



2021 ANNUAL REPORT

ADAPTING TO CHANGE— DELIVERING ON OUR MISSION

Our Efforts to Help
Students Succeed

ECMC



POSITIVE IMPACT DURING A CHALLENGING TIME

During a time of continued adaptation to the global pandemic, we're pleased to present the following highlights showing Educational Credit Management Corporation's (ECMC's) resilience and ongoing dedication to our charitable mission during an unprecedented time.

As we navigated through uncharted territory brought on by the pandemic, our guidance, assistance and commitment to students have never been stronger—or more vital. For nearly three decades, our public charitable work has made a significant positive impact on students and their families, helping students realize their educational goals, reinforcing our trusted partnership with the U.S. Department of Education and returning nearly \$7 billion to the U.S. Treasury.

Going forward, we will continue to serve students, borrowers, families and the federal government through unique public and private partnership work that we do on behalf of the federal government and American taxpayers.

Above all, the past two years have taught us that, together, we can help students overcome challenges, achieve their education goals and remain optimistic about the future ahead.

Here's a snapshot of our work to serve students and educational institutions during a critical time in our nation's history.

LEARN MORE

Visit www.ecmc.org.

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FOR 25+ YEARS**
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ECMC

ENHANCING HIGHER EDUCATION FOR 25+ YEARS

Established in 1994, ECMC is a nonprofit company that provides support for the administration of the Federal Family Education Loan Program (FFELP) as a student loan guaranty agency. We sponsor programs to help students and families plan and pay for college. We work with schools and loan servicers to lower student loan default rates, promote financial literacy and provide resources to support student loan borrowers to successfully repay their loans.

Additionally, we invest in scholarships, grants, financial literacy services, and other programs and initiatives to help students and borrowers succeed in higher education. We also provide resources to support student loan borrowers to successfully repay their loans to ensure taxpayer funds are replenished so future generations of students have access to federal education funding.

Our mission is simple: to help students succeed by creating, providing and investing in innovative educational opportunities. This enables the next generation to succeed in their careers and lives.

OUR ROLE: A STUDENT LOAN GUARANTOR

Through agreements with the federal government, guaranty agencies insure federal student loans made by eligible lenders under FFELP and pay lenders when borrowers default. We are a national guaranty agency as well as the designated guarantor for eight states in the U.S.

WHAT A GUARANTOR DOES



STUDENT SUCCESS & OUTREACH

Student Success—We support students, educators and community organizations in reaching under-resourced students of all ages to encourage the pursuit of and success in higher education.

Outreach—We promote financial education through resources designed to help students of all ages and those who help them.



LOAN OVERSIGHT & REPORTING

Lender Oversight and Compliance—We conduct program reviews through the Common Review Initiative, a U.S. Department of Education-approved program review process. Participating guaranty agencies cooperate to conduct comprehensive lender/servicer reviews using common procedures.

Federal Reporting—We provide the federal government with detailed, accurate and timely reporting on program activity.



DEFAULT PREVENTION & COLLECTION

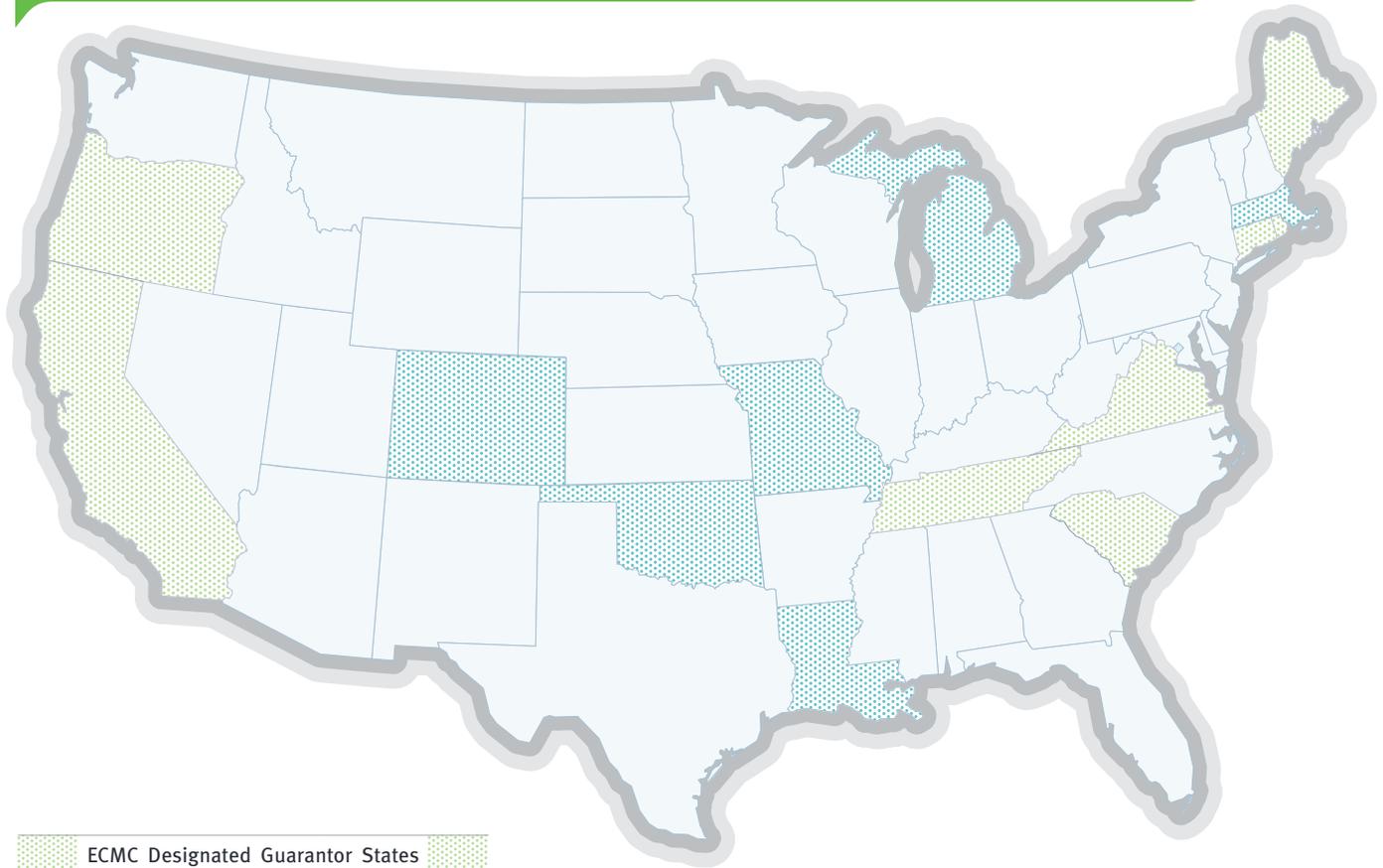
Default Prevention—We counsel delinquent borrowers on the repayment options available to them and the consequences of default.

Claim Resolution—We review claims filed by lenders when student loans default and purchase the defaulted loans.

Default Collection Efforts—To protect federal and taxpayer interest, we collect on defaulted student loans and counsel borrowers on repayment options, including specialized loan rehabilitation and consolidation programs.

DESIGNATED GUARANTOR

ECMC is the designated guarantor for California, Connecticut, Maine, Oregon, Rhode Island, South Carolina, Tennessee and Virginia. We also provide third-party guarantor servicing for six FFELP guarantors, including counseling borrowers on repayment plan options and collecting payments.



ECMC Designated Guarantor States

Virginia	Since 1996
Oregon	Since 2005
California	Since 2010
Connecticut	Since 2010
South Carolina	Since 2016
Tennessee	Since 2016
Rhode Island	Since 2018
Maine	Since 2019

ECMC Third-Party Guarantor Servicing

College Assist (CO)	Since 2015
American Student Assistance (MA & D.C.)	Since 2018
Louisiana Office of Student Financial Assistance (LA)	Since 2018
Michigan Guaranty Agency (MI)	Since 2018
Oklahoma College Assistance Program (OK)	Since 2018
Missouri Department of Higher Education & Workforce Development (MO)	Since 2020

COLLEGE ACCESS & STUDENT SUCCESS

Preparing Students for Their Educational Future

Many high schools lack adequate resources to help students with the college-going process, and many are ill-equipped to help with unique or challenging situations, particularly related to financial aid. The American School Counselor Association recommends a student-to-school-counselor ratio of 250:1; the national average is actually 415:1¹. ECMC's Student Success team works to fill that gap by providing additional support, resources and expertise.

Our college access work is designed to provide a broad range of resources and support for students of all ages to pursue opportunities for postsecondary education. Our focus

on underserved populations helps students fulfill their education dreams of going to college. College can mean earning a certificate, completing a career and technical education program or an apprenticeship, or earning a degree from a community college or a four-year institution.

ECMC's Student Success team provides this support free of charge to individual students and families through one-on-one counseling sessions, and through group information sessions presented in collaboration with high schools, community-based organizations and other college access providers.

OUR WORK

Our seven college access centers—The College Place (TCP)—are each staffed by one ECMC TCP director. TCP locations include one each in California, Colorado, Connecticut, Minnesota and Oregon and two in Virginia. The team:

- Promotes the benefits of higher education.
- Provides support and encouragement for students of all ages in pursuing their education goals.
- Assists and responds to questions, issues and concerns regarding higher education.
- Provides information on admissions, enrollment, financial aid and scholarships.



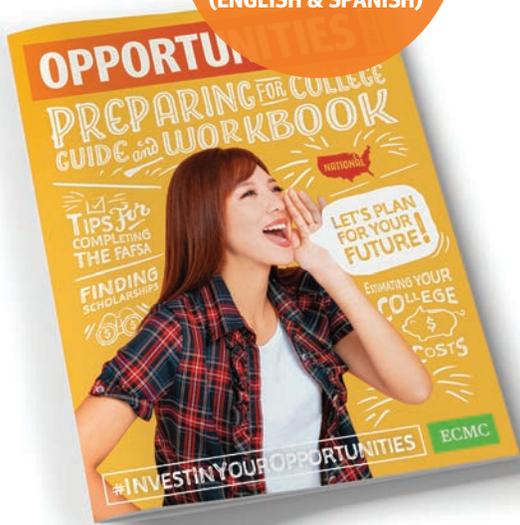
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College Access
Centers—The
College Place
(TCP)

32,000
Unique Students
Served at Our
TCPs (2021)

700+
College Prep Events
Held (Mostly Virtual)
at Our TCPs
(2021)

252,000+

OPPORTUNITIES BOOKS
DISTRIBUTED
(ENGLISH & SPANISH)



Our *Opportunities* guide and workbook, along with ECMC College Nights events, are designed to educate and engage high school students in preparing for and paying for college, including choosing the right college, understanding admission requirements, identifying types of financial aid, finding scholarships and more. State-specific *Opportunities* workbooks are available for Connecticut, Oregon and Virginia. Printed workbooks are distributed nationwide and are available as a digital publication and PDF download on our website.

“I absolutely love this [*Opportunities*] book. I give it to all of my students because students [in grades] 9-12 can use the material. I have been to three different schools and everyone uses this guide/book. Thank you!”

—Counselor/advisor

OUR IMPACT IN 2021:

- Our TCPs served more than 32,000 unique students total, more than 4,500 students per location.
- Our seven TCP locations hosted more than 700 college prep events (mostly virtual) for students and families, for more than 300 high schools and community-based organizations.
- We distributed a total of more than 252,000 copies of the *Opportunities* booklet in both English and Spanish.
- We hosted 101 ECMC College Nights events at high schools in California, Connecticut, Oregon, Tennessee and Virginia. We provided 100 \$1,000 scholarships via random drawing for student attendees.

In Virginia, in collaboration with the State Council of Higher Education for Virginia, we co-sponsored the “1-2-3 Go! Virginia’s Three Steps to College” initiative. Our College Nights are step one (with 55 events held in 2021). Step two is VA College Application Week. Step three is the Super FAFSA Project, which helps students complete the Free Application for Federal Student Aid (FAFSA). In 2021, we provided event kits for the Super FAFSA Project to 100 high schools to support more than 22,000 students. The final step, “Go!,” is College Decision Day.

“I wanted to pass along my gratitude for all that you have helped me with throughout this first year of college. I will forever be grateful.”

—Gloria (student)

FINANCIAL LITERACY TOOLS & RESOURCES

Expanding Students' Money Management Skills

There's a clear trend of declining financial literacy, according to a 2021 EVERFI survey¹ of high school students: "Students—including juniors and seniors near their transition to adulthood—report consistently low levels of readiness to take on financial tasks from evaluating financial products to establishing and maintaining credit to understanding how to pay for college."

At ECMC, we understand that providing financial education enables informed financial decision-making while in school and beyond. We offer multiple opportunities to educate students, faculty, staff and alumni, including tools and resources designed specifically for them. Our best practices for financial education include preparing students to be educated student loan borrowers and informed consumers. Improved financial behaviors lead to reduced student loan borrowing and ultimately, help to lower student loan default rates.

¹ "The State of Financial Literacy 2022," EVERFI, https://res.cloudinary.com/everfi/images/v1647888119/FLM-2022-Research-Write-Up/FLM-2022-Research-Write-Up.pdf?_i=AA.

OUR WORK

Our Financial Awareness Basics (FAB) includes resources to help students and those who help them learn basic financial literacy concepts. It encompasses U.S. Treasury's five core competencies: earn, spend, save, borrow and protect.

- **FAB:** Our online, downloadable materials provide everything from student loan and banking basics to personal finance management.
- **FAB Life game:** Our financial literacy simulation is intended to teach students basic financial education concepts in an interactive way.
- **FAB webinars:** We offer twice monthly webinars for campus staff, other nonprofits and military members.

ECMC Learning: Our online financial literacy platform offers easy-to-access resources, courses and tools, including U.S. Department of Education-compliant entrance and exit counseling and real-time reporting for campus staff.

OUR IMPACT

- In 2021, we held 21 financial literacy webinars with more than 700 attendees from all 50 states.
- Four of the 21 webinars were approved by the Association for Financial Counseling & Planning Education® for Continuing Education Units (CEUs). Attendees earned CEUs toward their Accredited Financial Counselor (AFC®) certification.
- We created and delivered custom webinars for the Jeremiah Program, University of New Haven and Community College of Denver.
- 98 colleges use ECMC Learning. In 2021, more than 62,000 unique sessions were conducted on the platform, and over 34,000 courses were completed with an average knowledge gain of more than 30%.

"Great presentation today; it is refreshing to hear your perspective!"

—2021 webinar attendee



Financial Awareness Basics (FAB) includes resources to help students and those who help them learn basic financial literacy concepts.



Since inception in 2017, our FAB Life game has been teaching students basic financial education concepts in an interactive way.



ECMC Learning hosted 62,000+ unique sessions. In addition, students completed 34,000+ courses with an average knowledge gain of 30%+.

PROJECT SUCCESS

Help for the Nation's Most Under-Resourced Colleges

Services and support provided to participating institutions are designed to strengthen student persistence and graduation, cohort default rates and institutional capacity-building.

Project Success is a U.S. Department of Education, Office of Federal Student Aid initiative aimed at improving student outcomes and institutional performance at assigned minority-serving institutions (MSIs). ECMC works with 93 MSIs, serving more than 570,000 students in 10 states plus Puerto Rico and the District of Columbia.

OUR WORK

Our ECMC Outreach team offers a “menu” of services to each participating institution. Working closely with campus leaders, services are selected and activated according to each college’s unique timeline, resources and existing business practices. Our services include a student assessment tool to determine interests, educational pathways and careers; online financial literacy; repayment success counseling and cohort default rate management tools; texting and AI chatbot; campus staff Title IV financial aid training; ECMC PERSIST workshops for campus staff; online tutoring; emergency aid and food pantry funding.

“The Project Success support system has been a game changer for my campus. In my first year as the president at my institution, my focus has been on 4 Rs, (recruitment, retention, relationships and revenue). Project Success’ student support systems have enabled my campus to impact each ‘R’ in some fashion.”

— LeMoyné-Owen College

\$2.2M

in emergency aid funds provided by ECMC to 86 colleges.

+21%

increase in year-over-year retention for students receiving emergency aid vs. students not receiving emergency aid.

92%

of respondents would recommend Project Success to other institutions.



OUR IMPACT

- In 2021, we established a data warehouse to measure project impact.
- Students using the student assessment tool showed +12% term-over-term retention and +20% year-over-year retention vs. students not using the platform.
- Students who received emergency aid showed +13% term-over-term retention and +21% year-over-year retention vs. students not receiving emergency aid.
- ECMC provided food pantry funds to 59 colleges to support existing pantries or to establish new ones.
- We also provided more than \$2.2 million in emergency aid funds to 86 colleges.
- Fielded an institutional survey in October 2021—92% of respondents would recommend Project Success to other institutions; 81% report that services have helped improve retention on their campus.

ECMC NATIONAL TRAINING PROGRAMS

Driving Student Success Through Educator Curricula & Training

Currently, only 33% of all first-time postsecondary students at two-year institutions and 63% of those at four-year institutions graduate within six years¹. Access to higher education alone is not enough to provide educational opportunities to all when low-income, first-generation students are the least likely to graduate. Success in higher education is a challenge for all students. Graduation rates are even worse for low-income students; only 27% of low-income students earn a bachelor's degree in comparison to 80% of higher-income

students². Our curricula and training help educators support the most at-risk students.

Our nationally recognized curricula and facilitated workshops focus on student success in higher education, because we believe every student who wants to go to college should have the opportunity. Each guide was created to provide tools to help educators, including teachers, counselors and community leaders, increase the success rates of students most at risk for dropping out.

“Truly excellent! I have been working in college access programs and scholarship programs for the past 18 years. I have conducted parent workshop presentations in Spanish and English. This is the best format, presentation guide [and] curriculum that I've seen!”

—Anonymous survey respondent

¹ “Undergraduate Retention and Graduation Rates,” National Center for Education Statistics, May 2021, <https://nces.ed.gov/programs/coe/indicator/ctr>.

² “Indicators of Higher Education Equity in the United States,” The Pell Institute, http://pellinstitute.org/downloads/publications-Indicators_of_Higher_Education_Equity_in_the_US_2021_Historical_Trend_Report.pdf, p. 284.

OUR WORK

Our national training includes three curricula:

Believing the College Dream is for those who work with 4th through 8th grade students and their families by:

- Helping them believe in themselves and their ability to succeed in school.
- Teaching them how to identify people they can trust to support their journey in education.
- Providing family and community members the tools they need to support their students.

Realizing the College Dream helps those who work with high school students to think of themselves as future college students through:

- Hands-on activities and interactive workshops about planning and paying for college.

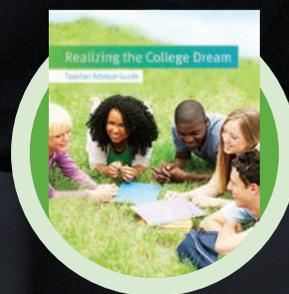
- Experiences that challenge students to see themselves in college.
- Eye-opening information about the economic value of a college education.

PERSIST is for higher education professionals to help at-risk students navigate the many aspects of the college experience, including:

- Evaluating institutional retention performance.
- Creating programs that help students adjust to college life.
- Demystifying paying for college.

OUR IMPACT

- In 2021, ECMC held a total of 29 educator workshops that reached more than 1,050 attendees. The estimated total reach is more than 286,000 students (270 per educator attendee).





“Jan Smith (ECMC Scholars Program Manager) has done a stellar job of delegation and working with my school counselor to ensure every student within the program is prepared to go off to college with financial knowledge they didn't have before.”

—Willamette High School student

ECMC SCHOLARS PROGRAM

Blending Scholarships & Mentoring to Make Postsecondary Education Achievable

Most scholarship programs just hand out checks. ECMC does more than that.

We assist students at select high schools in Connecticut, Oregon and Virginia to achieve their educational goals beyond high school. Select students receive mentoring in their junior and senior years in high school. Those who successfully complete the two years earn up to \$6,000 in college scholarships.

By reaching students with mentoring early in high school, the ECMC Scholars Program gives students the resources and support to make education beyond high school achievable. Scholarship dollars bridge the gap to make educational dreams a reality.

OUR WORK

- Our program targets juniors in high school who have potential but not necessarily the best test scores or grades. We provide extra support during their junior and senior years to advance their potential.
- We pair students with mentors who help them build strong study and social skills.
- We award up to \$4,000 to each successful ECMC Scholar for their first year of college and up to \$2,000 for their second year—with up to six years to use the scholarships.
- Starting with the Class of 2019, we added Beyond 12, a near-peer personalized coaching service that provides additional support in the first two years of college. Beyond 12 provides students the academic, social and emotional support they need to succeed in higher education.

OUR IMPACT

- Since the program's inception, ECMC has awarded \$19.4 million to 3,228 ECMC Scholars for them to use toward postsecondary education.
- 89% of the Class of 2021 Scholars students who responded to their senior class student survey reported they felt the program successfully prepared them to plan and pay for college; 95% of respondents reported they were "very satisfied" or "satisfied" with their ECMC Scholars Program experience so far.
- The Class of 2019 Scholars who enrolled in Beyond 12 and engaged with their coaches persisted at a higher rate than those not engaged with their coaches. In fact, they also persisted at a rate higher than their class peers at both the state and national levels by double digits.

Persistence Rates for Scholars Who Enrolled in Beyond 12

	More Engaged	Less Engaged	State	National
CT	88%	61%	74%	74%
OR	91%	71%	69%	74%
VA	100%	80%	77%	74%



FEDERAL STUDENT LOAN REPAYMENT SUCCESS

Inspiring Positive Repayment Outcomes

The student loan landscape is complex and difficult to traverse and filled with opportunities for costly missteps. There are serious consequences, including increased debt loads for borrowers who are already struggling, the threat of funding revocation for institutions whose mission is accessibility for all, and significant costs to the U.S. Department of Education to recover unpaid balances.

ECMC's Repayment Success Center, consisting of the guarantor's Default Aversion and ECMC Solutions business units, proudly supports borrowers in difficult circumstances. We treat the symptoms of student loan debt by empowering borrowers with knowledge of their options, alleviating significant life stressors and building optimism for the future. We treat the problem itself—collaborating with clients to identify those in need, and proactively supporting student-borrowers who can't or don't advocate for themselves, preventing poor or uneducated borrowing decisions.

OUR WORK

Delivering Services Across the Entire Student Loan Lifecycle

We provide smart borrower counseling when funds are awarded, career services support to unplaced grads, grace and delinquency counseling, and rehabilitation transition-to-repayment counseling.

Data-Driven, Multi-Channel Borrower Engagement Strategies

Our work includes algorithmic contact prioritization for calls, emails and text messages as well as webinars, webchat and counseling by appointment.

1-on-1 Loan Counseling

We meet borrowers where they're at, providing individualized options with warm introductions to loan servicers and online tools.

Institutional Support

We promote best practices and provide instructive analysis across the education community to propel institutions toward their goals.

Award-Winning Software Solution

We provide directional dashboard reporting, predictive borrower profiles, custom workflows and execution tools via LoanTracker (SaaS).



OUR IMPACT

Over the last 10 years:

- We've helped more than 7.95 million borrowers avoid default.
- We've saved borrowers nearly \$39 billion in additional fees (averted mandatory collections costs assessed to borrowers upon default).

63% of our school clients serve mostly underserved communities (87 community colleges and 62 MSIs).

“ECMC has been precisely what the university needed going forward to help eradicate student debt. ECMC's products and services are client friendly, and their staff is knowledgeable and amazing at what they do to serve clients. I highly recommend ECMC.”

—Saint Augustine's University



1-on-1 Loan Counseling

Institutional Support

Award-Winning Software Solution

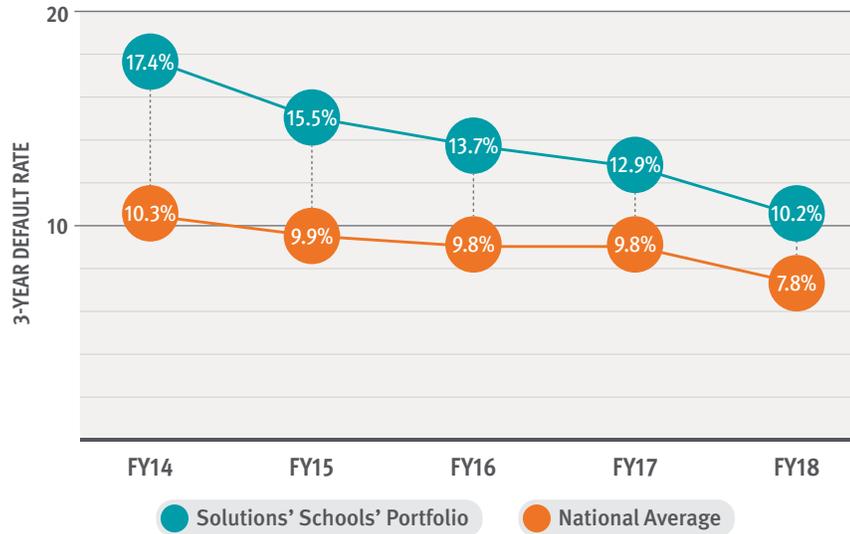
“Probably the most helpful student loan conversation I've ever had.”

—Joseph Z.



41% Improvement Since 2014 AND 41% Better Than Nationwide Improvement

Improvement Against National Average



“I've been using LoanTracker and ECMC Solutions since 2010 at a couple institutions. Great platform for default prevention management, services and support. Love it; no complaints here. The Client Support team is awesome, keeps me informed consistently, resolves issues quickly and is always receptive regarding my feedback on system enhancements. Thank you!”

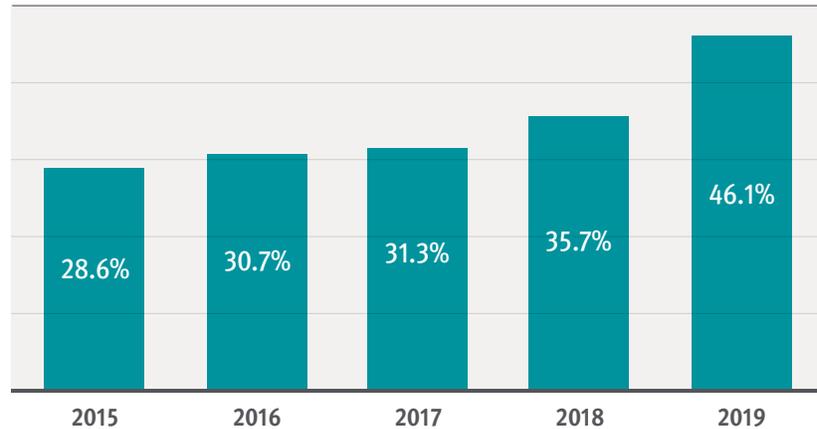
—New York Film Academy





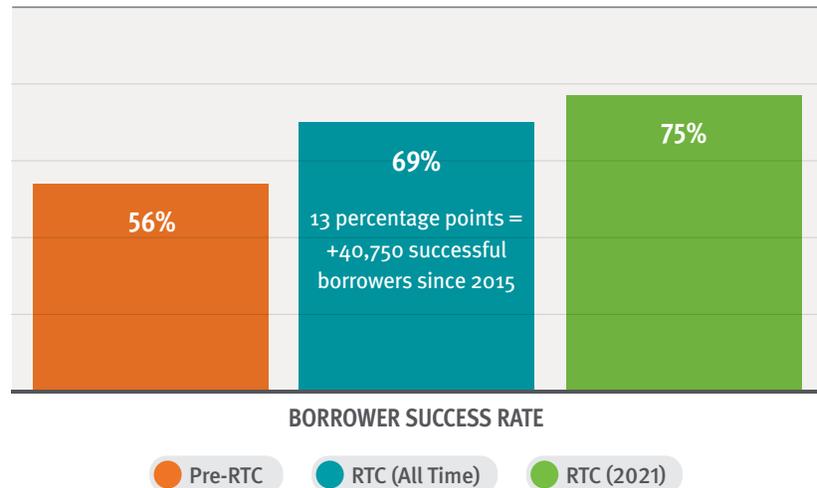
61% Relative Improvement Over Time (2015 vs. 2019)

Pre-Pandemic Percentage of Portfolio in Repayment-Current Status



23% Relative Improvement (Pre-RTC vs. RTC All Time)

Rehab Transition Counseling (RTC) Impact



ECMC DEFAULT MANAGEMENT

Pivoting Quickly to Provide Borrower Options During a Challenging Time

Many borrowers with defaulted student loans often look at the overall balance of the loan and don't realize there are many reasonable and affordable options to resolve the default. Overlooking their options can cause unnecessary worry and stress.

The financial impact of the pandemic was felt by millions of student loan borrowers—and ECMC played a critical role in outreach education during this challenging time.

OUR WORK

ECMC Default Management helps resolve borrowers' defaulted student loans by providing options that best suit their current financial situation. In April 2021, our Default Management team also became responsible for educating borrowers on additional flexibilities provided by the government in response to the national emergency.

Located in Minneapolis, our Default Management team consists of more than 100 employees ranging from call center representatives to payment and refund processing specialists.

OUR IMPACT

In 2021, we had phone conversations with more than 20,000 borrowers and provided them with options specific to resolving their defaulted student loans as well as educating them on any additional options available in response to the global pandemic.

We suspended administrative wage garnishment for more than 15,000 borrowers, and we were able to refund more than 20,000 payments to our borrowers.

“I just wanted to let you know that Claudia was so helpful! She helped me understand the entire process, including where my taxes and garnishments were going and how to fix [it]. She was an absolute delight to talk to!”

—Kudos to Claudia G., Account Specialist





ECMC suspended administrative wage garnishment for 15,000+ borrowers.



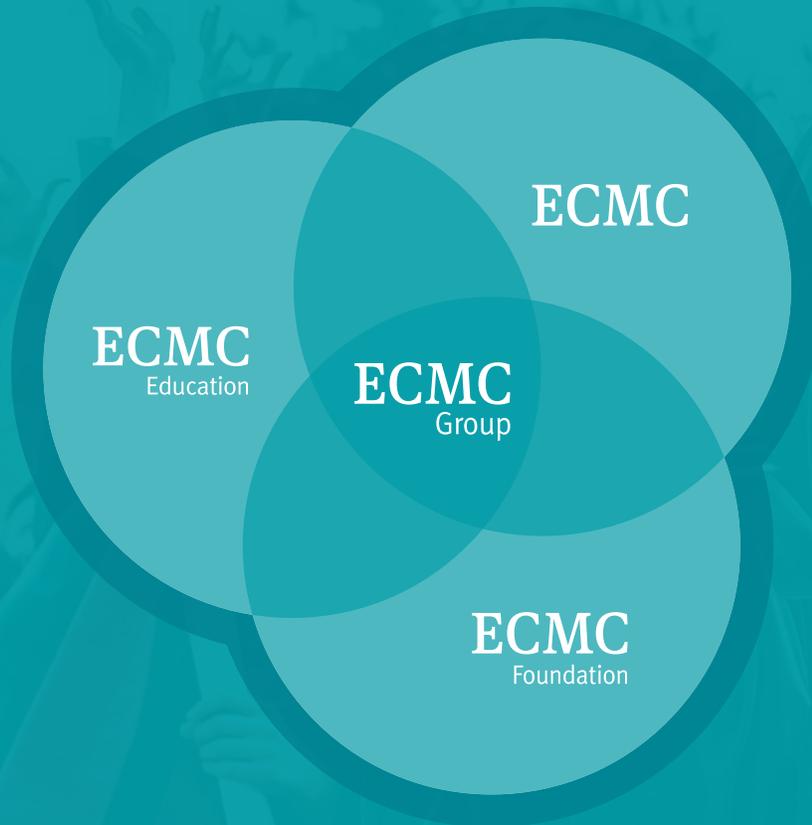
In 2021, we had phone conversations with 20,000+ borrowers.



We refunded 20,000+ payments to our borrowers.

OUTCOMES POWERED BY OUR FAMILY OF COMPANIES

ECMC's parent organization ECMC Group and its affiliates empower underserved communities to thrive by means of a unique combination of educational solutions, investments and philanthropy.





4.5M

Students and families to whom ECMC has provided resources to help plan and pay for higher education (since 1994)

72%

Three-year calculated placement rate across three campuses (as of December 2021)

\$236M+

In grants and investments dispersed by ECMC Foundation on a national basis (May 2014-December 2021)

ECMC

ECMC provides financial counseling and education services to empower students and borrowers to make better choices about their futures.

ECMC EDUCATION

ECMC Education provides educational solutions rooted in innovation, employer collaboration and industry stewardship to generate superior learner outcomes. The organization operates Altierus Career College—a network of career and technical schools delivering allied health and skilled trades programs—and offers a range of direct-to-employer training solutions through Altierus Training Solutions.

ECMC FOUNDATION

Our philanthropic affiliate ECMC Foundation focuses on improving higher education and career success among underserved populations through evidence-based innovation.

A BIG THANK YOU TO OUR PARTNERS, STAKEHOLDERS & COMMUNITIES

If there's one silver lining in another year marred by a global pandemic, it's this: dedicated organizations like ECMC have demonstrated our commitment and compassion for students, borrowers, families and communities as well as our responsibility to the federal government—enabling us to build upon our strong foundation to further support students and help them achieve their educational goals.

To all of our partners and stakeholders, we offer our sincerest gratitude and appreciation. As we continue to emerge from the global pandemic, we'll do it the best way we know how—stronger, together and keeping students first.

