



TSAC Update

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Default Rates

2012 is off to a fast start with originating loans, certifying TELS, reconciliation, gainful employment, reports and more reports. One item that may not appear on the radar until the third quarter is the cohort default rate (CDR). While the official CDR will not be released until September 2012, there are actions that can be taken now to lower your school's cohort default rate.

First, the draft rate is scheduled for release in mid February. Following are some Facts and Myths associated with the draft rates.

Fact: There are no sanctions or benefits associated with the draft.

Myth: Since this is only a draft, I can ignore it and wait until the official rate is published

Fact: The draft is the basis for the official rate

Myth: I can wait for the official rate before challenging the accuracy of the report

Fact: Once the Department of Education sends the draft, I have 50 days to complete a review and challenge of the draft

The official rate begins with the draft rate. All schools will receive their co-

hort default rate packages electronically through the Student Aid Internet Gateway (SAIG). You have five (5) business days to report any problems with the transmission of the electronic package. There is a short timeline allowed for submitting challenges and this begins on the sixth (6) business day after the announcement of the packages.

Included in the package is the Loan Record Detail Report (LRDR). We strongly suggest a review of the LRDR and challenge any borrowers listed in default that should not be included in the calculations. The Cohort Default Rate Guide has step-by-step instructions and can be found on the IFAP website, or at:

<http://ifap.ed.gov/DefaultManagement/CDRGuideMaster.html>.

Secondly, remember you are not in this alone. TSAC remains your partner in the financial aid process. Our Default Management/Financial Literacy programs can help reduce defaults while educating students in the basics of financial wisdom. We provide web-based programs, student lectures day and night, brochures, and office presentations for a successful default prevention plan.

For more information, please contact either Jane Pennington or Cathy Jones at jane.pennington@tn.gov or cathy.l.jones@tn.gov.

College Goal Tennessee Update

College Goal Tennessee events are continuing across the state of Tennessee. We have had 24 so far and have 12 left in the month of February. (See the schedule below.) If you have any questions, please contact Karen Myers @ karen.myers@tn.gov.



Date	City	Location
February 4, 2012	Chattanooga	Chattanooga State CC
	Millington	Millington Central H.S.
February 5, 2012	Athens	TTC @ Athens
February 7, 2012	Cookeville	Tennessee Tech University
February 9, 2012	Chattanooga	Chattanooga State CC-Southside Recreation Center
February 12, 2012	Clarksville	Austin Peay State University
	Franklin	Columbia State CC
	Memphis	Southwest TN CC
	Nashville	Aquinas College
	Oak Ridge	Roane State CC
	Crossville	TTC@Crossville
	Ripley	TTC@Ripley

Grants and Scholarships: New Staff Members

We are pleased to announce that David Chandler and Matt Barker have joined the Grants and Scholarships Division as of the beginning of the year.

David will be processing payments for the HOPE, HOPE Access, Wilder-Naifeh and TSAA programs. He has been with TSAC for 20 years and worked in the TSAC Fiscal Division. He will also be one of the staff members that will reset passwords for users who have been locked out. David can be reached at (615) 253-7448 or david.chandler@tn.gov.



David Chandler



Matt Barker

Some of you may already know Matt Barker, who comes back to TSAC from Gear-UP. He is replacing Mike McCormack who retired this month. Matt will be administrating the Minority Teaching Fellows Program and the Tennessee Teaching Scholars Program. His knowledge of e*GRandS and the grant and scholarships TSAC offers will be a great asset. Matt can be contacted at (615) 253-7479 or matthew.barker@tn.gov.

Please join TSAC in welcoming David and Matt to the Grants and Scholarships Division.



New Outreach Specialist for East TN

Ms. Elizabeth Raymond has been hired to serve as TSAC's new Outreach Specialist for east Tennessee.

She will be responsible for representing TSAC in the following counties: Blount, Knox, Anderson, Campbell, Claiborne, Union, Cocke, Grainger, Jefferson, Sevier, Hancock, Carter, Hawkins, Hamblen, Greene, Washington, Sullivan, Unicoi, and Johnson.

Elizabeth comes to TSAC after working in the football recruiting office at UT Knoxville. Born in Rochester Hills, Michigan, Elizabeth spent much of her life growing up in Nashville before heading to Rocky Top for college. She graduated from UT Knoxville in 2010 with a degree in child and family studies.

Outside of work, Elizabeth enjoys cheering on the Vols, spending time with her family, and is an active member at her church in Knoxville. Elizabeth is great addition to the TSAC Outreach team.



Elizabeth Raymond

TSAC Legislative Update

The second session of the 107th General Assembly opened on January 10, 2012, with numerous bills filed that affect higher education and financial aid. The listed legislation is proposed and has yet to be considered. Some of the bills include:

- HB 2700 – Freezes in-state tuition and fees and room and board for three years at the public universities and community colleges.
- SB 3599 – Changes the TELS eligibility requirement for homeschool students needing to be enrolled in a homeschool program for two years prior to graduation to only one year prior to graduation. (SB 3541 addresses this same issue as well).
- SB 2919 – Creates greater allowances for students with disabilities to qualify for and maintain TELS eligibility.
- SB 2687 – Requires TSAC to develop a short application form for TELS without financial information for those who only apply for merit-based awards.
- HB 1966 - requires THEC to create common application for both admission and financial aid to be used by all higher education institutions within the TBR and UT systems by the 2012-2013 academic year.
- SB 2570 – Removes the requirement for a military parent’s home of record to be Tennessee for otherwise eligible students.
- HB 2649 – Beginning in the 2015-16 academic year, requires TELS applicants to attain both 3.0 GPA and a 21 ACT (or 980 SAT) to receive the full TELS award at either a four-year or two year institution. The award amount would be reduced to half for students at four-year institutions who meet only the GPA *or* ACT requirement. This bill also recommends that beginning in 2015-16 and for 10 consecutive years thereafter, \$10 million from net lottery proceeds be appropriated each year to the Tennessee Student Assistance Award program. If this bill were to become law, the appropriation of \$10 million would still need to be established each year in a separate general appropriations bill for the funding to become available to the TSAA.
- SB 2187 – Would change a terminating event for receipt of TELS from specified attempted semester hours at any postsecondary institution to receipt of the scholarship for a fixed number of full-time equivalent semesters.
- SB 2162 – Would allow a student who received a TELS award and earned associates degree to thereafter qualify for Wilder-Naifeh grant.
- SB 3666 – Allows for a reduction to the state sales tax rate on food; and further that half of any surplus of such tax revenues above budgeted estimates in any given fiscal year would be used to supplement the Tennessee Student Assistance Awards program.
- SB 3747 – Redefines residency for purposes of out-of-state tuition paid to public institutions of higher education.

If you have questions about these bills or other bills not listed, please contact Tim Phelps at tim.phelps@tn.gov or (615) 253-7441.

TSAA Grant Program Update

The Tennessee Student Assistance Corporation (TSAC) will suspend awarding for the Tennessee Student Assistance Award (TSAA) program for the 2012-13 academic year. Funds will be awarded to students who have a completion date no later than February 1, 2012.

The Governor presented his budget to the legislature on January 30th and TSAC may receive an additional \$6.6 million in funding over current year appropriations. If this funding request is approved, we will make additional awards to students with these funds. TASFAA members will be notified through the listserv if this occurs.

If you have questions about the awarding process or the TSAA program, please contact Naomi Derryberry at 615.253.7478 or naomi.derryberry@tn.gov.

TSAC Adds New Social Media

TSAC has had a website for many years. This website provides extensive information including rules for all Tennessee financial aid programs including Grants, Scholarships, and Loan Forgiveness programs. The website also provides on-line applications to programs that require an application in addition to the FAFSA. We are currently working with a talented graphic designer to provide the

TSAC website with a much needed face-lift. Please be patient with us as we work to make changes that we hope will help Tennessee students and parents. You can still find the current website at: www.TN.gov/collegepays.

In addition, we have added a new daily Twitter feed. You can “FOLLOW” us on Twitter @TNFinancialAid. We have also set up our very own Facebook page. If you have a FB account, please “LIKE” us. We are: Tennessee Student Assistance Corporation (government page). You can find links to both Twitter and Facebook on the front page of our website.



TSAC Job Opening in Compliance Division



We are looking for a Financial Aid Program Compliance Monitor (School Review Specialist). The position requirements and application information can be found at: <http://www.tn.gov/thec/Index/employment.html>

Applications are currently being accepted and will continue to be accepted until the position is filled.