

Student Loan Backed Reporting - FFELP
Monthly/Quarterly Distribution Report

Issuer	Educational Funding of the South, Inc.
Deal Name	2003FL Indenture
Distribution Date	8/25/2014
Collection Period	7/31/2014
Contact Name	Ken Mann
Contact Number	865-824-3054
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Notes/Bonds - Group I (FFELP)

Class	CUSIP	Rate	Index	Margin	Auction Status	Original Balance	Beg Princ Bal	Interest Accrual	Principal Paid	End Princ Bal ^a	% of Securities	Payment Frequency	Maturity
2012FL A	28148WAD5	1.20500%	0.15500%	1.05000%		511,000,000.00	438,076,907.98	454,559.77	1,348,423.71	436,728,484.27	90.48%	Monthly	3/25/2036
2012FL B	28148WAE3	3.65500%	0.15500%	3.50000%		15,000,000.00	15,000,000.00	47,209.81	-	15,000,000.00	3.11%	Monthly	12/28/2048
2007-1 A-2	28148XAQ4	0.00000%	0.00000%	0.00000%		400,000,000.00	-	-	-	-	0.00%	Quarterly	3/1/2016
2007-1 A-3	28148XAR2	0.57735%	0.22735%	0.35000%		235,000,000.00	30,967,000.00	45,690.26	-	30,967,000.00	6.42%	Quarterly	9/1/2017
Total						1,161,000,000.00	484,043,907.98	547,459.84	1,348,423.71	482,695,484.27	100.00%		

(a) Should include Principal Pmts in the current distribution month.

Portfolio Summary

	Beg Balance	Activity	End Balance
Principal Balance	455,125,465.36	(6,018,282.20)	449,107,183.16
Accrued Interest to be Capitalized	6,659,194.53	(250,716.83)	6,408,477.70
Total Pool Balance	461,784,659.89	(6,268,999.03)	455,515,660.86
Weighted Average Coupon (WAC)	4.78	(0.00)	4.78
Weighted Average Maturity (WAM)	167.58	0.06	167.64
Number of Loans	62,628	(963)	61,665
Number of Borrowers	32,403	(513)	31,890
Average Loan Balance	\$ 7,373.45	13.49	\$ 7,386.94
Average Borrower Indebtedness	\$ 14,251.29	32.68	\$ 14,283.97

Weighted Average Payments Made

	% of Pool	W.A. Time until Repayment (months) ^(a) <i>(should include grace period)</i>
In School	0.36%	-23.91
Grace	0.12%	-2.73
Deferment	11.23%	-14.62
Forbearance	17.20%	-3.54
		W.A. Time in Repayment (months)
Repayment	70.54%	99.82
Claims in Progress	0.52%	101.05
Claims Denied	0.03%	86.90
Total Weighted Average		68.63

(a) W.A. Time Until Repayment would most likely be reflected as a negative number in this calculation. For example, if a loan has 3 months left in school and 6 months of grace period, the time until repayment for that loan would be -9 months.

Funds and Accounts

	Beg Balance	Activity	End Balance
Reserve Account	4,643,865.16	(34,941.86)	4,608,923.30
Reserve Amt Required	4,608,923.30	(31,345.00)	4,577,578.30
Debt Service 2007-1	5,176,658.95	5,176,563.42	10,353,222.37
Capitalized Interest Account	21,308,230.36	-	21,308,230.36
Capitalized Interest Account Required	-	-	-
Collection Fund	8,698,504.16	(800,423.30)	7,898,080.86
Acquisition Account	-	-	-
Interest Account	-	-	-
Total Accounts Balance	39,792,316.77	4,344,795.12	44,137,111.89

Balance Sheet and Parity

	Beg Balance	Activity	End Balance
Assets			
Pool Balance ^a	464,501,885.71	(6,218,434.92)	458,283,450.79
Capitalized Interest Fund	21,308,230.36	-	21,308,230.36
Debt Service Reserve	4,608,923.30	(31,345.00)	4,577,578.30
Debt Payment Account	10,353,222.37	5,176,563.42	15,529,785.79
Total Assets	500,772,261.74	(1,073,216.50)	499,699,045.24
Liabilities			
Note Outstanding Class A	438,076,907.98	(1,348,423.71)	436,728,484.27
Note Outstanding Class B	15,000,000.00	-	15,000,000.00
Bonds Outstanding 2007-1	30,967,000.00	-	30,967,000.00
Accrued Interest 2007-1	45,690.26	-	45,690.26
Total Liabilities	484,089,598.24	(1,348,423.71)	482,741,174.53
Class A Parity %	106.75%		106.83%
Total Parity %, Including Class B	103.45%		103.51%

(a) Pool Balance for parity includes all accrued interest, including any interest to be capitalized.

CPR (constant pmt rate)

Current Lifetime	8.74%
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Servicer Balance

	Balance	% of Portfolio	# of Loans	Clms Outstanding
PHEAA	455,515,660.86	100.00%	61,665	2,353,988.08
Total Portfolio	455,515,660.86		61,665	2,353,988.08

Portfolio by Loan Status												
	# of Loans		Pool Balance		% of Balance		WAC		WARM			
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending		
In School	432	426	1,632,901.40	1,652,821.86	0.35%	0.36%	5.63	5.66	120.00	120.00		
Grace	137	131	595,627.55	551,761.05	0.13%	0.12%	5.54	5.53	119.29	119.52		
Repayment												
Current	38,683	38,230	280,454,141.41	279,145,144.14	60.73%	61.28%	4.53	4.54	163.16	162.30		
31-60 Days Delinquent	2,037	1,961	14,190,424.93	13,398,628.75	3.07%	2.94%	4.97	4.84	159.84	164.91		
61-90 Days Delinquent	1,150	1,116	8,074,741.60	7,332,345.13	1.75%	1.61%	5.15	5.12	158.66	159.70		
91-120 Days Delinquent	825	751	5,495,120.67	4,930,583.46	1.19%	1.08%	5.06	5.21	165.12	148.31		
121-180 Days Delinquent	1,136	1,241	7,302,664.64	7,848,655.31	1.58%	1.72%	5.31	5.16	145.83	150.26		
181-270 Days Delinquent	892	810	6,143,697.57	5,651,450.67	1.33%	1.24%	5.32	5.46	160.73	151.75		
271+ Days Delinquent	516	504	3,395,129.46	3,028,927.28	0.74%	0.66%	4.93	5.04	178.28	161.60		
Total Repayment	45,239	44,613	325,055,920.28	321,335,734.74	70.39%	70.54%	4.61	4.62	162.66	161.65		
Forbearance	7,781	7,775	77,442,923.95	78,321,503.08	16.77%	17.19%	5.33	5.32	187.05	190.08		
Deferment	8,194	7,979	53,452,881.24	51,146,133.57	11.58%	11.23%	4.94	4.92	172.80	173.33		
Claims in Progress	817	715	3,444,116.22	2,353,988.08	0.75%	0.52%	5.13	4.92	145.63	162.97		
Claims Denied	28	26	160,289.25	153,718.48	0.03%	0.03%	4.91	4.82	131.10	131.31		
Total Portfolio	62,628	61,665	461,784,659.89	455,515,660.86			4.78	4.78	167.58	167.64		

Delinquency Status												
	# of Loans		Pool Balance		% of Balance		WAC		WARM			
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending		
Current	38,683	38,230	280,454,141.41	279,145,144.14	86.28%	86.87%	4.53	4.54	163.16	162.30		
31-60 Days Delinquent	2,037	1,961	14,190,424.93	13,398,628.75	4.37%	4.17%	4.97	4.84	159.84	164.91		
61-90 Days Delinquent	1,150	1,116	8,074,741.60	7,332,345.13	2.48%	2.28%	5.15	5.12	158.66	159.70		
91-120 Days Delinquent	825	751	5,495,120.67	4,930,583.46	1.69%	1.53%	5.06	5.21	165.12	148.31		
121-180 Days Delinquent	1,136	1,241	7,302,664.64	7,848,655.31	2.25%	2.44%	5.31	5.16	145.83	150.26		
181-270 Days Delinquent	892	810	6,143,697.57	5,651,450.67	1.89%	1.76%	5.32	5.46	160.73	151.75		
271+ Days Delinquent	516	504	3,395,129.46	3,028,927.28	1.04%	0.94%	4.93	5.04	178.28	161.60		
Total Portfolio in Repayment	45,239	44,613	325,055,920.28	321,335,734.74			4.61	4.62	162.66	161.65		

Portfolio by Loan Type												
	# of Loans		Pool Balance		% of Balance		WAC		WARM			
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending		
Subsidized Consolidation Loans	12,430	12,332	140,027,449.49	138,487,996.39	30.32%	30.40%	4.57	4.57	180.98	180.60		
Unsubsidized Consolidation Loans	13,334	13,227	186,345,054.82	184,670,804.37	40.35%	40.54%	4.70	4.70	195.92	195.71		
Subsidized Stafford Loans	19,982	19,556	55,138,554.77	53,725,219.22	11.94%	11.79%	4.75	4.74	107.36	107.24		
Unsubsidized Stafford Loans	15,275	14,991	68,037,639.87	66,616,875.67	14.73%	14.62%	4.91	4.91	120.21	120.50		
Grad PLUS Loans	1,558	1,512	12,060,618.79	11,845,140.05	2.61%	2.60%	7.83	7.84	117.72	118.75		
Other Loans	49	47	175,342.15	169,625.16	0.04%	0.04%	3.32	3.29	96.96	97.96		
Total Balance	62,628	61,665	461,784,659.89	455,515,660.86			4.78	4.78	167.58	167.64		

Portfolio by Program Type												
	# of Loans		Pool Balance		% of Principal		WAC		WARM			
	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending	Beginning	Ending		
Graduate / 4-Year Loans	39,201	38,553	305,404,460.22	301,189,409.47	66.14%	66.12%	4.68	4.68	165.95	165.97		
2-Year Loans	9,890	9,686	38,481,884.47	36,815,710.34	8.33%	8.08%	4.79	4.79	133.74	131.85		
Proprietary / Technical / Vocational Loans	13,489	7,296	117,575,843.28	32,812,003.64	25.46%	7.20%	5.03	4.84	182.98	132.86		
Unknown (Consolidation) Loans	-	6,084	-	84,386,041.07	0.00%	18.53%	-	5.09	-	202.88		
Other	48	46	322,471.92	312,496.34	0.07%	0.07%	4.31	4.38	132.70	133.64		
Total Portfolio	62,628	61,665	461,784,659.89	455,515,660.86			4.78	4.78	167.58	167.64		

SAP Indices									
	# of Loans		Pool Balance		% of Total		Margin		
	Beginning	Ending	Beginning	Ending	Beginning	Ending			
T-Bill Loans	3,289	3,201	12,012,757.15	11,774,692.27	2.60%	2.58%		2.9959	
1ML Loans	59,339	58,464	449,771,902.74	443,740,968.59	97.40%	97.42%		2.5301	
Other Margin Loans	-	-	-	-	0.00%	0.00%		-	
Total Pool Balance	62,628	61,665	461,784,659.89	455,515,660.86				2.5422	

**Student Loan Backed Reporting - FFELP
Monitoring Waterfall and Collections**

Distribution Date	8/25/2014
Collection Period	7/31/2014

Collection Account Activity^a	
Collection Amount Received	\$ 5,600,577.95
Recoveries	-
Reserve Account	
Excess of Required Reserve Account	31,345.00
Interest on Investment Earnings	2,439.98
Capitalized Interest Account (after a stepdown or release date)	-
Temporary Cost of Issuance Remaining	
Payments from Guarantor	2,263,717.93
Proceeds from Tender	
Paid to Guarantor	-
Purchased by Servicers/Sellers	
Prior Month's Allocations or Adjustments	
Investment Income	
All Fees	
Other Amounts Received in Collection	
Total Available Funds	\$ 7,898,080.86

(a) Cash collections represent amounts received and posted in the Trust accounts as of the last day of the collection period.

Fees Due for Current Period	7/31/2014
Indenture Trustee Fees	31,715.38
Servicing Fees	95,189.70
Administration Fees	74,851.20
Consolidation Rebate Fees	284,069.06
Other Fees	-
Total Fees	\$ 485,825.34

Cumulative Default Rate	7/31/2014
Current Period's Defaults (\$)	1,552,750.55
Cumulative Defaults (\$)	254,927,152.53
Cumulative Default (% of original pool balance)	NA
Cumulative Default (% of Repayment ending balances)	56.24%
Current period payments (recoveries) from Guarantor (\$)	2,263,717.93
Current period borrower recoveries (\$)	-
Cumulative Recoveries (\$) ^a	260,221,806.47
Cumulative Recovery Rate (%) ^d	102.08%
Cumulative Net Loss Rate (%)	NA
Cumulative Servicer Reject Rate (FFELP) (%)	0.00%

a) Cumulative Recoveries includes 97% of Claims in Progress
b) Due to the inclusion of death, disability and bankruptcy claims, the recovery rate can exceed 100%.

Waterfall Activity

Waterfall for Distribution (in accordance with Transaction - specific documents)	Amount Due	Amount Remaining
Total Available Funds		7,898,080.86
First: Deposits to Department Reserve Fund	669,567.87	7,228,512.99
Second: Trustee Fees due	31,715.38	7,196,797.61
Third: Servicing Fee due	95,189.70	7,101,607.91
Fourth: Administration Fees due	74,851.20	7,026,756.71
Fifth: Interest Distribution on Senior Notes or Obligations		
1. 2007 Debt Service Amount		
> 1/3 of 2007 Bonds Interest Distribution Amount	15,230.08	
> Any 2007 Bonds Interest Remaining unpaid	-	
	15,230.08	7,011,526.63
2. 2012-1 A Interest Distribution	454,559.77	
Total Interest Distribution on Senior Notes or Obligations	454,559.77	6,556,966.86
Sixth: To the 2007 Debt Service Account 1/3 of Principal or unpaid Principal (if Maturity Date occurs in the next 3 months)	-	6,556,966.86
Seventh: 2012-1 B Interest Distribution Amount Subject to a Class B Interest Cap	47,209.81	6,509,757.05
Eight: Debt Service Fund replenishment	-	6,509,757.05
Ninth: To the 2007 Debt Service Account 1/3 of Principal or unpaid Principal due on the 2007 Bonds on the next Principal Reduction Payment Date	5,161,333.34	1,348,423.71
Tenth: Payments to Noteholders for 2012 A and 2012 B Notes	1,348,423.71	-
Eleventh: Class B Carryover Amount	-	-
Twelfth: Release to Issuer	-	-

Principal and Interest Distributions	2012-1 A	2012-1 B	2007-1 A3	TOTAL
Periodic Interest Due	454,559.77	47,209.81	15,230.08	516,999.66
Periodic Interest Paid	454,559.77	47,209.81	15,230.08	516,999.66
Interest Excess/(Shortfall)	-	-	-	-
Interest Carryover Due	-	-	-	-
Interest Carryover Paid	-	-	-	-
Interest Carryover	-	-	-	-
Periodic Principal Distribution Amount	1,348,423.71	-	5,161,333.34	6,509,757.05
Periodic Principal Paid	1,348,423.71	-	5,161,333.34	6,509,757.05
Excess/(Shortfall)	-	-	-	-
Total Distribution Amount	1,802,983.48	47,209.81	5,176,563.42	7,026,756.71

Educational Funding of the South, Inc
2003FL Indenture
Balance Sheet
July 31, 2014
(Unaudited)

ASSETS

Cash	\$ 46,044,964.02
Assets Held by Trustee	
Investments	2,439.98
Student Loans Receivable, Net	448,607,022.04
Accrued Interest Receivable	7,345,979.95
Other Receivables	163,638.09
Bond Issue Costs	2,805,304.49
Prepaid and Deferred Expenses	1,422.56
	<hr/>
Total Assets	<u><u>\$ 504,970,771.13</u></u>

LIABILITIES AND NET ASSETS

Notes Payable, Net	\$ 484,043,907.98
Discount on Notes Payable, Net	(5,876,482.00)
Accrued Interest Payable	143,091.38
Other Accounts Payable & Accrued Expenses	485,825.34
	<hr/>
Total Liabilities	<u><u>\$ 478,796,342.70</u></u>
Net Assets	<u><u>\$ 26,174,428.43</u></u>
Total Liabilities and Net Assets	<u><u>\$ 504,970,771.13</u></u>

2003FL Indenture

IV. Transactions for the Time Period

7-1-2014 - 7-31-2014

A. Student Loan Principal Collection Activity

i. Regular Principal Collections	(2,375,446.00)
ii. Principal Collections from Guarantor	(2,200,548.18)
iii. Paydown due to Loan Consolidation	(2,229,906.72)
iv. Principal Collections from Schools	(190.78)
v. Principal Write-Offs Reimbursed to the Trust -	-
vi. Other System Adjustments	-
vii. Loans transferred out/deconverted (PUT)	-
viii. Total Principal Collections	(6,806,091.68)

B. Student Loan Non-Cash Principal Activity

i. Principal Realized Losses - Claim Write-Offs	(1,294.65)
ii. Principal Realized Losses - Other	(2,064.37)
iii. Other Adjustments	1,153.07
iv. Capitalized Interest	790,015.43
v. Total Non-Cash Principal Activity	787,809.48

C. Student Loan Principal Additions

i. New Loan Additions \$ -	-
ii. Total Principal Additions \$ -	-

D. Total Student Loan Principal Activity (Aviii + Bv + Cii) (6,018,282.20)

E. Student Loan Interest Activity

i. Regular Interest Collections	(927,410.81)
ii. Interest Claims Received from Guarantors	(63,169.75)
iii. Late Fees & Other	(4,967.55)
iv. Interest due to Loan Consolidation	(54,866.05)
v. Interest Write-Offs Reimbursed to the Trust -	-
vi. Other System Adjustments -	-
vii. Interest Benefit and Special Allowance Payments	451,093.87
viii. Loans transferred out/deconverted	-
vix. Total Interest Collections	(599,320.29)

F. Student Loan Non-Cash Interest Activity

i. Interest Losses - Claim Write-offs	(43,084.01)
ii. Interest Losses - Other	(10,778.46)
iii. Other Adjustments b.	(1,013.35)
iv. Capitalized Interest	(790,015.43)
v. Interest Accrual	1,725,094.62
vi. Total Non-Cash Interest Adjustments	880,203.37

G. Student Loan Interest Additions

i. New Loan Additions \$ -	-
ii. Total Interest Additions \$ -	-

H. Total Student Loan Interest Activity (Eviii + Fvi + Gii) 280,883.08

I. Defaults Paid this Period (Aii + Eii) (2,263,717.93)

J. Cumulative Defaults Paid to Date (260,221,806.47)

K. Interest Expected to be Capitalized

Interest Expected to be Capitalized - Beginning (III - A-ii)	6,659,194.53
Interest Capitalized into Principal During Collection Period (B-iv)	790,015.43
Change in Interest Expected to be Capitalized	1,040,732.26
Interest Expected to be Capitalized - Ending (III - A-ii)	6,408,477.70

2003FL Indenture

		7-1-2014 - 7-31-2014
A. Principal Collections		
i. Principal Payments Received - Cash	\$	4,576,184.96
ii. Principal Received from Loans Consolidated		2,229,906.72
iii. Total Principal Collections	\$	6,806,091.68
B. Interest Collections		
i. Interest Payments Received - Cash	\$	990,580.56
ii. Interest Received from Loans Consolidated		54,866.05
iii. Interest Payments Received(Paid) - Interest Benefit and Special Allowance Payments		(451,093.87)
iv. Late Fees & Other		4,967.55
v. Total Interest Collections	\$	599,320.29
C. Other Reimbursements	\$	-
D. Repurchases/ Reimbursements by Servicer/Seller	\$	-
E. Investment Earnings	\$	2,439.98
F. Total Cash Receipts during Collection Period	\$	7,407,851.95