>	<u>5,467,514</u>	<u>8,929,376</u>
	<u>(12,045,906)</u>	<u>(25,202,744)</u>	<u>(43,146,407)</u>
ECASLA Cash Flows			
Std Put			
Outflows	57,285	258,573	720,037
Inflows	<u>2,695</u>	<u>90,572</u>	<u>720,037</u>
Net	54,590	168,001	-
PA			
Outflows	491,916	1,879,437	3,656,616
Inflows	<u>465,071</u>	<u>-</u>	<u>2,924,189</u>
Net	26,845	1,879,437	732,427
Conduit			
Outflows	-	-	56,224
Inflows	<u>-</u>	<u>-</u>	<u>149,615</u>
Net	-	-	(93,391)
Total			
Outflows	549,201	2,138,010	4,432,878
Inflows	<u>467,766</u>	<u>90,572</u>	<u>3,793,841</u>
Net	81,435	2,047,438	639,036

**Student Loan Program Costs: Comparative Analysis Including Program and Administrative Activities**

(expressed as percentages)

	2008 est.	2009 est.	2010 est. <sup>1</sup>
FFEL			
Program costs: <sup>2</sup>			
Interest subsidies	(2.59)	(1.22)	0.79
Net defaults	1.90	0.01	(0.01)
Fees	(3.46)	(2.21)	(1.68)
Other	<u>2.06</u>	<u>1.84</u>	<u>2.24</u>
Total	(3.51)	(1.59)	1.34
Federal administrative costs	<u>0.47</u>	<u>0.51</u>	<u>0.53</u>
Total	(3.04)	(1.07)	1.87
Direct Loans			
Program costs: <sup>2</sup>			
Interest subsidies and income, net	(6.84)	(25.71)	(25.62)
Net defaults	1.90	2.10	1.45
Fees	(2.06)	(1.33)	(1.39)
Other	<u>5.58</u>	<u>8.64</u>	<u>8.59</u>
Total	(1.42)	(16.30)	(16.99)
Federal administrative costs	<u>2.21</u>	<u>1.83</u>	<u>1.42</u>
Total adjusted cost	0.79	(14.47)	(15.57)

Totals may not add due to rounding.

<sup>1</sup>FFEL data represents activity for the first 9 months. Under the budget proposal all activity in the final 3 months would be in Direct Loans.

<sup>2</sup>Fees primarily reflect borrower origination fees and, in FFEL, lender origination and consolidation loan holder fees. Other primarily reflects loan discharges due to death, disability, or bankruptcy; contract collection costs, loan forgiveness, and Direct Loan interest rate rebates.

Notes: This table attempts to compare the subsidy rates of direct and guaranteed loans. For 2008, the rates are the most current; these include the actual executed rates for 2008 and the effect of re-estimates on those rates. Under ECASLA there now exist FFEL direct loans which record the costs of FFEL loans purchased by the Department. Those rates are not included in the Guaranteed rates in this table. This table does include the costs of FFEL loans prior to purchase by the Department.

**Consolidation Loan Subsidy Rates and Loan Volume**  
(expressed as percentages)

	2008 est.	2009 est.	2010 est. <sup>1</sup>
Subsidy Rates			
FFEL			
Not from default	-8.84	-5.90	-5.72
From default	<u>-5.28</u>	<u>-4.26</u>	<u>-3.83</u>
Total	-8.78	-5.89	-5.70
Direct Loans			
Not from default	-5.65	-20.07	-19.84
From default	<u>20.56</u>	<u>10.87</u>	<u>18.68</u>
Total	4.74	-12.88	-14.73
Percent of Loan Volume			
FFEL			
Not from default	98.19	99.31	99.31
From default	<u>1.81</u>	<u>0.69</u>	<u>0.69</u>
Total	100.00	100.00	100.00
Direct Loans			
Not from default	60.36	84.49	86.72
From default	<u>39.64</u>	<u>15.51</u>	<u>13.28</u>
Total	100.00	100.00	100.00

<sup>1</sup>FFEL data represents activity for the first 9 months. Under the budget proposal all activity in the final 3 months would be in Direct Loans.

**Student Loan Program Costs: Comparative Analysis Including Program and Administrative Activities**

(expressed as percentages)

	2008 est.	2009 est.	2010 est. <sup>1</sup>
FFEL			
Program costs: <sup>2</sup>			
Interest subsidies	(2.59)	(1.22)	0.79
Net defaults	1.90	0.01	(0.01)
Fees	(3.46)	(2.21)	(1.68)
Other	<u>2.06</u>	<u>1.84</u>	<u>2.24</u>
Total	(3.51)	(1.59)	1.34
Federal administrative costs	<u>0.47</u>	<u>0.51</u>	<u>0.53</u>
Total	(3.04)	(1.07)	1.87
Direct Loans			
Program costs: <sup>2</sup>			
Interest subsidies and income, net	(6.84)	(25.71)	(25.62)
Net defaults	1.90	2.10	1.45
Fees	(2.06)	(1.33)	(1.39)
Other	<u>5.58</u>	<u>8.64</u>	<u>8.59</u>
Total	(1.42)	(16.30)	(16.99)
Federal administrative costs	<u>2.21</u>	<u>1.83</u>	<u>1.42</u>
Total adjusted cost	0.79	(14.47)	(15.57)

Totals may not add due to rounding.

<sup>1</sup>FFEL data represents activity for the first 9 months. Under the budget proposal all activity in the final 3 months would be in Direct Loans.

<sup>2</sup>Fees primarily reflect borrower origination fees and, in FFEL, lender origination and consolidation loan holder fees. Other primarily reflects loan discharges due to death, disability, or bankruptcy; contract collection costs, loan forgiveness, and Direct Loan interest rate rebates.

Notes: This table attempts to compare the subsidy rates of direct and guaranteed loans. For 2008, the rates are the most current; these include the actual executed rates for 2008 and the effect of re-estimates on those rates. Under ESCASA there now exist FFEL direct loans which record the costs of FFEL loans purchased by the Department. Those rates are not included in the Guaranteed rates in this table. This table does include the costs of FFEL loans prior to purchase by the Department.

**Student Loan Program Costs: Comparative Analysis Including Program and Administrative Activities**

**Loan Volumes**

(in millions of dollars)

	2008	2009	2010
FFEL			
Stafford	27,039	28,004	16,324
Unsub	31,360	38,125	24,684
PLUS	9,159	9,698	4,527
Consolidated	<u>9,334</u>	<u>1,018</u>	<u>811</u>
	76,892	76,845	46,347
Direct Loans			
Stafford	8,266	9,507	22,948
Unsub	8,807	11,116	28,233
PLUS	3,392	3,995	10,595
Consolidated	<u>5,908</u>	<u>16,556</u>	<u>19,715</u>
	26,373	41,175	81,491

**Student Loan Program Costs: Comparative Analysis Including Program and Administrative Activities**

**Subsidy Rates**

**Direct Loans**

<b>2008</b>	Interest	Defaults	Fees	Other	Total
Stafford	6.02	0.80	-2.38	5.32	9.76
Unsub	-16.12	0.86	-2.38	6.38	-11.26
PLUS	-16.82	0.59	-4.00	6.38	-13.85
Consolidated	<u>-5.26</u>	<u>5.73</u>	<u>0.00</u>	<u>4.27</u>	<u>4.74</u>
	-6.84	1.90	-2.06	5.58	-1.42

**FFEL**

<b>2008</b>	Interest	Defaults	Fees	Other	Total
Stafford	6.82	0.27	-2.25	1.81	6.65
Unsub	-8.73	0.26	-2.38	1.84	-9.01
PLUS	-7.48	0.28	-4.00	1.87	-9.33
Consolidated	<u>-4.43</u>	<u>2.01</u>	<u>-10.04</u>	<u>3.68</u>	<u>-8.78</u>
	-2.59	0.48	-3.46	2.06	-3.51

**Direct Loans**

<b>2009</b>	Interest	Defaults	Fees	Other	Total
Stafford	-9.24	0.71	-1.88	7.53	-2.88
Unsub	-37.20	0.99	-1.88	9.63	-28.46
PLUS	-34.13	0.59	-4.00	8.94	-28.60
Consolidated	<u>-25.42</u>	<u>4.01</u>	<u>0.00</u>	<u>8.53</u>	<u>-12.88</u>
	-25.71	2.10	-1.33	8.64	-16.30

**FFEL**

<b>2009</b>	Interest	Defaults	Fees	Other	Total
Stafford	6.97	-0.04	-1.75	1.90	7.08
Unsub	-6.21	-0.03	-1.88	1.80	-6.33
PLUS	-5.25	0.12	-4.00	1.60	-7.52
Consolidated	<u>-0.96</u>	<u>1.55</u>	<u>-10.46</u>	<u>3.98</u>	<u>-5.89</u>
	-1.22	0.01	-2.21	1.84	-1.59

**Direct Loans**

<b>2010</b>	Interest	Defaults	Fees	Other	Total
Stafford	-6.31	0.51	-1.38	6.97	-0.21
Unsub	-37.16	0.99	-1.38	9.64	-27.90
PLUS	-34.00	0.58	-4.00	8.94	-28.48
Consolidated	<u>-27.07</u>	<u>3.65</u>	<u>0.00</u>	<u>8.77</u>	<u>-14.73</u>
	-25.62	1.45	-1.39	8.59	-16.99

**FFEL**

<b>2010</b>	Interest	Defaults	Fees	Other	Total
Stafford	12.29	-0.06	-1.25	2.27	13.24
Unsub	-5.42	-0.06	-1.25	2.16	-4.57
PLUS	-6.50	0.17	-4.00	2.22	-8.11
Consolidated	<u>-0.78</u>	<u>1.55</u>	<u>-10.46</u>	<u>3.98</u>	<u>-5.70</u>
	0.79	-0.01	-1.68	2.24	1.34

**Loan Disbursement and Subsidy Costs**

	FFEL	Direct Loans
Original Subsidy Costs	79.2 bil	0.6 bil
Cumulative Reestimates	(12.5) bil	11.1 bil
Net Subsidy Costs	<u>66.7 bil</u>	<u>11.7 bil</u>
Total Disbursements	811.7 bil	249.8 bil

**Loan Disbursement and Subsidy Costs**

**Breakout of Change from Prior Year Budget**

**FFEL**

	PB 2009	PB 2010	Net Change
Original Subsidy Cost <sup>1</sup>	77,953,267,412	79,194,806,532	1,241,539,120
Cumulative Re-estimates <sup>2</sup>	968,459,725	(12,494,160,776)	(13,462,620,500)
Net Subsidy Cost	78,921,727,137	66,700,645,757	(12,221,081,380)
Total Disbursements	745,121,793,948	811,687,935,321	66,566,141,373
Weighted Subsidy Rate	10.59%	8.22%	-2.37%

**Direct Loan**

	PB 2009	PB 2010	Net Change
Original Subsidy Cost <sup>1</sup>	717,549,532	642,231,904	(75,317,628)
Cumulative Re-estimates <sup>2</sup>	11,122,549,495	11,076,757,546	(45,791,949)
Net Subsidy Cost	11,840,099,027	11,718,989,450	(121,109,577)
Total Disbursements	225,726,353,432	249,779,003,656	24,052,650,224
Weighted Subsidy Rate	5.25%	4.69%	-0.55%

<sup>1</sup> Original subsidy executed in FY 1992-2008. Does not include Q5 and Q6 for Cohort 2008.

<sup>2</sup> Includes all executed re-estimates (FY 1992-2008) and PB 2010 re-estimate to be executed in May 2009. Does not include interest on the re-estimates.