

AGENDA

Tennessee Student Assistance Corporation

BOARD MEETING

Parkway Towers
18th Floor Conference Room
404 James Robertson Parkway
Nashville, Tennessee

Thursday, March 23, 2006

- I. CALL TO ORDER – 1:00 p.m.**
- II. ADOPTION OF AGENDA**
- III. ROLL CALL OF MEMBERS AND DETERMINATION OF A QUORUM**
- IV. CONSIDERATION OF THE MINUTES OF THE SEPTEMBER 19, 2005 BOARD MEETING5**
- V. CHAIRMAN’S REPORT**
- VI. EXECUTIVE DIRECTOR’S REPORT**
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X. NEW BUSINESS

XI. OLD BUSINESS

XII. ADJOURNMENT – Approximately 4:00 p.m.

Minutes
Tennessee Student Assistance Corporation (TSAC)
Board of Directors Meeting
September 19, 2005
1:30 p.m. CDT

The Board of Directors of the Tennessee Student Assistance Corporation met on Monday, September 19, in Executive Conference Room 1 at the State Capitol in Nashville, Tennessee. Dr. Claude Pressnell presided and called the meeting to order at 1:30 p.m. CDT.

The following members and alternate representatives were present:

Mr. Peter Abernathy for Commissioner David Goetz
Mr. Morgan Branch for Commissioner Lana Seivers
Ms. Nicole Brooks
Mr. Will Burns for Dr. Richard G. Rhoda
Ms. Deborah Cole
Ms. Janice Cunningham for Mr. Dale Sims
Dr. Katie High for Dr. John Petersen
Dr. Charles Manning
Mr. Jeffrey Nesin
Mr. Clay Petrey
Dr. Claude Pressnell, Jr.
Ms. Mary Kate Ridgeway
Mr. Paul Starnes
Mr. Forrest Stuart
Ms. Faye Weaver for Mr. John Morgan

Others in attendance are included as Attachment A.

Approval of Agenda

Dr. Pressnell moved to approve the agenda as presented. Mr. Jeff Nesin moved approval and Ms. Mary Kate Ridgeway seconded. The motion carried.

Approval of Minutes

Dr. Pressnell moved to adopt the minutes of June 24, 2005 and August 16, 2005. Ms. Ridgeway moved approval and Mr. Nesin seconded to adopt the minutes as presented. The motion carried.

Ms. Lora Daniels called the roll of attendees and determined a quorum was present. Dr. Pressnell asked the other attendees in the audience to introduce themselves.

Chairman's Report

Dr. Pressnell welcomed Ms. Nicole Brooks, the student board member appointed by Governor Bredesen. She will serve a one year term ending June 30, 2006. Nicole is from the University of Memphis and is an associate justice for the Student Government Association, as well as Vice President for the Black Scholars' Unlimited. She presently chairs the NAACP program and is an associate member of the Student Advocating Service. She is a recipient of the Ella Faulkner Memorial Scholarship from the Black Scholars' Unlimited Organization. The scholarship is based on academic performance as well as community services and service to the organization.

Dr. Pressnell reported that Chairman Kevin Lavender had recently established a TSAC Audit Committee and appointed its first members. The members include Deborah Cole (Chairperson), Peter Abernathy and Clay Petrey. This committee met on August 30 with the state auditors at TSAC's 2004 audit entrance conference.

Executive Director's Report

Dr. Robert Ruble stated there were several items to mention. First discussed, was the new format of the agenda. The agenda, in its entirety, will be available on TSAC's website and was e-mailed to over two hundred in the financial aid community.

TSAC is in the middle of reorganization. Five Associate Executive Directors will report directly to TSAC'S Executive Director. These positions are: Associate Executive Director for Grants and Scholarship Programs; Associate Executive Director for Loan Administration; Associate Executive Director for Business Affairs; Associate Executive Director for Compliance and Legal Affairs; and Associate Executive Director for Communication Services. Dan Lee has filled the Business Affairs position with responsibility for finance, human resources, purchasing, travel and most day-to-day support services. Jeri Fields-Rampy has filled the Communication Services position.

At the last meeting there was discussion on some 50,000 "old" loans with a status code that might not be accurate. The staff has now corrected approximately 12,000 loans in a manual process and 38,000 loans in a systematic (automated) process. Good news was reported on the subject of loans. TSAC has learned that its Cohort Default Rate for 2003 was 4.6%, down from the previous year's 5.6%. The Cohort Default Rate is the dollar value of loans in default divided by the dollar value of loans in repayment.

TSAC will host the annual TSAC Lenders Conference on Tuesday, September 27, 8:00-4:30 at the Embassy Suites in Franklin. Board members are invited. The Tennessee Association of Student Financial Aid Administrators (TASFAA) will be holding its fall conference over a three day period in Franklin at the Cool Springs Marriott, October 23-25. The opening session is on Sunday at 5:00 p.m. and Board Members are invited.

TSAC staff met with the TASFAA Advisory Committee to TSAC on September 8th regarding the new changes in the lottery scholarship program. The suggestion received from the advisory committee was that the program needed some stability, predictability, and time to build some experience. The consensus was to not make any changes for several years until the program can mature. If changes cannot be avoided, due to new legislation, seek to delay implementation until July 1 of the following calendar year.

The 2005 appropriation bill required the higher education commission to conduct a study that examines the public policy aspects of tuition and finance. A legislative tuition study committee has been created, led by THEC, with membership from the Tennessee Board of Regents, the University of Tennessee and TSAC. The first meeting was held on September 16, 2005.

TSAC was asked to attend a meeting of the fiscal review committee, held at the Legislative Plaza on September 14th, regarding a repeat audit finding concerning inaccurate loan status codes. The reasons for the repeat findings were explained to the committee. The 2005 audit is underway.

Proposed Budget Request for 2006-07

Dan Lee stated the staff has proposed improvements in four programs administered by TSAC. The summary chart on page 19 of the board agenda indicates the order of requests. Item A – Proposed TSAC Budget Requests for 2006-07. The most critical items up for review are:

1. Increase Defaulted Student Loan Purchases – increase ceiling by \$25,000,000
2. Rent Adjustment – increase to \$27,000 to be shared between the State, the Lottery programs and federal resources (\$9,000 each.)
3. Maintain TSAA Purchasing Power - \$4.3 million improvement to reflect tuition increase and the number of students.
4. Lottery Scholarship Program Outreach – improvement of \$600,000 for ongoing support for marketing and outreach. The Department of Finance and Administration made this reoccurring based on prior legislative authority.
5. Expand Lottery Scholarship support staff – increase support staff by two positions - \$96,200
6. Maintain Tennessee Teachers Scholars Program – increase award amount and number of participants - \$358,100

Dr. Pressnell asked for a motion to accept the staff recommendations as well as the ability of the Executive Director to make any technical adjustments. Mr. Nesin moved to accept the recommendations as presented. Mr. Paul Starnes seconded. The motion passed with Dr. Charles Manning voting ‘nay’ and Mr. Peter Abernathy abstaining.

Proposed Contract for Servicing Grant, Scholarship, Loan Programs and the General Ledger System

Stephanie Aylor gave an overview of the key provisions of the contract.

1. Provide an internet-based system to originate and service loans.
2. Provide an internet-based system to process TSAA, TELS and the Loan Forgiveness programs.
3. The contract allows a 90-day notice to terminate the contract.
4. The term of the contract is for five years beginning January 1, 2006 through December 31, 2010.
5. The contract is based on a fee structure. The total cost will be approximately \$48 million over the five year period.

Ms. Aylor introduced three individuals from GuaranTec: Chuck Hosea, President; Peter Bosco, Director of Operations; and Pete McArdle, Director of Accounting. She also introduced Dennis Brobric, President of R&B Solutions. Noting that at the previous board meeting, the Board had asked for performance measures to be included in the contract, GuaranTec and TSAC staff worked together to develop those performance measures and include them in the contract.

Dr. Pressnell asked for a motion to accept the staff recommendations. Ms. Deborah Cole moved and Mr. Clay Petrey seconded the motion to accept the staff recommendations on the contract.

Dr. Pressnell opened for discussion. Mr. Petrey was concerned about the difference in the contract amount, almost a 3% reduction in cost from the previous contract for the same level of service. Dr. Ruble stated the reduction in cost was due in part to the competitive bidding process, and stated that the costs in the previous contract included the development of the systems that are now in place.

Ms. Aylor stated the current single contract supported grants, scholarships, loans and the general ledger as opposed to multiple contracts. Dr. Pressnell asked how the performance measures came about. Dr. Ruble said some of the measures were already in the contract, whereas others were added due to concerns brought forth by board members in the August meeting.

Dr. Pressnell acknowledged the presence of GuaranTec staff and thanked them for their attendance.

Mr. Forrest Stuart asked about items not in the original contract. Ms. Aylor stated that a section in the contract, "Additional Work", was added, to define statutory changes, defects and maintenance. Also, communication standards were added.

Following this discussion, board members voted unanimously to accept the staff recommendations:

1. That the Tennessee Student Assistance Corporation contracts with Guarantec, LLP to service its loan, grant, and scholarship programs; and General Ledger System, as specified in Contract between the State of Tennessee, Tennessee Student Assistance corporation and Guarantec, LLP, September 2, 2005.
2. That the Tennessee Student Assistance corporation currently authorize it Executive Director to execute the contract and to make any necessary technical changes.

Nelnet Progress Report

Tom Zminkowski stated that at the end of August all but approximately \$1.7 million dollars of loans from the original \$9.9 million "Nelnet Loans" had been transferred to another guarantee agency. Some bankruptcy and default loans were subrogated to the U.S. Department of Education. The remaining \$1.7 million are essentially loans in delinquent status that have to be in default prior to transfer to another guarantee agency or the U.S. Department of Education. As of today, TSAC has about ninety loans remaining and anticipates there will be none by the end of the year.

College Goal Sunday Update

Darolyn Porter gave an update on this nation-wide program stating that TSAC and THEC had submitted a proposal and received a training grant in the amount of \$250,000 for three years to help college-bound students and families complete the Free Application for Federal Students Aid (FAFSA). The date is Sunday, February 12, 2006 for the event. We expect to have 12 locations in various areas throughout Tennessee. The projected population is first-generation, minority and low-income students.

Tennessee Education Lottery Program Status Report

Robert Biggers stated that the Tennessee Education Lottery Scholarship Program has completed its first year of awards with higher levels of student participation than have been seen in other states. The University of Tennessee, Knoxville has retained 63% of their students. For the 2004-05 fiscal year, 40,225 students received over \$93 million. As of September 1, in the 2005-06 academic year, approximately 57,000 students are eligible to receive approximately \$173 million dollars.

Tennessee Student Assistance Award Program Status Report

Naomi Derryberry stated the 2004-05 award figures are the actual year end amounts awarded and the 2005-06 awards reflect the over-commitment that was approved by the TSAC Executive Board. With fall certification just getting started we have

disbursed a little over \$5 million dollars for students attending school in Tennessee. Dr. Pressnell noted the over-commitment percentages for prior years shown on the bottom of page 20. He indicated that the Executive Board had previously approved a 130% over-commitment level for 2005-2006.

Federal Family Education Loan Program Status Report

Stephanie Aylor stated the FFELP provides three types of loans. Subsidized Stafford loans, Unsubsidized Stafford loans and PLUS loans. Loan volume data for loans guaranteed under the Federal Stafford and PLUS programs for 2004-05 and the first month of 2005-06 were reviewed. Federal subsidized loans are for students who demonstrate financial need. Repayment does not begin until six months after the student leaves school. The federal government pays the interest on the loan while the student is in school. The federal unsubsidized loans are for students who do not demonstrate sufficient financial need. The repayment does not begin until six months after the student leaves school. However, the student is responsible for the interest on the loan. Under the Federal PLUS loan program parents may borrow on behalf of their undergraduate student. There was discussion on the amount of indebtedness that students face when they leave school, and Ms. Aylor will provide more complete information at a future Board meeting.

New Business

Dr. Pressnell discussed a proposed By-Laws change. Currently the by-laws state “the Board of Directors shall meet at least once each fiscal year during the month of June, and may meet at other times as the chairman may designate.” The issue is the proximity of the June and September meetings. The desire of the staff is to consider the possibility of consolidating the two and allow the business which is now conducted in June to be conducted at the September meeting. Staff proposes amending the by-laws to state “the Board of Directors shall meet at least once each fiscal year during the month of September and may meet at other times as the chairman may designate.” A majority vote at two successive meetings is required to change the by-laws. Dr. Pressnell moved for the change in the by-laws. Ms. Faye Weaver seconded the motion.

There was some concern about when the Board would elect its new officers, if the meeting date were changed. Dr. Pressnell stated that the election could be held in September or earlier in March. The motion passed with two members abstaining; Ms. Weaver and Ms. Janice Cunningham.

Dr. Pressnell asked Dr. Ruble to assemble a small task force to review the TSAA program and make recommendations to the full board. The group would address eligibility requirements, deadline dates, and the formula used to determine award amounts.

Old Business

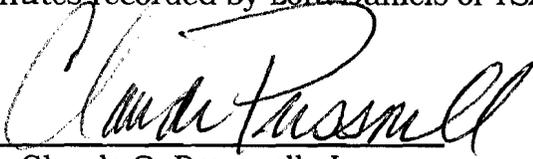
No old business.

Dr. Pressnell announced that the next Board meeting would be held on March 23, 2006. If the proposed by-law change is adopted, future board meetings will normally be held on the fourth Thursday of March and September.

Dr. Pressnell announced that following adjournment, board members were invited to join Governor Bredesen in a group photo.

Mr. Starnes moved adjournment and Mr. Petrey seconded the motion, which passed unanimously. The meeting was adjourned at 3:00 p.m.

Minutes recorded by Lora Daniels of TSAC and approved by:

A handwritten signature in cursive script, reading "Claude Pressnell", written over a horizontal line.

Dr. Claude O. Pressnell, Jr.
Secretary

TSAC BOARD MEETING ATTENDANCE LIST

| | |
|-----------------------|--|
| Mr. Peter Bosco | GuaranTec |
| Mr. Dennis Brobric | R&B Solutions |
| Mr. Chuck Hosea | GuaranTec |
| Mr. Peter McArdle | GuaranTec |
| Mr. Jim Shannon | Christian Brothers University |
| Mr. Ron Gambill | Edsouth Funding |
| Dr. Robert Ruble | Tennessee Student Assistance Corporation |
| Mr. Tom Zminkowski | Tennessee Student Assistance Corporation |
| Ms. Stephanie Aylor | Tennessee Student Assistance Corporation |
| Mr. Robert Biggers | Tennessee Student Assistance Corporation |
| Mr. Doug Cullum | Tennessee Student Assistance Corporation |
| Ms. Naomi Derryberry | Tennessee Student Assistance Corporation |
| Mr. Dan Lee | Tennessee Student Assistance Corporation |
| Ms. Darolyn Porter | Tennessee Student Assistance Corporation |
| Ms. Sue Tacker | Tennessee Student Assistance Corporation |
| Ms. Catherine Jones | Tennessee Student Assistance Corporation |
| Ms. Susan Quinnan | Tennessee Student Assistance Corporation |
| Ms. Lora Daniels | Tennessee Student Assistance Corporation |
| Ms. Jeri Fields-Rampy | Tennessee Higher Education Commission |

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 23, 2006

DECISION ITEM A: Implementation of 1% Federal Default Fee

Staff Recommendation That the Tennessee Student Assistance Corporation implements a 1% Federal Default Fee to be paid by the borrower, effective July 1, 2006.

Background Under current law, Stafford loan borrowers may be charged up to a 4% fee on each new loan. This consists of a 3% origination fee and a 1% guarantee fee. Because the fees are paid from the proceeds of the loan, for each \$100 borrowed, the student may receive as little as \$96.

The 3% origination fee is paid to the Department of Education. Often, lenders pay all or some of this fee on behalf of their borrowers. By the year 2010, the origination fee will be eliminated for all borrowers.

The 1% guarantee fee is deposited into the guarantor's agency federal fund reserve. It is an optional fee – guarantors are not required to charge it. TSAC does not now charge the 1% guarantee fee.

Effective July 1, 2006, the 1% guarantee fee will be renamed the "federal default fee," and guarantors such as TSAC will be required to deposit that amount in the agency federal fund reserve. The purpose is to ensure that the agency federal fund will have sufficient funds to cover ongoing default-related costs and default aversion activities.

The 1% federal default fee must be paid from non-federal resources, which will give TSAC two choices:

- (1) Charge the student from the proceeds of the loan, or
- (2) Pay the fee on behalf of the student from TSAC's loan program operating fund.

Cash flow analyses have been prepared to model each of these options, and are presented in the document entitled *Federal Default Fee Cash Flow Analysis*, March 23, 2006.

Supporting Document *Federal Default Fee Cash Flow Analysis, March 23, 2006.*

Federal Default Fee Cash Flow Analysis

March 23, 2006

Tennessee Student Assistance Corporation
Parkway Towers, Suite 1950
404 James Robertson Parkway
Nashville, Tennessee 37243-0820
(615) 741-1346

www.CollegePaysTN.com

Cash Flow Summaries

(extracted from attached detailed analyses)

Model 1: Student Pays the 1% Federal Default Fee

| | <u>2004-05</u> | <u>2005-06</u> | <u>2006-07</u> | <u>2007-08</u> | <u>2008-09</u> |
|--------------------|----------------|----------------|----------------|----------------|----------------|
| Federal Fund | \$15,907,000 | \$12,790,800 | \$16,767,000 | \$21,363,800 | \$26,425,400 |
| Operating Fund | 32,766,000 | 31,903,800 | 29,856,800 | 26,509,300 | 21,583,500 |
| Fed. Reserve Ratio | 0.36% | 0.27% | 0.33% | 0.39% | 0.45% |

Model 2: Operating Fund Pays the 1% Federal Default Fee

| | <u>2004-05</u> | <u>2005-06</u> | <u>2006-07</u> | <u>2007-08</u> | <u>2008-09</u> |
|--------------------|----------------|----------------|----------------|----------------|----------------|
| Federal Fund | \$15,907,000 | \$12,790,800 | \$16,767,000 | \$21,363,800 | \$26,425,400 |
| Operating Fund | 32,766,000 | 29,903,800 | 20,356,800 | 8,759,300 | (5,241,000) |
| Fed. Reserve Ratio | 0.36% | 0.27% | 0.33% | 0.39% | 0.45% |

Conclusion

The agency federal fund reserve amounts are identical in both models, and the federal “reserve ratio” of federal funds to original principal outstanding remains above the requisite 0.25% in all years. Were it not for the 1% federal default fee flowing into the federal fund, the federal reserve ratio would dip below 0.25%.

Over time, however, the operating fund declines in both models. In the second model the operating fund actually goes negative in 2008-09. That would mean the end of the program.

Because TSAC expects to serve as a loan guarantor beyond 2008-09, Model 1 is the recommended alternative.

Student Pays Federal Default Fee Projection

| Item | FEDERAL STUDENT LOAN RESERVE FD | 2005 | 2005 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-------|--|---------------|------|---------------|---------------|---------------|---------------|---------------|---------------|
| AR-15 | Opening Balance (9/30) | 20,558,245 | | 20,558,245 | 15,907,547 | 12,790,809 | 16,766,982 | 21,363,788 | 26,425,424 |
| AR-16 | Investment Income | 284,365 | | 284,365 | 292,896 | 302,415 | 313,000 | 324,737 | 337,727 |
| AR-17 | Fed. Reinsurance Payments | 85,417,904 | 0 | 85,417,904 | 100,000,000 | 111,092,800 | 121,091,152 | 131,989,356 | 143,868,398 |
| AR-18 | Collections of Defaulted Loans | | | | | | | | |
| | .Reinsurance Complement | 608,298 | | 608,298 | 669,128 | 736,041 | 809,645 | 890,609 | 979,670 |
| AR-19 | Insurance Premiums | 213 | | 213 | 2,000,000 | 7,500,000 | 8,250,000 | 9,075,000 | 9,982,500 |
| AR-20 | Other Revenues | 28,025,847 | | 28,025,847 | 30,000,000 | 30,000,000 | 32,000,000 | 34,000,000 | 36,000,000 |
| AR-21 | Claims Paid to Lenders | (85,338,624) | 0 | (85,338,624) | (104,000,000) | (113,360,000) | (123,562,400) | (134,683,016) | (146,804,487) |
| AR-22 | Recall of Federal Funds to the Restricted Account | 0 | | 0 | | | | | |
| AR-23 | Transfer to Operating Fund for Default Aversion | (1,731,473) | | (1,731,473) | (1,904,620) | (2,095,082) | (2,304,591) | (2,535,050) | (2,788,555) |
| AR-24 | Transfer to Operating Fd for Acct Maint Fee (Over Cap) | (1,743,086) | | (1,743,086) | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX |
| AR-25 | Other Expenses | (30,174,142) | | (30,174,142) | (30,174,142) | (30,200,000) | (32,000,000) | (34,000,000) | (36,000,000) |
| AR-26 | Ending Balance | 15,907,547 | 0 | 15,907,547 | 12,790,809 | 16,766,982 | 21,363,788 | 26,425,424 | 32,000,676 |
| AR-27 | Amt Transferred from FRF to Agency Operating Fund for Operating Expenses (Repayable) | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| AR-28 | Amt Rec'd from Operating Fund to Repay FRF Advance for Operating Expenses | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | | | | | | |
| | Reserve Ratio | 0.36% | | 0.36% | 0.27% | 0.33% | 0.39% | 0.45% | 0.50% |
| | Required Reserve Ratio | 0.25% | | 0.25% | 0.25% | 0.25% | 0.25% | 0.25% | 0.25% |
| | Difference (-)+ | 0.11% | | 0.11% | 0.02% | 0.08% | 0.14% | 0.20% | 0.25% |
| | Net Amount New Guarantees | (621,289,000) | | (621,289,000) | 268,863,903 | 284,783,737 | 307,566,436 | 332,171,751 | 358,745,491 |
| | Original Principal Outstanding | 4,477,731,714 | 0 | 4,477,731,714 | 4,746,395,617 | 5,031,179,354 | 5,433,673,702 | 5,868,367,598 | 6,337,837,006 |
| | | | | | | | | | |
| Item | OPERATING FUND | 2005 | 2005 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| AR-29 | Opening Balance (9/30) | 26,424,673 | | 26,424,673 | 32,766,542 | 31,903,787 | 29,856,867 | 26,509,372 | 21,583,576 |
| AR-30 | Default Aversion Fee | | | | | | | | |
| | Revenue (Xfer from FRF) | 1,731,473 | | 1,731,473 | 1,904,620 | 2,095,082 | 2,304,591 | 2,535,050 | 2,788,555 |
| AR-31 | Loan Processing/Issuance Fee Rev | 2,705,717 | | 2,705,717 | 2,868,060 | 3,040,144 | 3,283,355 | 3,546,024 | 3,829,705 |
| AR-32 | Account Maint Fee Revenue From ED | 3,358,992 | | 3,358,992 | 3,560,532 | 3,774,163 | 4,076,096 | 4,402,184 | 4,754,359 |
| AR-33 | Transferred from FRF for Account Maint Fee (Over Cap) | 1,743,086 | | 1,743,086 | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX |
| AR-34 | Collections of Defaulted Loans less Reinsurance Complement | 7,558,565 | | 7,558,565 | 8,314,422 | 9,145,864 | 10,060,450 | 11,066,495 | 12,173,145 |
| AR-35 | Investment Income | 670,539 | | 670,539 | 690,655 | 713,101 | 738,060 | 765,737 | 796,367 |
| AR-36 | Other Rev (FFEL and Non-FFEL) | 4,492,132 | | 4,492,132 | 0 | 0 | 0 | 0 | 0 |
| | Beg. Balance after Tr-In, Cash Equiv. | | | | | | | | |
| AR-37 | Collections of Defaulted Loans (Secretary's Equitable Share) | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| AR-38 | Operating Expenses | (13,810,900) | | (13,810,900) | (15,882,535) | (18,264,915) | (21,004,653) | (24,155,350) | (27,778,653) |
| AR-39 | Other Exp (FFEL and Non-FFEL) | (2,107,735) | | (2,107,735) | (2,318,509) | (2,550,359) | (2,805,395) | (3,085,935) | (3,394,528) |
| AR-40 | Ending Balance | 32,766,542 | 0 | 32,766,542 | 31,903,787 | 29,856,867 | 26,509,372 | 21,583,576 | 14,752,526 |

*Updated March 2006

Agency Operating Fund Pays Federal Default Fee Projection

| Item | FEDERAL STUDENT LOAN RESERVE FD | 2005 | 2005 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-------|--|---------------|------|---------------|---------------|---------------|---------------|---------------|---------------|
| AR-15 | Opening Balance (9/30) | 20,558,245 | | 20,558,245 | 15,907,547 | 12,790,809 | 16,766,982 | 21,363,788 | 26,425,424 |
| AR-16 | Investment Income | 284,365 | | 284,365 | 292,896 | 302,415 | 313,000 | 324,737 | 337,727 |
| AR-17 | Fed. Reinsurance Payments | 85,417,904 | 0 | 85,417,904 | 100,000,000 | 111,092,800 | 121,091,152 | 131,989,356 | 143,868,398 |
| AR-18 | Collections of Defaulted Loans | | | | | | | | |
| | -Reinsurance Complement | 608,298 | | 608,298 | 669,128 | 736,041 | 809,645 | 890,609 | 979,670 |
| AR-19 | Insurance Premiums | 213 | | 213 | 2,000,000 | 7,500,000 | 8,250,000 | 9,075,000 | 9,982,500 |
| AR-20 | Other Revenues | 28,025,847 | | 28,025,847 | 30,000,000 | 30,000,000 | 32,000,000 | 34,000,000 | 36,000,000 |
| AR-21 | Claims Paid to Lenders | (85,338,624) | 0 | (85,338,624) | (104,000,000) | (113,360,000) | (123,562,400) | (134,683,016) | (146,804,487) |
| AR-22 | Recall of Federal Funds to the Restricted Account | 0 | | 0 | | | | | |
| AR-23 | Transfer to Operating Fund for Default Aversion | (1,731,473) | | (1,731,473) | (1,904,620) | (2,095,082) | (2,304,591) | (2,535,050) | (2,788,555) |
| AR-24 | Transfer to Operating Fd for Acct Maint Fee (Over Cap) | (1,743,086) | | (1,743,086) | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX |
| AR-25 | Other Expenses | (30,174,142) | | (30,174,142) | (30,174,142) | (30,200,000) | (32,000,000) | (34,000,000) | (36,000,000) |
| AR-26 | Ending Balance | 15,907,547 | 0 | 15,907,547 | 12,790,809 | 16,766,982 | 21,363,788 | 26,425,424 | 32,000,676 |
| AR-27 | Amt Transferred from FRF to Agency Operating Fund for Operating Expenses (Repayable) | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| AR-28 | Amt Rec'd from Operating Fund to Repay FRF Advance for Operating Expenses | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| | | | | | | | | | |
| | Reserve Ratio | 0.36% | | 0.36% | 0.27% | 0.33% | 0.39% | 0.45% | 0.50% |
| | Required Reserve Ratio | 0.25% | | 0.25% | 0.25% | 0.25% | 0.25% | 0.25% | 0.25% |
| | Difference (-)+ | 0.11% | | 0.11% | 0.02% | 0.08% | 0.14% | 0.20% | 0.25% |
| | Net Amount New Guarantees | (621,269,000) | | (621,269,000) | 268,863,903 | 284,783,737 | 307,566,436 | 332,171,751 | 358,745,491 |
| | Original Principal Outstanding | 4,477,731,714 | 0 | 4,477,731,714 | 4,746,395,617 | 5,031,179,354 | 5,433,673,702 | 5,868,367,598 | 6,337,837,006 |
| | | | | | | | | | |
| Item | OPERATING FUND | 2005 | 2005 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
| AR-29 | Opening Balance (9/30) | 26,424,673 | | 26,424,673 | 32,766,542 | 29,903,787 | 20,356,868 | 8,759,371 | (5,241,424) |
| AR-30 | Default Aversion Fee Revenue (Xfer from FRF) | 1,731,473 | | 1,731,473 | 1,904,620 | 2,095,082 | 2,304,591 | 2,535,050 | 2,788,555 |
| AR-31 | Loan Processing/Issuance Fee Rev | 2,705,717 | | 2,705,717 | 2,868,060 | 3,040,144 | 3,283,355 | 3,546,024 | 3,829,705 |
| AR-32 | Account Maint Fee Revenue From ED | 3,358,992 | | 3,358,992 | 3,560,532 | 3,774,163 | 4,076,096 | 4,402,184 | 4,754,359 |
| AR-33 | Transferred from FRF for Account Maint Fee (Over Cap) | 1,743,086 | | 1,743,086 | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX | XXXXXXXX |
| AR-34 | Collections of Defaulted Loans less Reinsurance Complement | 7,558,565 | | 7,558,565 | 8,314,422 | 9,145,864 | 10,060,450 | 11,066,495 | 12,173,145 |
| AR-35 | Investment Income | 670,539 | | 670,539 | 690,655 | 713,101 | 738,060 | 765,737 | 796,367 |
| AR-36 | Other Rev (FFEL and Non-FFEL) | 4,492,132 | | 4,492,132 | 0 | 0 | 0 | 0 | 0 |
| | Beg. Balance after Tr-In, Cash Equiv. | | | | | | | | |
| AR-37 | Collections of Defaulted Loans (Secretary's Equitable Share) | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| AR-38 | Operating Expenses | (13,810,900) | | (13,810,900) | (17,882,535) | (25,764,915) | (29,254,653) | (33,230,350) | (37,761,153) |
| AR-39 | Other Exp (FFEL and Non-FFEL) | (2,107,735) | | (2,107,735) | (2,318,509) | (2,550,359) | (2,805,395) | (3,085,935) | (3,394,528) |
| AR-40 | Ending Balance | 32,766,542 | 0 | 32,766,542 | 29,903,787 | 20,356,868 | 8,759,371 | (5,241,424) | (22,054,975) |

*Updated March 2006.

** AR-38 includes the amount transferred from the Agency Operating Fund to the Federal Fund.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 23, 2006

DECISION ITEM B: Bylaws Amendment Concerning Annual Meeting Date

Staff Recommendation

That the Tennessee Student Assistance Corporation amends its bylaws to change the month of its required annual meeting from June to September.

Background

The Bylaws of the Tennessee Student Assistance Corporation currently state that “The board of directors shall meet at least once each fiscal year during the month of June, and may meet at such other times as the Chairman may designate.”

One difficulty with the June meeting date is that the Board is annually called upon to adopt a budget request in September. So, a special meeting is necessary in September, just three months after the previous (June) meeting.

By moving the date of the required annual meeting from June to September, it may be possible to avoid a special called meeting.

Amending the bylaws requires a majority vote of the Board at two successive meetings. Such a vote was held at the Board’s September 19, 2005 meeting. A similar vote at the Board’s March 23, 2006 meeting would meet this requirement and implement the bylaws change.

Supporting Document

Rules of the Tennessee Student Assistance Corporation, Chapter 1640-1-5, Bylaws of the Tennessee Student Assistance Corporation, December, 2002.

**RULES
OF
TENNESSEE STUDENT ASSISTANCE CORPORATION**

**CHAPTER 1640-1-5
BYLAWS OF THE TENNESSEE STUDENT ASSISTANCE CORPORATION**

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1640-1-5-.01 NAME. The name of the Corporation shall be the Tennessee Student Assistance Corporation.

Authority: T.C.A. §49-5004. *Administrative History:* Original rule filed January 23, 1976; effective April 15, 1976. Amendment filed June 11, 1980; effective September 29, 1980.

1640-1-5-.02 PRINCIPAL OFFICE. The principal office of the Corporation shall be maintained in Nashville-Davidson County-Tennessee.

Authority: T.C.A. §49-5004. *Administrative History:* Original rule filed January 23, 1976; effective April 15, 1976. Amendment filed June 11, 1980; effective September 29, 1980.

1640-1-5-.03 PURPOSE. The purpose of the Corporation shall be to administer State supported programs of student financial aid in conformity with Acts of the Tennessee General Assembly and applicable Federal laws and regulations and to perform such other duties as may from time to time be required by the General Assembly or the Governor of Tennessee.

Authority: T.C.A. §49-5004. *Administrative History:* Original rule filed January 23, 1976; effective April 15, 1976. Amendment filed June 11, 1980; effective September 29, 1980.

1640-1-5-.04 DIRECTORS.

- (1) The Corporation shall be governed by a board of directors as prescribed by the General Assembly.
- (2) Directors authorized to do so by the General Assembly may designate to alternate representative and delegate to the alternate full authority to vote on or participate in any corporate business. Provided, however, that no alternate may serve beyond the term of the designating director. Further provided, that any director who chooses to terminate his designation of an alternate or to designate another individual shall file notices in writing with the chairman of the board of directors, the executive director of the Corporation, and the Secretary of State, at least ten (10) days prior to the next scheduled board meeting.
- (3) Each director shall be entitled to cast one vote on any business coming before the board.
- (4) Directors shall serve without remuneration, but shall be entitled to reimbursement for expenses incurred in attending meetings of the board of directors. Expenses for attending meetings shall be paid in conformity with regulations governing travel expenses of state officials.

Authority: T.C.A. §49-5004. *Administrative History:* Original rule filed January 23, 1976; effective April 15, 1976. Amendment filed June 11, 1980; effective September 29, 1980.

1640-1-5-.05 OFFICERS.

- (1) The Corporation's officers shall consist of a Chairman, Vice-Chairman, Secretary, and Treasurer, each elected by the directors of the Corporation from among their own number.
- (2) The term of office of all officers shall be one (1) year with elections to be held at the annual meeting. Provided, however, that each officer shall serve until a successor has been duly elected. In the event of an officer's death, resignation, or cessation of membership on the board of directors before the expiration of the term for which he was elected, a special election shall be held at the next board meeting to fill the remaining portion of the unexpired term.
- (3) The Chairman shall preside at all meetings of the board of directors and shall perform such other duties as pertain to the office. The Chairman shall be an ex-officio member of all committees of the Corporation.
- (4) The Vice-Chairman shall, in the absence of the Chairman, preside at meetings of the board of directors and shall perform such other duties as may be required by the Chairman.
- (5) The Secretary shall in the absence of the Chairman and Vice-Chairman preside at meetings of the board of directors. Under the direction of the Secretary, minutes shall be kept of all meetings of the board. Copies of the minutes of each meeting shall be mailed at the direction of the Secretary to the other members of the board promptly after such meeting is held, and the minutes shall be read (unless such reading is waived on motion) and approved at the next succeeding meeting of the board of directors as one of the first items of business.
- (6) The board of directors may employ an Executive Director who shall represent the Corporation between board meetings and shall conduct the business of the Corporation in conformity with the Bylaws and the Rules and Regulations established by the board of directors and by applicable Federal and State laws and regulations. The Executive Director shall hire, supervise, and dismiss such other personnel as may be employed by the Corporation, in conformity with the regulations, policies, and procedures of the Tennessee Department of Personnel and budgetary policies of the Tennessee Department of Finance and Administration. The Executive Director is authorized to approve the disbursement of funds for administrative purposes and for program operations. The Executive Director shall endorse all student loan notes insured by the Corporation and is authorized to execute contracts on behalf of the Corporation. The disbursement and contracting functions shall be exercised in conformity with policies and procedures of the Tennessee Department of General Services, the Tennessee Department of Finance and Administration, and applicable acts of the General Assembly. The Executive Director shall be the Corporation's registered agent pursuant to the Tennessee General Corporation Act and shall be so designated and registered with the Secretary of State. The Executive Director shall prepare an annual report of the activities and finances of the Corporation and shall distribute same to members of the board of directors, lenders participating in the programs of the Corporation, and other persons expressing an interest in the Corporation.

Authority: T.C.A. §49-5004. **Administrative History:** Original rule filed January 23, 1976; effective April 15, 1976. Amendment filed June 11, 1980; effective September 29, 1980.

1640-1-5-.06 MEETINGS.

- (1) The board of directors shall meet at least once each fiscal year during the month of June, and may meet at such other times as the Chairman may designate. Notice of meetings shall be in writing and mailed to each member at least ten (10) days prior to the meeting and shall state the date, time, place and subject matter of the meeting.

(Rule 1640-1-5-.06, continued)

- (2) An agendum for each meeting of the board of directors shall be prepared by the Executive Director with the approval of the Chairman setting forth in outline, each matter of business to be conducted at the meeting. Such agendum shall be mailed to the directors at least ten (10) days before each meeting. Matters not on the agendum can be considered if approved by two-thirds vote of those present.
- (3) The Secretary may call a meeting, if said Secretary receives the request in writing of at least three (3) directors to call such meeting on at least five (5) days written notice setting forth the time, place, and purpose of the meeting.
- (4) A quorum of the board of directors shall consist of six (6) members. All action of the board shall be by vote of the majority of those members present and voting. No proxies or mail absentee voting shall be permitted.

Authority: T.C.A. §49-5004. **Administrative History:** Original rule filed January 23, 1976; effective April 15, 1976. Amendment filed June 11, 1980; effective September 29, 1980.

1640-1-5-.07 COMMITTEES. There may be committees of the board appointed by the Chairman from among its members. Such committees shall make recommendations to the board of directors but shall have no power to act upon its behalf.

Authority: T.C.A. §49-5004. **Administrative History:** Original rule filed January 23, 1976; effective April 15, 1976. Amendment filed June 11, 1980; effective September 29, 1980.

1640-1-5-.08 PARLIMENTARY AUTHORITY. The rules contained in the most recent edition of Robert's Rules of Order shall govern the activities of the board of directors in all cases to which they are applicable and in which they are not inconsistent with these Bylaws, applicable Acts of the Tennessee General Assembly, and any special rules of order the board may choose to adopt.

Authority: T.C.A. §49-5004. **Administrative History:** Original rule filed January 23, 1976; effective April 15, 1976. Amendment filed June 11, 1980; effective September 29, 1980.

1640-1-5-.09 AMENDMENT OF BYLAWS. These Bylaws may be amended when a majority of the board of directors has voted for any proposed changes, additions, or deletions at two successive meetings.

Authority: T.C.A. §49-5004. **Administrative History:** Original rule filed January 23, 1976; effective April 15, 1976. Amendment filed June 11, 1980; effective September 29, 1980.

1640-1-5-.10 REPEALED.

Authority: T.C.A. §49-5004. **Administrative History:** Original rule filed January 23, 1976; effective April 15, 1976. Repealed: filed June 11, 1980; effective September 29, 1980.

1640-1-5-.11 REPEALED.

Authority: T.C.A. §49-5004. **Administrative History:** Original rule filed January 23, 1976; effective April 15, 1976. Amendment filed June 11, 1980; effective September 29, 1980.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 23, 2006

DECISION ITEM C: Audit Committee Charter

Staff Recommendation That the Tennessee Student Assistance Corporation approves the Audit Committee Charter for submission to the Comptroller of the Treasury, Division of State Audit.

Background The Tennessee Student Assistance Corporation Audit Committee was organized in response to *Tennessee Code Annotated* Section 4-35-101 “State of Tennessee Audit Committee Act of 2005.” *Tennessee Code Annotated* Section 4-35-103 requires the Audit Committee to establish and submit a charter to the Comptroller of the Treasury.

The attached document includes the recommended Audit Committee Charter to be submitted to the Comptroller of the Treasury.

Supporting Document *Tennessee Student Assistance Corporation Audit Committee Charter, March 24, 2006.*

Tennessee Student Assistance Corporation Audit Committee Charter

March 23, 2006

Tennessee Student Assistance Corporation
Parkway Towers, Suite 1950
404 James Robertson Parkway
Nashville, Tennessee 37243-0820
(615) 741-1346

www.CollegePaysTN.com

Tennessee Student Assistance Corporation
Board of Directors
Audit Committee Charter

PURPOSE

The audit committee of the Board of Directors will assist the Board in fulfilling its oversight responsibilities for the following activities.

- The integrity of the Tennessee Student Assistance Corporation (TSAC) annual financial statements
- TSAC's compliance with legal and regulatory requirements
- Oversight and direction of the internal auditing function, any external auditors whom the committee may employ, and engagements with the Federal and State auditors
- Oversight of TSAC's internal control structure and management practices
- Other duties as directed by the Board

AUTHORITY

The audit committee has authority to conduct or authorize investigations into any matter within its scope of responsibility. The committee is empowered to:

- Seek any information it requires from employees – all of whom are directed to cooperate with the committee's requests – or external parties
- Meet with TSAC officials, external and internal auditors, legal counsel, and others as necessary
- Delegate authority to subcommittees, providing that such decisions are presented to the full committee at its next scheduled meeting

MEMBERSHIP

The audit committee and its chair shall be appointed by the Chair of the TSAC Board of Directors and shall consist of at least three members who are generally knowledgeable in financial, management, and auditing matters. At least one member shall have accounting and financial management expertise. Each member shall be free of any relationship that would interfere with his or her exercise of independent judgment.

EDUCATION

TSAC senior management and director of internal audit are responsible for providing the committee with educational resources related to accounting principles, internal controls,

applicable policies, and other information that may be requested by the committee to maintain appropriate financial and compliance literacy.

MEETINGS

The committee shall meet at least two times a year or more frequently, as circumstances require. The chairman or any two committee members may call a meeting. The committee will invite members of management, auditors, or others to attend and provide pertinent information. Members may also meet individually with management and internal and external auditors. Meeting agendas will be provided to members in advance, along with appropriate briefing materials. TSAC's director of internal audit will provide staff support for the committee, and will prepare the necessary meeting agendas and minutes.

RESPONSIBILITIES

The audit committee will carry out the following responsibilities.

Financial Statements

- Review with the State auditors the scope and results of their examination of TSAC's annual financial statements and any other matter related to the conduct of the audit, which should be communicated to the committee
- Review with the Federal auditors the scope and results of their examination of TSAC
- Review with management and general counsel any legal matters (including pending litigation) that may have a material impact on TSAC's financial statements, and any material reports or inquiries from regulatory or governmental agencies
- Resolve any differences between management and the Federal and State auditors regarding financial reporting

Internal Control

- Consider the effectiveness of TSAC's internal control system, including information technology security and control
- Understand the scope of internal and external auditors' review of internal control over financial reporting
- Review management's risk assessment and internal control documentation

Internal Audit

- Ensure that the director of internal audit has direct and unrestricted access to the chairman and other committee members

- Review the director of internal audit's administrative reporting relationship to assure that independence is fostered, and that adequate resources are provided to enable the director to effectively perform his/her responsibilities
- Review and approve the appointment, reassignment, or dismissal of the director of internal audit
- Review and approve the charter for Internal Audit
- Review the annual audit plan and results of the year's work with the director of internal audit. Changes to the plan, including management requests for unplanned assignments, should also be reviewed
- Receive and review reports and other work prepared by the director of internal audit

External Auditors

- Review the external auditors' proposed audit scope and approach
- Present the external auditors' conclusions to the full Board
- Meet regularly with the external auditors to discuss any matters that the committee or auditors deem appropriate

Communications and Reporting

- Provide an open avenue of communications among the State auditor, TSAC director of internal audit, senior management, and the Board
- Report regularly to the Board about committee activities and issues that arise with such recommendations, as the committee deems appropriate
- Review and assess the adequacy of the committee's charter annually, requesting Board approval for proposed changes

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 23, 2006

DECISION ITEM D: TSAC Policy on Discrimination and Harassment

Staff Recommendation That the Tennessee Student Assistance Corporation approves the policy described in the document entitled *Tennessee Student Assistance Corporation Internal Policy Concerning Investigation of Allegations of Illegal Discrimination and Harassment*, March 3, 2006.

Background The Department of Personnel has requested that all Executive branch departments, agencies, boards and commissions and any other divisions of the Executive branch develop an internal policy establishing the process by which it will investigate allegations of illegal discrimination and harassment. TSAC staff have drafted a policy which appoints the TSAC Internal Auditor as the chief investigator of discrimination and harassment complaints and adopts the Department of Personnel's Policy Statement on Workplace Harassment and Intake/Referral Form for purposes of investigations.

Supporting Document *Tennessee Student Assistance Corporation Internal Policy Concerning Investigation of Allegations of Illegal Discrimination and Harassment*, March 3, 2006.

Tennessee Student Assistance Corporation
Internal Policy Concerning Investigation of Allegations of
Illegal Discrimination and Harassment

March 3, 2006

Tennessee Student Assistance Corporation
Parkway Towers, Suite 1950
404 James Robertson Parkway
Nashville, Tennessee 37243-0820
(615) 741-1346

www.CollegePaysTN.com

Tennessee Student Assistance Corporation Internal Policy Concerning Investigation of Allegations of Illegal Discrimination and Harassment

It is the State's policy to investigate promptly allegations of illegal discrimination and harassment as defined by the State's Policy Statement on Workplace Harassment. (Copy of policy attached.) It is also the State's policy to ensure that these investigations are conducted in an impartial and appropriate manner.

Therefore, the Tennessee Student Assistance Corporation (TSAC) adopts this internal policy for investigation of allegations of illegal discrimination and harassment.

1. Complaints shall be presented to the Internal Auditor, who is primarily responsible for the investigation of such complaints.
2. When a complaint is filed against the TSAC Internal Auditor, the Executive Director shall appoint an alternate staff member to investigate the complaint.
3. The results of such investigations will be reported to the Executive Director or designee and the department Legal Counsel or designee.
4. When such complaints are filed, an acknowledgement memo including the following language regarding confidentiality will be sent to the complainant:

To the extent permitted by law, the State will try to maintain the confidentiality of each party involved in a workplace harassment investigation, complaint, or charge, provided it does not interfere with the department's ability to investigate the allegations or take corrective action. However, state law may prevent the state from maintaining total confidentiality of investigations. Therefore, the State does not guarantee confidentiality.

The memo will also inform the complainant of the State's policy concerning retaliation.

5. During such investigations, the accused and all witnesses will be provided an informational memo including the State's policy concerning confidentiality (as discussed in Section 4) and retaliation.
6. The investigator will communicate information concerning the allegations only to those to whom the investigator is authorized to report such matters.
7. The standardized intake/referral form provided by the Department of Personnel (copy attached) will be completed for every allegation of illegal discrimination and harassment. Upon completion of the intake/referral form, a

determination will be made by the Executive Director, the Legal Counsel and the Internal Auditor (or alternate) as to what extent further investigation should be made. The investigator will create an investigative memorandum using a standardized format (copy attached) for every complaint of illegal discrimination and harassment.

8. If it is determined that the allegations made in the complaint do not come within the range of conduct that constitutes workplace harassment, a formal investigation will not be conducted and the complainant will be informed by memorandum and further information will be requested that may change the determination of the Executive Director, the Legal Counsel and the Internal Auditor (or alternate). TSAC may pursue other means to resolve the complaint.
9. A letter will be sent to the accuser and the accused once the investigation is concluded. The letter will notify the recipients about the outcome of the investigation. The notification will be in general terms unless more specific information is appropriate under the circumstances.
10. In cases that result in discipline, records of the disciplinary action(s) taken will be maintained in the disciplined employee's personnel file as required by Department of Personnel rules.
11. Documents generated by such investigations and any subsequent disciplinary action will be preserved pending the adopting of a uniform rule concerning the disposition of such records.

POLICY STATEMENT ON WORKPLACE HARASSMENT¹

The State of Tennessee is firmly committed to the principle of fair and equal employment opportunities for its citizens and strives to protect the rights and opportunities of all people to seek, obtain, and hold employment without being subjected to illegal harassment in the workplace. It is the State's policy to provide an environment free of harassment of an individual because of that person's race, color, national origin, age (over 40), sex, pregnancy, religion, creed, disability, veteran's status or any other category protected by state and/or federal civil rights laws.

In the absence of an agency-specific policy, employees or applicants for employment who believe they have been harassed on any of these bases should lodge a complaint using the procedures set forth in this policy.

DEFINITIONS OF HARASSMENT IN THE WORKPLACE

A. Workplace Harassment

Any unwelcome verbal, written, or physical conduct that either degrades or shows hostility or aversion towards a person because of that person's race, color, national origin, age (over 40), sex, pregnancy, religion, creed, disability, or veteran's status that (1) has the purpose or effect of creating an intimidating, hostile, or offensive work environment; (2) has the purpose or effect of unreasonably interfering with an employee's work performance; or (3) affects an employee's employment opportunities or compensation.

To aid employees in identifying prohibited behavior, the following specific examples of workplace harassment are provided. These examples are not exhaustive; they illustrate, however, the types of conduct that violate this policy:

- Unwelcome touching or near-touching, which can encompass leaning over, cornering, hugging, or pinching; sexual innuendos, teasing and other sexual talk such as jokes, personal inquiries, persistent unwanted courting and sexist put-downs;
- Slurs and jokes about a class of persons, such as persons who are disabled or a racial group;
- Distributing via e-mail epithets, slurs, jokes or remarks that are derogatory or demeaning to a class of persons or a particular person or that promote stereotypes of a class of persons;

¹ While the State of Tennessee is committed to the principles embodied in this policy, the policy itself is not intended to state contractual terms and does not constitute a contract between the State and its employees, applicants for employment, or parties who do business with the State. This policy supersedes all policies that conflict with the terms of this policy.

Furthermore, this Statement constitutes ONLY the policy of the State of Tennessee. A finding of a violation of this policy does not mean that the conduct violates state and/or federal laws.

- Display of explicit or offensive calendars, posters, pictures, drawings or cartoons that are sexually suggestive or that reflect disparagingly upon a class of persons or a particular person;
- Derogatory remarks about a person's national origin, race, language, or accent.

B. Hostile environment

Hostile environment harassment occurs when a victim is subjected to unwelcome and severe or pervasive comments based on race, color, national origin, age (over 40), sex, pregnancy, religion, creed, disability, veteran's status or any other category protected by civil rights laws. A hostile work environment may also be created by innuendoes, touching, or other conduct that creates an intimidating or offensive workplace.

C. Sexual Harassment

Any unwelcome sexual advance, request for sexual favors, or verbal, written, or physical conduct of a sexual nature by a manager, supervisor, co-worker, or non-employee (third party). There are two types of illegal sexual harassment. Managerial harassment occurs when a manager or a supervisor gives or withholds a work-related benefit in exchange for sexual favors from the victim or takes an adverse action against an employee for refusing a request for sexual favors. In some circumstances, threatening to take such actions may also be a violation of this policy. Certain actions may also create a hostile work environment. (See the definition for "hostile work environment" above.)

D. Retaliation

Retaliation is overt or covert acts of reprisal, interference, restraint, penalty, discrimination, intimidation, or harassment against an individual or individuals exercising rights under this policy.

E. Third Parties

Third parties are individuals who are not state employees but who have business interactions with state employees. Such individuals include, but are not limited to, customers, such as applicants for state employment or services, vendors, contractors, or volunteers.

CONDUCT PROHIBITED BY THE STATE OF TENNESSEE

The State of Tennessee strictly forbids and will not tolerate harassment of any employee, applicant for employment, or third party on the basis of an individual's race, color, national origin, age (over 40), sex, pregnancy, religion, creed, disability, or veteran's status. The fact that an alleged offender meant no harm or was teasing will not excuse conduct that violates this policy.

The State of Tennessee strictly forbids and will not tolerate any form of retaliation directed against an employee, applicant for employment, or third party who either complains about harassment or who participates in any investigation concerning harassment.

HOW TO REPORT HARASSMENT INCIDENTS

If an employee, applicant for employment, or third party believes he/she has been subjected to harassing conduct that violates this policy, he/she must report those incidents as soon as possible after the event occurs.

Employees and applicants for employment may file a complaint with their department's personnel director, the department head, their supervisor(s), or any individual designated by the department to receive such reports. Under no circumstances is the individual alleging workplace harassment required to file a complaint with the alleged harasser. If an employee or applicant believes he/she cannot file a complaint within his/her agency, that person should contact the Department of Personnel, EEO/AA Division or Employee Relations Division (615-741-2958).

Individuals who wish to file a complaint are encouraged to submit the complaint in writing and to include a description of the incident(s) as well as the date(s), time(s), place(s) and any witnesses.

If a complaint involves an executive director, assistant commissioner, deputy commissioner, or the commissioner, an employee or applicant for employment may file the complaint directly with the Department of Personnel, EEO/AA Division.

HOW TO REPORT RETALIATION INCIDENTS

If an employee, applicant for employment, or third party believes he/she has been subjected to retaliation for engaging in protected conduct under this policy, he/she must report those incidents as soon as possible after the event occurs.

Any employee, applicant for employment, or third party who makes complaints of workplace harassment or provides information related to such complaints will be protected against retaliation. If retaliation occurs, the employee, applicant for employment, or third party should report the retaliation in the same manner as he/she would report a workplace harassment complaint.

HOW COMPLAINTS ARE INVESTIGATED AND RESOLVED

The department will conduct a thorough and neutral investigation of all reported complaints of workplace harassment or retaliation as soon as practicable. Generally, an investigation will include an interview with the complainant to determine if the conduct in issue violates this policy. If the department determines that the conduct falls within the terms of this policy, the department will interview the alleged offender and any other witnesses who have direct knowledge of the circumstances of the allegations.

The department retains the sole discretion to determine whether a violation of this policy has occurred and to determine what level, if any, of disciplinary action is warranted.

If a complaint involves an executive director, assistant commissioner, deputy commissioner, or the commissioner, the Department of Personnel, EEO/AA Division will investigate the complaint on behalf of the department and report the results to the appropriate agency or authority.

HOW CONFIDENTIALITY IS TREATED

To the extent permitted by law, the State will try to maintain the confidentiality of each party involved in a workplace harassment investigation, complaint or charge, provided it does not interfere with the department's ability to investigate the allegations or to take corrective action. However, the State cannot guarantee confidentiality. Any documents that are made or received in the course of the investigation are public records under the State's Public Records Act, unless otherwise exempted by state law. Unless such an exemption applies, state law will prevent the State from maintaining confidentiality of investigative records.

DIRECTIVE TO SUPERVISORY PERSONNEL

Supervisory personnel who receive a complaint alleging workplace harassment or learn by any means of conduct that may violate this policy must immediately report any such event to the department's personnel director, EEO/AA officer or to the person designated by the agency to receive the information.

CORRECTIVE ACTION FOR VIOLATION OF THIS POLICY

Any employee who engages in conduct that violates this policy or who encourages such conduct by others will be subject to corrective action. Such corrective action includes, but is not limited to, mandatory participation in counseling, training, disciplinary action, up to and including termination, and/or changes in job duties or location.

Supervisory personnel who allow workplace harassment or retaliation to continue or fail to take appropriate action upon learning of such conduct will be subject to corrective action. Such corrective action includes, but is not limited to, mandatory participation in counseling, training, disciplinary action, up to and including termination, and/or changes in job duties or location.

INTAKE/REFERRAL FORM

STATEMENT CONCERNING CONFIDENTIALITY

Pursuant to Tennessee Code Annotated § 10-7-502(a), “all state . . . records . . . shall at all times, during business hours, be open for personal inspection by any citizen of Tennessee, and those in charge of such records shall not refuse such right of inspection to any citizen, unless otherwise provided by state law.” Accordingly, the State cannot and does not guarantee the confidentiality of this document or any notes, files, reports, or other documents, whether created by the State or received from the complainant, accused, or witnesses.

NAME OF COMPLAINANT OR PERSON REPORTING EVENT:

TELEPHONE NUMBERS OF COMPLAINANT OR PERSON REPORTING EVENT:

WORK: _____

HOME: _____

IS YOUR HOME TELEPHONE NUMBER UNLISTED?

YES _____ NO _____

MOBILE: _____

NAME OF AGENCY AND DIVISION INVOLVED:

NAME OF PERSON(S) WHO ALLEGEDLY DISCRIMINATED AGAINST YOU OR HARASSED YOU?

WERE THERE OTHER EMPLOYEES WHO WERE TREATED BETTER IN SIMILAR CIRCUMSTANCES? PLEASE CHECK ONE:

YES _____ NO _____

IF YOU ANSWERED YES TO THE PREVIOUS QUESTION, PLEASE PROVIDE THE NAMES OF THE EMPLOYEES WHO WERE TREATED BETTER AND DESCRIBE HOW THEY WERE TREATED BETTER:

PLEASE LIST BELOW ANY PERSONS (WITNESSES, FELLOW EMPLOYEES, SUPERVISORS, OTHERS) WHO MAY HAVE ADDITIONAL INFORMATION TO SUPPORT OR CLARIFY THIS COMPLAINT. EXPLAIN WHAT INFORMATION EACH CAN PROVIDE.

WHAT EXPLANATION DO YOU THINK THE AGENCY OR ACCUSED WILL GIVE AS TO WHY YOU WERE TREATED IN THIS MANNER?

PLEASE IDENTIFY ANY OTHER INFORMATION (INCLUDING DOCUMENTARY EVIDENCE SUCH AS DIARIES, JOURNALS, RECORDINGS, EMAILS, VOICEMAILS, CORRESPONDENCE, ETC.) THAT YOU THINK IS RELEVANT TO THIS MATTER.

WHAT DO YOU WANT TO HAPPEN AS A RESULT OF THIS COMPLAINT?

IF YOU HAVE TOLD ANYONE ELSE ABOUT THIS MATTER, PLEASE LIST THE NAME(S) AND RELATIONSHIP(S) (CO-WORKER, FAMILY MEMBER, ETC.)

SIGNATURE OF COMPLAINANT:

DATE: _____

IF COMPLETED BY SUPERVISOR OR AGENT OF STATE AS A RESULT OF INTERVIEWING A COMPLAINANT, PLEASE PROVIDE THE FOLLOWING INFORMATION:

PRINTED NAME: _____

SIGNATURE: _____

TITLE: _____

AGENCY AND/OR DIVISION: _____

WORK TELEPHONE NUMBER: _____

DATE COMPLAINT RECEIVED: _____

DATE FORM COMPLETED: _____

REASON FOR DELAY, IF ANY, BETWEEN THE DATE THE COMPLAINT WAS RECEIVED AND THE DATE THE FORM WAS COMPLETED:

NAME AND TITLE OF PERSON TO WHOM THE FORM WAS FORWARDED FOR ACTION: _____

DATE ON WHICH THE FORM WAS FORWARDED:

INVESTIGATION MEMORANDUM FORMAT

- 1. Complainant's name, job title, agency, location**
- 2. Initiation of investigation:**
 - a. Persons involved in conducting investigation
 - b. Date complaint received by agency
 - c. Person in agency who initially received complaint
 - d. Date investigation began and, if applicable, reason for any delay
- 3. Description of complaint**
 - a. General nature of events giving rise to complaint, including dates of alleged events
 - b. Person(s) accused of inappropriate behavior and organizational relationship to complainant
- 4. Statements and evidence gathered in the investigation**
 - a. Complainant
 - i. Specific allegation(s). If more than one allegation, list each separately
 - ii. Additional witnesses named by complainant
 - iii. Resolution desired by complainant
 - b. Person accused of inappropriate behavior. If more than one, list each separately
 - i. Specific response(s) to allegation(s). If more than one, list each separately
 - ii. Additional witnesses named by accused
 - c. Witnesses interviewed
 - i. Name and job title. If more than one, list each separately
 - ii. Evidence about specific allegations (noting firsthand knowledge v. secondhand knowledge)
 - iii. Additional witnesses, if any
- 5. Summary of evidence**
 - a. Corroboration of specific allegations
 - b. Non-corroboration of specific allegations
 - c. Other pertinent information
- 6. Conclusions concerning violation of policy. INCLUDE ONLY AT THE DIRECTION OF THE AGENCY.**
- 7. Appendices**
 - a. List of potential witnesses not interviewed and reason
 - b. List of attachments (documentary evidence)

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 23, 2006

DECISION ITEM E: TSAA Over-commitment Ratio

Staff Recommendation That the Tennessee Student Assistance Corporation adopts a 140% over-commitment ratio for the 2006-07 Tennessee Student Assistance Award (TSAA) program.

Background In order to fully expend available TSAA resources, it is necessary to offer more aid to students than is available to be spent. This reflects the fact that some students who are offered aid will not accept it. The practice is analogous to overbooking in the airline and hotel industries.

Based on the cash flow analysis on the following page, TSAC staff recommend a 140% over-commitment ratio for 2006-07.

\$41,058,500 is expected to be available to spend. TSAC will attempt to spend \$41,000,000 of that amount. In order to spend \$41,000,000, 140% of that amount will be offered to students, or \$57,400,000.

If TSAC offers \$57,400,000 and spends \$41,000,000 of that amount, the utilization rate is 71.4%. Over the last six years, actual utilization rates have ranged from 57.2% to 71.1%, so it is unlikely that utilization will exceed 71.4%.

If the unexpected happens, and utilization does exceed 71.4%, then additional resources will be needed. Those additional resources would be obtained from the Tennessee Student Loan Program (TSLP) Reserve, the account into which year-end TSAA balances are deposited and from which year-end TSAA shortfalls may be funded. The TSLP Reserve is projected to have a June 30, 2006 year-end balance of approximately \$10.8 million.

Supporting Document *Tennessee Student Assistance Award Program History and 2006-07 Projections, March 8, 2006.*

Tennessee Student Assistance Award Program History and 2006-07 Projections March 8, 2006

| | <u>2000-01</u> | <u>2001-02</u> | <u>2002-03</u> | <u>2003-04</u> | <u>2004-05</u> | <u>2005-06</u> | <u>2006-07</u> |
|---|----------------|----------------|----------------|----------------|----------------|-------------------|-----------------|
| Last Date for Award Eligibility | | | | | | | |
| TSAA | June 19 | June 15 | June 14 | April 23 | March 22 | March 15 | |
| Atchley Opportunity Grant | June 19 | June 15 | May 13 | March 1 | March 5 | March 15 | |
| Funding: | | | | | | | |
| State | \$ 29,771,900 | \$ 38,465,400 | \$ 45,429,200 | \$ 41,208,500 | \$ 41,208,500 | \$ 41,208,500 | \$ 41,208,500 |
| Federal (LEAP) | 498,489 | 490,338 | 488,735 | 540,833 | 523,867 | 486,843 | - est |
| Federal (SLEAP) | 186,277 | 508,787 | 1,242,817 | 1,787,266 | 802,160 | 808,011 | - est |
| Sub Total | 30,456,666 | 39,464,525 | 47,160,752 | 43,536,599 | 42,534,527 | 42,503,354 | 41,208,500 |
| Less Dependent Children | (50,000) | (50,000) | (56,019) | (70,000) | (94,885) | (125,000) | (150,000) |
| Available Funds for TSAA | \$ 30,406,666 | \$ 39,414,525 | \$ 47,104,733 | \$ 43,466,599 | \$ 42,439,642 | \$ 42,378,354 | \$ 41,058,500 |
| Students Offered Aid | 29,477 | 36,460 | 42,018 | 31,923 | 30,103 | 24,286 | |
| Students Received Aid | 22,537 | 25,893 | 28,657 | 23,303 | 22,917 | 19,500 (2) | |
| Received / Offered | 76.5% | 71.0% | 68.2% | 73.0% | 76.1% | 80.3% | |
| Awards Committed | \$ 42,599,494 | \$ 58,630,039 | \$ 79,967,161 | \$ 61,790,447 | \$ 61,418,748 | \$ 54,886,337 | \$ 57,400,000 |
| Actual Expenditures | \$ 29,303,545 | \$ 37,320,053 | \$ 45,710,007 | \$ 41,833,378 | \$ 42,645,415 | \$ 39,000,000 (3) | \$ 41,000,000 |
| Expenditures / Committed | 68.8% | 63.7% | 57.2% | 67.7% | 69.4% | 71.1% | 71.4% |
| Year-End Balance | 1,103,121 | 2,094,472 | 1,394,726 | 1,633,221 | (205,773) | 3,378,354 | 58,500 |
| % Over-commitment | 140.1% | 148.8% | 169.8% | 142.2% | 144.7% | 129.5% | 140.0% |
| % Available Funds Spent | 96.4% | 94.7% | 97.0% | 96.2% | 100.5% | 92.0% | 99.9% |
| Average Offer Amount | 1,445 | 1,608 | 1,903 | 1,936 | 2,040 | 2,260 | |
| Average Expenditure Amount | 1,300 | 1,441 | 1,595 | 1,795 | 1,861 | 2,000 | |
| Effect on TSLP Reserve | | | | | | | |
| Beginning Balance July 1 | \$ 5,048,700 | \$ 6,550,535 | \$ 6,940,799 | \$ 7,255,577 | \$ 9,225,574 | \$ 8,676,184 | \$ 10,869,538 |
| Interest Earned/F&A year-end adjustment | 291,600 | 51,264 | 68,216 | 144,897 | 144,483 | 180,000 est | 185,000 est |
| Year-end Amount from Program (above) | 1,103,121 | 2,094,472 | 1,394,726 | 1,633,221 | (205,773) | 3,378,354 | 58,500 est |
| Prior Year Collections | 107,114 | 169,500 | 98,281 | 191,879 | 134,212 | 135,000 est | 125,000 est |
| Reversion-TSAA (1) | - | (1,924,972) | (1,246,445) | - | (622,312) | (1,500,000) | (1,500,000) est |
| Ending Balance June 30 | \$ 6,550,535 | \$ 6,940,799 | \$ 7,255,577 | \$ 9,225,574 | \$ 8,676,184 | \$ 10,869,538 | \$ 9,738,038 |
| Memo: Annual Financial Report Amount | \$ 6,550,535 | \$ 6,940,799 | \$ 7,255,577 | \$ 9,225,574 | \$ 8,676,184 | | |

(1) In 2004-05 an additional \$615,500 was reverted from administrative funds, bringing the total 2004-05 reversion to \$1.2 million
(2) Actual 19,709 on March 1, 2006. Estimate 19,500 at year-end.
(3) Actual \$39,804,690 on March 1, 2006. Estimate \$39,000,000 at year-end.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 24, 2006

DISCUSSION ITEM A: Report from the Audit Committee

Staff Recommendation For discussion only.

Background The financial statements of the Tennessee Student Assistance Corporation were audited by the Comptroller of the Treasury, Division of State Audit for the fiscal year ended June 30, 2005. The Audit Committee was present at the audit exit conference where the state auditors discussed the audit conclusions with the TSAC staff. The audit report was prepared by the Financial and Compliance Section and did not contain any audit findings.

As of March 1, 2006, the audit report has not been released to the general public. Copies will be forwarded to all of the Board members when the printed audit report is released.

Federal Auditors from the U. S. Department of Education will be conducting an audit of the Tennessee Student Assistance Corporation June 12, 2006 through June 23, 2006.

Supporting Document None.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 23, 2006

DISCUSSION ITEM B: GuaranTec: Corporate Mission, Goals, and Plans

Staff Recommendation For discussion only.

Background The State of Tennessee contracts with GuaranTec, LLP to service its loan, grant and scholarship programs; and General Ledger System. GuaranTec is the loan guarantee services division of Nelnet, Inc. The current contract was approved by TSAC's Board of Directors on September 19, 2005, and is for the five year term commencing January 1, 2006.

GuaranTec's Executive Director, Rebecca (Becky) Stilling, will address TSAC's board to describe her goals and plans for GuaranTec.

Supporting Document None.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 23, 2006

DISCUSSION ITEM C: Tennessee Student Assistance Award Program Taskforce Progress Report

Staff Recommendation For discussion only.

Background The Tennessee Student Assistance Award (“TSAA”) Program is Tennessee’s primary need-based grant program. Available TSAA resources for 2005-06 total about \$42.4 million.

The state appropriation for this program has remained constant over the last three years, even though rising tuition/fee levels have created additional need. As a result, fewer and fewer students have been served.

At the Board’s September 19, 2005 meeting, the Chair asked that a small taskforce be assembled to review the TSAA program and to make recommendations to the full board. The group was asked to address eligibility requirements, application deadline dates, and the formula used to determine award amounts. The purpose was to determine if, in an environment of limited resources, existing resources could be better-targeted.

The taskforce has met on several occasions, and will continue to meet in the future. A progress report will be presented at today’s meeting, and a final report will be provided at a future meeting.

Supporting Document *Tennessee Student Assistance Award Program Taskforce Progress Report, March 23, 2006.*

Tennessee Student Assistance Award Program

Taskforce Progress Report

March 23, 2006

Tennessee Student Assistance Corporation
Parkway Towers, Suite 1950
404 James Robertson Parkway
Nashville, Tennessee 37243-0820
(615) 741-1346

www.CollegePaysTN.com

Tennessee Student Assistance Award Program Taskforce Progress Report

March 23, 2006

Charge The TSAA Program Taskforce has been asked to review TSAA program eligibility requirements, application deadline dates, and the formula used to determine award amounts; and to recommended changes.

Members

Russ Deaton - Tennessee Higher Education Commission
Financial Analyst

Naomi Derryberry - Tennessee Student Assistance Corporation
Current Director of TSAA Program

William Doyle - Vanderbilt University - Peabody College
Public Policy Researcher

Jeff Gerkin - The University of Tennessee
Financial Aid Director

Gregory Schutz - Tennessee Board of Regents
Institutional Researcher

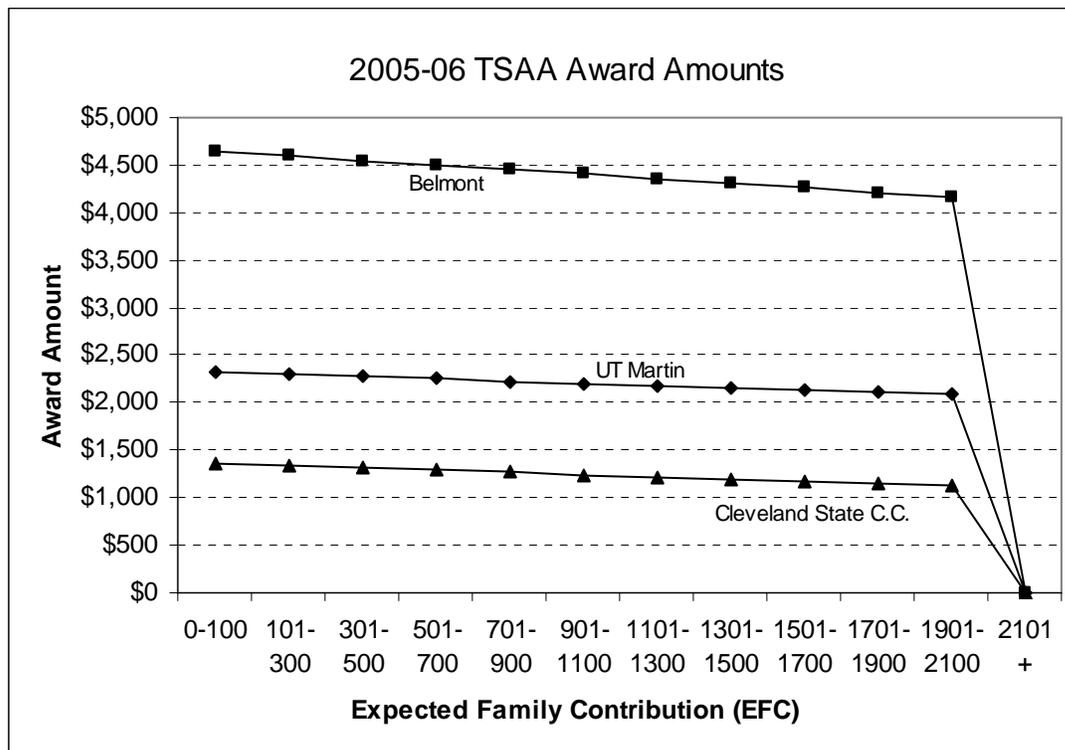
Problems The state appropriation for TSAA has remained level over the last three years, and is actually less than it was four years ago. Award amounts have not kept pace with tuition/fee inflationary increases, and many eligible applicants have been turned away.

Available resources have not been adequate to provide full awards to all eligible students. A “first-come, first-served” approach has provided full awards to early applicants, and no award to other eligible applicants. Many students who meet the application deadline date are nevertheless told that they have applied too late – all funds are exhausted

Among award recipients, there is little differentiation in award amounts between the very poor (those with an expected family contribution or “EFC” of zero) and those who are nearly too well-off to qualify (those with an EFC of 2100.)

Award eligibility ends abruptly, as family financial strength increases minimally. A person with an EFC of 2101 or greater would receive no award, while a very similar person with an EFC of 2100 would receive \$1,122 at a public community college, \$672 at a Technology Center, \$2,082 at a private career college, \$2,082 at a public university, and \$4,164 at a private university.

The graph below shows, for three sample institutions, how award amounts vary by EFC. Recall that as EFC increases, so too does the financial strength of the family. Low EFC means low income.



Relationship to Lottery Scholarships

There is very little overlap between recipients of the Tennessee Student Assistance Award, and recipients of the Tennessee Education Lottery Scholarship program. Fewer than 25% of the students eligible for the TSAA award receive a lottery scholarship. Almost all TSAA recipients have incomes below \$36,000, while about two-thirds of lottery scholarship recipients have incomes above that level.

Timeline

Fall 2007: Decision on new formula and communicate changes to high schools

Fall 2008: Implement new formula

Principles

Needy Students – TSAA is a program of access defined by needy students.

Defined by EFC – Expected Family Contribution is the measure that defines needy students.

Comparable Support of Various Sectors – A new formula will not shift resources from one higher educational sector to another, for example, from private to public universities.

Explainable -- The new award will be simpler to explain and will not be arbitrary.

Predictable -- Predictability allows students to make college choices with enough information by providing consistency of award amounts and timeliness of award information.

Goals

Apply the above principles to arrive at a new formula.

Meet with Board members and Financial Aid professionals on the application of these principles. Available as a committee to Board members and Financial Aid professionals on April 12th from 1 p.m. to 3 p.m. at the Cool Springs Marriot (after the TASFAA conference).

Document the reason for and impact of the change in the TSAA formula.

Work within constraints of varying awards, partial funding, and yearly funding to provide an award that is meaningful as well as predictable in both award amount and award application date.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 23, 2006

DISCUSSION ITEM D: Application Process for the Tennessee Education Lottery Scholarship Program

Staff Recommendation For discussion only.

Background Tennessee requires that all students who wish to apply for the Hope Scholarship do so by completing the Free Application for Federal Student Aid (FAFSA). No other application form is accepted.

Several individuals have proposed developing an alternative “short form” application, to give applicants the option of completing either the FAFSA or the alternative short form.

The Board may wish to discuss the relative merits of each approach. Additional background information follows in the document entitled *Hope Scholarship Application Alternatives*, March 3, 2006.

Supporting Document *HOPE Scholarship Application Alternatives*, March 3, 2006.

Hope Scholarship Application Alternatives

March 3, 2006

Tennessee Student Assistance Corporation
Parkway Towers, Suite 1950
404 James Robertson Parkway
Nashville, Tennessee 37243-0820
(615) 741-1346

www.CollegePaysTN.com

Hope Scholarship Application Alternatives

March 3, 2006

Legal Background

The Hope Scholarship application process is prescribed in the *Official Tennessee Code* (TCA § 49-4-901 et. seq.) and in the Rules (Chapter 1640-1-19) of the Tennessee Student Assistance Corporation.

There are several types of lottery awards. According to Tennessee Code, the *Aspire Award* and the *Hope Access Grant* require an income of less than \$36,000 and require students to apply with the Free Application for Federal Student Assistance, or FAFSA. (TCA § 49-4-906).

However, the Tennessee Code is silent with respect to the type of application required for the *Hope Scholarship*. The code (TCA § 49-4-905) notes that students must *make application* but does not define the type of application.

Since the Tennessee Code does not address the type of application required for the Hope Scholarship, the *Rules* of the Tennessee Student Assistance Corporation clarify that issue. According to the *Rules*, Hope Scholarship applicants must also file the FAFSA.

Specifically, Chapter 1640-1-19-.03 of the *Rules* notes that

The FAFSA shall be the application for all first year TELS awards and the FAFSA, or Renewal FAFSA, shall be the means by which eligible students reapply for TELS awards after their initial year of eligibility. The FAFSA must be submitted by mail or electronically as directed in the FAFSA instructions. Regardless of the adjusted gross income attributable to the student, he or she is required to complete the FAFSA for each academic year in order to apply for and receive a TELS awards.

Rationale for Requiring the FAFSA

Several public policy goals argue for continuing to require the FAFSA as the only acceptable application for the Hope Scholarship. These include:

Simplicity. The FAFSA is required for other forms of federal, state, and institutional aid, including Tennessee Student Assistance Awards (TSAA) and the Pell Grants that form the basis for most need-based financial aid packages. By focusing public attention on a single multi-purpose financial aid application, the message and the process are simplified.

Access. Many needy students who would qualify for a federal Pell Grant of up to \$4,050 fail to apply. Nationally, the American Council on Education estimates that 1,500,000 students miss out on their awards by not submitting the FAFSA application. If Tennessee were to account for 1/50 of that number, then 30,000 low-income Tennesseans would not be receiving their Pell Grants, and would likely not be attending college. By requiring students who apply for lottery scholarships to complete the FAFSA, the state is drawing thousands of additional Tennessee students into postsecondary education and opening a window of opportunity for millions of dollars in additional financial aid resources.

Reasonableness. While completing the FAFSA requires an investment of personal time, many judge that to be reasonable, given the benefits to the individual and the State of Tennessee. The individual benefit is the financial reward, typically \$3,300. The State’s benefit is the additional number of educated Tennesseans who are drawn into the postsecondary system through the access initiative described above.

Administrative Efficiency. The federal government provides electronic FAFSA application data at no cost to the State. If the State were to develop an alternative application process, it would bring with it a certain amount of administrative overhead, in the form of data-entry and modifying existing systems to accept alternative data sources.

Rationale for Developing a “Short Form”

Several public policy goals argue for developing a “Short Form” alternative to the FAFSA as a second means of applying for the Hope Scholarship. These include:

Personal Privacy. Higher income families who know that they are ineligible for need-based financial aid (such as TSAA and Pell Grants) are nevertheless required to disclose personal financial information in order to apply for the Hope Scholarship, even though no financial information is necessary in order to determine eligibility for the Hope Scholarship.

Access. Completing the FAFSA may be so difficult for some individuals that they will not attempt it, even with the promise of a lottery scholarship. A short-form lottery scholarship alternative may draw these students into the postsecondary educational system, where they may be counseled to complete the FAFSA. In any case, a short-form application could include a prominent announcement that applicants with incomes below a certain level should instead apply with the FAFSA to also be considered for other forms of student financial aid.

Experience in Other States

| Lottery States | Type of Application | Comments |
|-----------------------|----------------------------|---|
| Florida | Alternative only | No FAFSA option |
| Georgia | FAFSA or Alternative | Students may submit either application |
| Kentucky | No Application | Each eligible postsecondary school determines eligibility after the student’s first semester of enrollment. |
| Louisiana | FAFSA or Alternative | Students may submit either document. |
| Missouri | FAFSA only | FAFSA only |
| New Mexico | FAFSA or Alternative | Depending on the college, students may submit either application |
| South Carolina | FAFSA or Alternative | FAFSA required only for need-based lottery awards. |
| Tennessee | FAFSA only | FAFSA only |
| West Virginia | FAFSA or Alternative | Students may submit either application. |

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 23, 2006

DISCUSSION ITEM E: Major Loan Provisions in the Higher Education Reconciliation Act of 2005

Staff Recommendation For discussion only.

Background The Higher Education Reconciliation Act of 2005 is part of the Deficit Reduction Act of 2005 which was signed into law by President Bush on February 8, 2006. Several provisions affect the student loan programs administered by TSAC, as summarized in the attached document.

Supporting Document *A Summary of Major Loan Provisions in the Higher Education Reconciliation Act of 2005, March 23, 2006.*

A Summary of Major Loan Provisions in the Higher Education Reconciliation Act of 2005

March 23, 2006

- Increases annual Stafford loan limits to \$3,500/yr for freshmen and \$4,500/yr for sophomores. Juniors and seniors remain at \$5,500/yr.
- Makes graduate and professional students eligible for PLUS loans.
- Changes the Stafford loan interest rate from a variable rate (currently 5.3%) to 6.8% fixed.
- Changes the Plus loan interest rate from a variable rate (currently 6.1%) to 8.5% fixed.
- Over five years, gradually phases out the existing 3% Stafford loan origination fee. (This is a fee paid by the student to the lender, from the proceeds of the loan. Many lenders already voluntarily forgive this fee, but by 2010 all lenders will be required to do so.)
- Requires payment of a federal default fee, equal to 1% of new loans, to be deposited into the federal reserve fund. In the past, this has been optional, and TSAC neither collected it from the student nor deposited it into the federal reserve fund. In the future, the deposit is mandatory, and can be paid either by the student (from the proceeds of the loan) or from other non-federal sources (such as TSAC's operating reserve fund).
- Reduces the gap between the amount that TSAC pays lenders for delinquent loans, and the amount that the federal government reimburses TSAC.
Because the federal government doesn't fully reimburse TSAC for the lenders' claims, TSAC loses money with each claim it pays. With this change, TSAC will lose less.
- Requires lenders to return to the federal government the money that they make when students pay a higher interest rate than the rate lenders are guaranteed to receive. This provision alone may return over \$14 billion to the federal government over five years.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 23, 2006

DISCUSSION ITEM F: Legislative Update

Staff Recommendation For discussion only.

Background Legislation has been introduced to the Tennessee General Assembly which, if adopted by the legislature and signed by the Governor, would impact the higher education community in Tennessee in general and/or the Tennessee Student Assistance Corporation in particular. A brief summary of significant bills now pending with the General Assembly is attached.

Supporting Document *A Summary of TSAC-related Higher Education Legislation Pending with the 104th Tennessee General Assembly (2006), March 3, 2006.*

A Summary of TSAC-related Higher Education Legislation Pending with the
104th Tennessee General Assembly (2006)

March 3, 2006

Tennessee Student Assistance Corporation
Parkway Towers, Suite 1950
404 James Robertson Parkway
Nashville, Tennessee 37243-0820
1-800-342-1663
615-741-1346

www.CollegePaysTN.com

A Summary of TSAC-related Higher Education Legislation Pending with the
104th Tennessee General Assembly (2006)

Senate Bills

- SB 2587*/
HB 2809 Lottery, Scholarships and Programs - Permits students receiving Tennessee HOPE foster child tuition grants to attend eligible private, as well as public, postsecondary institutions. - Amends TCA Section 49-4-933.
- SB 2648*/
HB 2647 Education - Permits JROTC instructors to be employed in administrative positions if the local board of education adopts a policy allowing such hirings. - Amends TCA Title 49.
- SB 2682*/
HB 2812 Lottery, Scholarships and Programs - Redistributes unclaimed lottery prize money from 50 percent future prize pool and 50 percent after school programs special account to 100 percent after school programs special account. - Amends TCA Title 4, Chapter 51, Part 1 and Title 49, Chapter 6, Part 7.
- SB 2683*/
HB 2811 Lottery, Scholarships and Programs - Increases HOPE scholarship awards from \$3,300 to \$4,000 for full-time students at four-year institutions and \$1,650 to \$2,000 for full-time students at two-year institutions. - Amends TCA Title 49, Chapter 4, Part 9.
- SB 2686*/
HB 2692 Lottery, Scholarships and Programs - Allows students residing in Tennessee but graduating from a high school located in a county bordering Tennessee to be eligible for a Tennessee HOPE scholarship. - Amends TCA Title 49, Chapter 4, Part 9.
- SB 2723*/
HB 2807 Education - Requires state board of education curriculum for alternative schools to stress student success and removes language concerning alternative schools that is penal in nature; establishes an advisory council on alternative education. - Amends TCA Title 49.

- SB 2724*/
HB 3720 Lottery, Scholarships and Programs - Establishes lottery scholarship program to enable tenured public school teachers to obtain advanced degrees. - Amends TCA Title 49, Chapter 4, Part 9.
- SB 2726*/
HB 2847 Education, Higher - Adds Afghanistan Campaign Medal, Iraq Campaign Medal, and Army Combat Action Badge to list of military campaign medals that are acceptable proof of serviceperson's participation in qualifying period of conflict for purposes of establishing eligibility for tuition and fee waiver at state institutions of higher education for dependents and spouses of prisoners of war and servicepersons killed during periods of armed conflict. - Amends TCA Title 49, Chapter 7.
- SB 2728*/
HB 3704 Education, Higher - Clarifies that members of the state school bond authority are to be trustees of the chairs of excellence endowment trust fund. - Amends TCA Title 49, Chapter 7, Part 5.
- SB 2770*/
HB 2810 Education - Specifies that the high school uniform grading system used for determining eligibility for HOPE scholarships shall be based on a weighted 5.0 scale. - Amends TCA Section 49-1-302; Title 49, Chapter 4, Part 9 and Section 49-6-407.
- SB 2867*/
HB 3796 Education - Retains state funding for students on suspension. - Amends TCA Title 49, Chapter 3 and Title 49, Chapter 6.
- SB 2875*/
HB 3425 Lottery, Scholarships and Programs - Adds University of Tennessee System and Board of Regents as recipients of THEC's annual report on scholarship and grant programs data. - Amends TCA Title 49.
- SB 2895*/
HB 3312 Lottery, Scholarships and Programs - Establishes eligibility requirements for children of full-time religious workers working in foreign countries for more than one year to qualify for Tennessee HOPE scholarships. - Amends TCA Title 49, Chapter 4, Part 9.

- SB 2900*/
HB 3952 Education, Higher - Clarifies that reasonable membership dues to a not-for-profit buying cooperative not considered payment or compensation for purpose of prohibiting an institution of higher learning from making purchases through group purchasing program. - Amends TCA Section 49-7-127.
- SB 2901*/
HB 3169 Education, Higher - Increases the percentage of nonresidents permitted to attend a state or community college without paying tuition from 3 percent to 4 percent of an institution's full-time student population. - Amends TCA Title 49, Chapter 8.
- SB 2903*/
HB 3091 Education, Higher - Increases the number of waste audit engineers for the industrial service center from two to three. - Amends TCA Title 49, Chapter 9.
- SB 2904*/
HB 3096 Education, Higher - Permits the board of directors of the tuition guaranty fund to set fees by rule, instead of fees being set by statute, and makes various other changes to the "Postsecondary Education Authorization Act of 1974." - Amends TCA Title 49, Chapter 7, Part 20.
- SB 2981*/
HB 3109 Lottery, Scholarships and Programs - Permits a holder of a Wilder-Naifeh grant to receive a HOPE scholarship under certain circumstances. - Amends TCA Title 49.
- SB 3113*/
HB 3249 Lottery, Scholarships and Programs - Creates pilot after school program for at-risk students to prepare for ACT and SAT examinations funded by net state lottery proceeds. - Amends TCA Title 49.
- SB 3148*/
HB 3417 Education, Higher - Authorizes state colleges and universities to provide free Wi-Fi Internet access campus wide. - Amends TCA Title 49, Chapter 7; Title 49, Chapter 8 and Title 49, Chapter 9.
- SB 3149*/
HB 3248 Education - Requires TSAC to conduct a lottery scholarship day. - Amends TCA Title 49, Chapter 4, Part 9.

SB 3694*/
HB 3716 Lottery, Scholarships and Programs - Expands the definition of eligible postsecondary institutions for purposes of obtaining HOPE scholarships, Hope access grants and Wilder-Naifeh technical skills grants. - Amends TCA Title 49, Chapter 4, Part 9.

SB 3915*/
HB 4037 Allows the application for loan-scholarship for a nursing graduate student to be made electronically. – Amends TCA Title 49, Chapter 4.

House Bills

- HB 2547*/
SB 2610 Education, Higher - Authorizes higher education institutions to establish venture development funds; corporations donating to such venture development funds would receive partial credits against their franchise and excise tax liabilities. - Amends TCA Title 49 and Title 67.
- HB 2619*/
SB 3094 Lottery, Scholarships and Programs - Removes eligibility for HOPE scholarship or HOPE access grants as prerequisite for eligibility under Tennessee HOPE foster child tuition grant program. – Amends TCA Title 49.
- HB 2646/
SB 2647* Education - Requires uniform classification of administrative staff and teachers to be used in every LEA and guidelines as to types and number of administrative positions required for efficient administration of an LEA. - Amends TCA Title 49.
- HB 2687*/
SB 3536 Education - Establishes opportunity scholarships for students in high priority public schools; authorizes such students to transfer to other public schools or use an opportunity scholarship at a private school. - Amends TCA Title 49.
- HB 2742*/
SB 3484 Education - Extends Governmental Tort Liability Act protections to employers who provide cooperative work experiences to public secondary and postsecondary students. - Amends TCA Title 49, Chapter 6 and Title 49, Chapter 7.
- HB 2809/
SB 2587* Education - Requires state board of education curriculum for alternative schools to stress student success and removes language concerning alternative schools that is penal in nature; establishes an advisory council on alternative education. - Amends TCA Title 49.
- HB 2841*/
SB 3564 Tennessee Bureau of Investigation - Requires TBI to promulgate rules prescribing a form on which institutions of higher education must report statistics of crimes occurring on each applicable campus. - Amends TCA Title 49, Chapter 7, Part 22.

- HB 2934*/
SB 3329 Education - Decreases the service fee public institutions may charge to disabled or elderly persons enrolled in or auditing courses. - Amends TCA Title 49.
- HB 2935*/
SB 3085 Education - Allows proceeds from disposal of surplus textbooks to be used for literacy programs. - Amends TCA Title 49.
- HB 2936*/
SB 3084 Education, Higher - Increases the dollar amount of the registration renewal fee for athlete agents from \$200 to \$300. - Amends TCA Title 49, Chapter 7.
- HB 3040*/
SB 3295 Lottery, Scholarships and Programs - Permits nontraditional students to become eligible for Tennessee HOPE scholarships after attempting six semester hours at an eligible postsecondary institution instead of 24 semester hours, if they meet all other eligibility requirements. - Amends TCA Section 49-4-931.
- HB 3097*/
SB 3186 Scholarships and Financial Aid - Revises provisions governing TSAC awards; requires that payments of awards for students attending nonpublic schools be made directly to the school. - Amends TCA Title 49, Chapter 4.
- HB 3106*/
SB 3029 Veterans - Creates returning veterans education scholarships to provide 50 percent tuition discount at in-state public postsecondary institutions for veterans who completed high school in Tennessee and are returning from active duty. - Amends TCA Title 49, Chapter 4.
- HB 3171*/
SB 3126 Lottery, Scholarships and Programs - Directs Tennessee Board of Regents to develop a methodology to illustrate the positive effects of the Wilder-Naifeh technical skills grant. - Amends TCA Title 49.
- HB 3173*/
SB 3127 Education, Higher - Directs THEC to develop a program to recognize community college and technology students who have a record of outstanding community involvement. - Amends TCA Title 49, Chapter 8; Title 49, Chapter 9 and Title 49, Chapter 7.

HB 3437*/
SB 3959 Lottery, Scholarships and Programs - Establishes lottery funded grant program to partially reimburse employers paying tuition and mandatory fees for students finishing baccalaureate degrees who are full-time employees of businesses with less than 100 employees. - Amends TCA Title 49, Chapter 4.

HB 3715*/
SB 3834 Lottery, Scholarships and Programs - Adds definition of national accrediting agency for purposes of expanding the types of institutions where students may attend to qualify for the Wilder-Naifeh technical skills grant. - Amends TCA Title 49, Chapter 4, Part 9.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 23, 2006

INFORMATION ITEM A: Tennessee Education Lottery Scholarship Program Status Report

Staff Recommendation For information only.

Background The Tennessee Education Lottery Scholarship program is approaching the conclusion of its second year of awards. Now that we are beyond the application deadline dates for the HOPE Scholarship and Wilder-Naifeh Technical Skills Grant, we have a good picture of how we will end the year.

In the first year of the program, HOPE Scholarships, HOPE Access Grants and Wilder-Naifeh Technical Skills Grants totaling \$93,416,022 were provided to 40,225 students.

In the second year of the program, the menu of awards was expanded to include HOPE Foster Care Grants and Dual Enrollment Grants. As we approach the end of the second year, \$103,856,624 has been provided to 51,793 students.

Details are provided in the document entitled *Tennessee Education Lottery Scholarship Program Update*.

Supporting Document *Tennessee Education Lottery Scholarship Program Update, March 1, 2006.*

Tennessee Education Lottery Scholarship
Program Update

March 1, 2006

Tennessee Student Assistance Corporation
Parkway Towers, Suite 1950
404 James Robertson Parkway
Nashville, Tennessee 37243-0820
(615) 741-1346
www.CollegePaysTN.com

**Tennessee Education Lottery Scholarship Program
Summary Report
March 1, 2006**

| | 2004-2005 Actual Recipients | | 2005-2006 Eligible through 3/1/06* | |
|--|--------------------------------|---------------------|---------------------------------------|----------------------|
| | Students | \$ | Students | \$ |
| <u>HOPE (Includes GAMS and ASPIRE)</u> | | | | |
| Independent / Four-Years | 5,318 | \$16,715,547 | 7,003 | \$20,118,196 |
| Independent / Two-Years | 110 | 182,750 | 75 | 127,838 |
| Private/Business Trade | 0 | 0 | 45 | 137,150 |
| Board of Regents | 11,231 | 34,715,484 | 11,159 | 29,234,886 |
| University of Tennessee System | 8,041 | 24,724,303 | 14,090 | 37,812,090 |
| State Tech/Community Colleges | <u>6,572</u> | <u>10,312,105</u> | <u>6,602</u> | <u>9,221,403</u> |
| TOTAL | 31,302 | \$86,650,189 | 38,974 | \$96,651,563 |
| <u>HOPE Foster Care Grant</u> | | | | |
| Board of Regents / Four-Years | 0 | \$0 | 23 | \$47,062 |
| University of Tennessee System | 0 | 0 | 9 | 16,970 |
| State Tech/Community Colleges | <u>0</u> | <u>0</u> | <u>9</u> | <u>16,970</u> |
| TOTAL | \$0 | \$0 | 41 | \$81,002 |
| <u>HOPE Access Grant</u> | | | | |
| Independent / Four-Years | 12 | \$21,000 | 15 | \$48,000 |
| Independent / Two-Years | 1 | 1,250 | 1 | 788 |
| Private/Business Trade | 0 | 0 | 0 | 0 |
| Board of Regents / Four-Years | 37 | 61,000 | 46 | 80,722 |
| University of Tennessee System | 16 | 24,779 | 117 | 185,700 |
| State Tech/Community Colleges | <u>42</u> | <u>44,531</u> | <u>65</u> | <u>76,003</u> |
| TOTAL | 108 | \$152,560 | 244 | \$391,213 |
| <u>Wilder-Naifeh Technical Skills Grant</u> | | | | |
| | 8,815 | \$6,613,273 | 8,025 | \$5,212,019 |
| <u>Dual Enrollment Grant</u> | | | | |
| Independent / Four-Years | 0 | \$0 | 366 | \$101,480 |
| Independent / Two-Years | 0 | 0 | 102 | 240,102 |
| Private/Business Trade | 0 | 0 | 0 | 0 |
| Board of Regents / Four-Years | 0 | 0 | 360 | 108,000 |
| University of Tennessee System | 0 | 0 | 77 | 23,100 |
| State Tech/Community Colleges | 0 | 0 | 3,310 | 959,945 |
| Technology Centers | <u>0</u> | <u>0</u> | <u>294</u> | <u>88,200</u> |
| TOTAL | \$0 | \$0 | 4,509 | \$1,520,827 |
| <u>ALL PROGRAMS</u> | | | | |
| Independent / Four-Years | 5,330 | \$16,736,547 | 7,384 | \$20,267,676 |
| Independent / Two-Years | 111 | 184,000 | 178 | 368,728 |
| Private/Business Trade | 0 | 0 | 45 | 137,150 |
| Board of Regents / Four-Years | 11,298 | 34,776,484 | 11,588 | 29,470,670 |
| University of Tennessee System | 8,057 | 24,749,082 | 14,293 | 38,037,860 |
| State Tech/Community Colleges | 6,614 | 10,356,636 | 9,986 | 10,274,321 |
| Technology Centers | <u>8,815</u> | <u>6,613,273</u> | <u>8,319</u> | <u>5,300,219</u> |
| GRAND TOTAL | 40,225 | \$93,416,022 | 51,793 | \$103,856,624 |

* Because this date is after the February 1 application deadline for most lottery awards, the number of awards should not increase. However, these amounts will fluctuate as year-end adjustments are processed.

Tennessee Education Lottery Scholarship Program

**HOPE (Includes General Assembly Merit and Aspire)
Awards By Institution**

| | 2004-2005 | | 2005-2006 | |
|---|-------------------|---------------|-------------------------|----------------|
| | Actual Recipients | | Eligible through 3/1/06 | |
| | Students | \$ | Students | \$ |
| <u>Independent / Four-Years</u> | | | | |
| Aquinas College | 32 | \$81,000 | 36 | \$113,362 |
| Baptist Memorial College of Heath Science | 48 | 149,625 | 79 | 259,725 |
| Belmont University | 386 | 1,180,375 | 565 | 1,956,190 |
| Bethel College | 147 | 456,600 | 183 | 668,200 |
| Bryan College | 59 | 192,000 | 102 | 368,250 |
| Carson Newman College | 390 | 1,246,500 | 473 | 883,967 |
| Christian Brothers University | 263 | 838,125 | 326 | 1,196,625 |
| Crichton College | 27 | 74,125 | 32 | 91,500 |
| Cumberland University | 194 | 599,500 | 246 | 454,500 |
| David Lipscomb University | 462 | 1,436,203 | 606 | 2,136,975 |
| Fisk University | 48 | 157,500 | 67 | 137,300 |
| Free Will Baptist Bible College | 23 | 73,000 | 25 | 88,175 |
| Freed-Hardeman University | 257 | 788,397 | 319 | 1,126,950 |
| Johnson Bible College | 35 | 96,500 | 48 | 167,100 |
| King College | 125 | 404,500 | 193 | 663,000 |
| Lambuth University | 207 | 635,000 | 236 | 826,150 |
| Lane College | 48 | 156,125 | 58 | 233,400 |
| Lee University | 266 | 818,250 | 371 | 1,337,887 |
| LeMoyne-Owen College | 34 | 118,500 | 28 | 112,050 |
| Lincoln Memorial University | 133 | 410,000 | 141 | 273,379 |
| Martin Methodist University | 90 | 276,500 | 137 | 484,950 |
| Maryville College | 352 | 1,102,950 | 458 | 1,620,100 |
| Memphis College of Art | 16 | 53,000 | 22 | 79,800 |
| Milligan College | 97 | 292,500 | 118 | 395,100 |
| Rhodes College | 205 | 685,000 | 253 | 554,750 |
| South College | 14 | 30,665 | 13 | 29,700 |
| Southern Adventist University | 116 | 360,500 | 151 | 268,275 |
| Tennessee Wesleyan College | 176 | 535,262 | 248 | 458,062 |
| Trevecca Nazarene University | 117 | 357,000 | 137 | 463,000 |
| Tusculum College | 155 | 445,225 | 194 | 378,050 |
| Union University | 313 | 986,788 | 411 | 789,150 |
| University of the South | 106 | 341,000 | 141 | 273,333 |
| Vanderbilt University | 355 | 1,270,707 | 543 | 1,081,591 |
| Watkins Inst. College of Art and Design | <u>22</u> | <u>66,625</u> | <u>43</u> | <u>147,650</u> |
| TOTAL | 5,318 | \$16,715,547 | 7003 | \$20,118,196 |

Independent / Two-Years

| | | | | |
|------------------------|----------|--------------|----------|--------------|
| Hiwassee College | 105 | \$174,000 | 70 | \$122,963 |
| John A. Gupton College | <u>5</u> | <u>8,750</u> | <u>5</u> | <u>4,875</u> |
| TOTAL | 110 | \$182,750 | 75 | \$127,838 |

Private / Business & Trade

| | | | | |
|--------------------------|---|-----|----|-----------|
| O'More College of Design | 0 | \$0 | 45 | \$137,150 |
|--------------------------|---|-----|----|-----------|

Tennessee Education Lottery Scholarship Program

**HOPE (Includes General Assembly Merit and Aspire)
Awards By Institution**

| | 2004-2005 | | 2005-2006 | |
|--|-------------------|---------------------|-------------------------|---------------------|
| | Actual Recipients | | Eligible through 3/1/06 | |
| | Students | \$ | Students | \$ |
| <u>University of Tennessee System</u> | | | | |
| University of TN, Chattanooga | 1,684 | \$5,040,313 | 2,558 | \$3,709,409 |
| University of TN, Health Science Cntr. | 0 | 0 | 6 | 19,800 |
| University of TN, Knoxville | 5,045 | 15,623,196 | 6,858 | 22,276,728 |
| University of TN, Martin | <u>1,312</u> | <u>4,060,794</u> | <u>1,737</u> | <u>3,228,949</u> |
| TOTAL | 8,041 | \$24,724,303 | 11,159 | \$29,234,886 |
| <u>Board of Regents / Four-Years</u> | | | | |
| Austin Peay State University | 1,145 | \$3,456,863 | 1,436 | \$3,057,989 |
| East Tennessee State University | 1,654 | 5,138,085 | 2,247 | 7,807,747 |
| Middle Tennessee State University | 3,869 | 11,753,958 | 4,963 | 16,867,864 |
| Tennessee State University | 534 | 1,718,655 | 512 | 968,371 |
| Tennessee Technological University | 1,901 | 5,876,152 | 2,300 | 4,195,545 |
| University of Memphis | <u>2,158</u> | <u>6,771,771</u> | <u>2,632</u> | <u>4,914,574</u> |
| TOTAL | 11,261 | \$34,715,484 | 14,090 | \$37,812,090 |
| <u>State Tech / Community Colleges</u> | | | | |
| Chattanooga State Tech Comm. Co. | 436 | \$680,681 | 491 | \$875,402 |
| Cleveland State Community College | 349 | 553,252 | 337 | 635,845 |
| Columbia State Community College | 589 | 927,003 | 592 | 1,052,198 |
| Dyersburg State Community College | 242 | 383,168 | 220 | 418,086 |
| Jackson State Community College | 457 | 711,134 | 447 | 824,175 |
| Motlow State Community College | 513 | 790,065 | 526 | 483,622 |
| Nashville State Community College | 200 | 290,086 | 210 | 362,040 |
| Northeast State Tech Community Co. | 437 | 708,864 | 466 | 499,188 |
| Pellissippi State Tech Community Co. | 822 | 1,242,580 | 840 | 857,455 |
| Roane State Community College | 794 | 1,313,253 | 774 | 858,010 |
| Southwest Tennessee Comm. Co. | 260 | 410,259 | 197 | 204,050 |
| Volunteer State Community College | 650 | 1,022,343 | 662 | 675,256 |
| Walters State Community College | <u>823</u> | <u>1,279,419</u> | <u>840</u> | <u>1,476,076</u> |
| TOTAL | 6,572 | \$10,312,105 | 6,602 | \$9,221,403 |
| <u>Total Awards by Institution Type</u> | | | | |
| Independent / Four-Years | 5,318 | \$16,715,547 | 7003 | \$20,118,196 |
| Independent / Two-Years | 110 | 182,750 | 75 | 127,838 |
| Private/Business Trade | 0 | 0 | 45 | 137,150 |
| University of Tennessee System | 8,041 | 24,724,303 | 11,159 | 29,234,886 |
| Board of Regents / Four-Years | 11,261 | 34,715,484 | 14,090 | 37,812,090 |
| State Tech/Community Colleges | <u>6,572</u> | <u>10,312,105</u> | <u>6,602</u> | <u>9,221,403</u> |
| GRAND TOTAL | 31,302 | \$86,650,189 | 38,974 | \$96,651,563 |

Tennessee Education Lottery Scholarship Program

**HOPE Foster Care Grant
Awards By Institution**

| | 2004-2005 Actual Recipients | | 2005-2006 Eligible through 3/1/06 | |
|--|--------------------------------|------------|--------------------------------------|-----------------|
| | Students | \$ | Students | \$ |
| <u>Board of Regents / Four-Years</u> | | | | |
| Austin Peay State University | 0 | \$0 | 6 | \$9,839 |
| East Tennessee State University | 0 | 0 | 7 | 21,600 |
| Middle Tennessee State University | 0 | 0 | 3 | 4,777 |
| Tennessee State University | 0 | 0 | 2 | 2,317 |
| Tennessee Technological University | 0 | 0 | 1 | 1,570 |
| University of Memphis | <u>0</u> | <u>0</u> | <u>4</u> | <u>6,959</u> |
| TOTAL | 0 | \$0 | 23 | \$47,062 |
| <u>University of Tennessee System</u> | | | | |
| University of TN, Chattanooga | 0 | \$0 | 5 | \$10,966 |
| University of TN, Health Science Cntr. | 0 | 0 | 0 | 0 |
| University of TN, Knoxville | 0 | 0 | 1 | 2,798 |
| University of TN, Martin | <u>0</u> | <u>0</u> | <u>3</u> | <u>3,206</u> |
| TOTAL | 0 | \$0 | 9 | \$16,970 |
| <u>State Tech / Community Colleges</u> | | | | |
| Chattanooga State Tech Comm. Co. | 0 | \$0 | 0 | \$0 |
| Cleveland State Community College | 0 | 0 | 2 | 1,203 |
| Columbia State Community College | 0 | 0 | 1 | 795 |
| Dyersburg State Community College | 0 | 0 | 0 | 0 |
| Jackson State Community College | 0 | 0 | 2 | 6,500 |
| Motlow State Community College | 0 | 0 | 0 | 0 |
| Nashville State Community College | 0 | 0 | 0 | 0 |
| Northeast State Tech Community Co. | 0 | 0 | 2 | 3,469 |
| Pellissippi State Tech Community Co. | 0 | 0 | 3 | 4,631 |
| Roane State Community College | 0 | 0 | 1 | 1,735 |
| Southwest Tennessee Comm. Co. | 0 | 0 | 0 | 0 |
| Volunteer State Community College | 0 | 0 | 0 | 0 |
| Walters State Community College | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| TOTAL | 0 | \$0 | 11 | \$18,333 |
| <u>Total Awards by Institution Type</u> | | | | |
| Board of Regents / Four-Years | 0 | \$0 | 23 | \$47,062 |
| University of Tennessee System | 0 | 0 | 9 | 16,970 |
| State Tech/Community Colleges | <u>0</u> | <u>0</u> | <u>9</u> | <u>16,970</u> |
| GRAND TOTAL | 0 | \$0 | 41 | \$81,002 |

Tennessee Education Lottery Scholarship Program

**HOPE Access Grant
Awards By Institution**

| | 2004-2005 Actual Recipients | | 2005-2006 Eligible through 3/1/06 | |
|---|--------------------------------|-----------------|--------------------------------------|-----------------|
| | Students | \$ | Students | \$ |
| <u>Independent / Four-Years</u> | | | | |
| Aquinas College | 1 | \$2,000 | 0 | \$0 |
| Baptist Memorial College of Heath Science | 0 | 0 | 1 | 1,200 |
| Belmont University | 0 | 0 | 1 | 2,400 |
| Bethel College | 0 | 0 | 3 | 7,200 |
| Bryan College | 0 | 0 | 1 | 2,400 |
| Carson Newman College | 0 | 0 | 2 | 2,400 |
| Christian Brothers University | 1 | 2,000 | 0 | 0 |
| Crichton College | 0 | 0 | 0 | 0 |
| Cumberland University | 2 | 4,000 | 0 | 1,200 |
| David Lipscomb University | 1 | 2,000 | 0 | 0 |
| Fisk University | 1 | 1,000 | 0 | 0 |
| Free Will Baptist Bible College | 0 | 0 | 0 | 0 |
| Freed-Hardeman University | 0 | 0 | 0 | 2,400 |
| Johnson Bible College | 0 | 0 | 0 | 0 |
| King College | 1 | 2,000 | 0 | 0 |
| Lambuth University | 0 | 0 | 0 | 0 |
| Lane College | 1 | 1,000 | 0 | 1,200 |
| Lee University | 0 | 0 | 0 | 2,400 |
| LeMoyne-Owen College | 1 | 2,000 | 0 | 1,200 |
| Lincoln Memorial University | 0 | 0 | 0 | 3,600 |
| Martin Methodist University | 1 | 2,000 | 0 | 4,800 |
| Maryville College | 1 | 2,000 | 2 | 4,800 |
| Memphis College of Art | 0 | 0 | 0 | 0 |
| Milligan College | 0 | 0 | 0 | 0 |
| Rhodes College | 0 | 0 | 0 | 0 |
| South College | 0 | 0 | 0 | 0 |
| Southern Adventist University | 0 | 0 | 0 | 0 |
| Tennessee Wesleyan College | 1 | 1,000 | 3 | 6,000 |
| Trevecca Nazarene University | 0 | 0 | 2 | 4,800 |
| Tusculum College | 0 | 0 | 0 | 0 |
| Union University | 0 | 0 | 0 | 0 |
| University of the South | 0 | 0 | 0 | 0 |
| Vanderbilt University | 0 | 0 | 0 | 0 |
| Watkins Inst. College of Art and Design | 0 | 0 | 0 | 0 |
| TOTAL | 12 | \$21,000 | 15 | \$48,000 |

Independent / Two-Years

| | | | | |
|------------------------|----------|----------------|----------|-----------------|
| Hiwassee College | 1 | \$1,250 | 0 | \$0 |
| John A. Gupton College | 0 | 0 | 1 | 788 |
| TOTAL | 1 | \$1,250 | 1 | \$788.00 |

Private / Business & Trade

| | | | | |
|--------------------------|---|-----|---|-----|
| O'More College of Design | 0 | \$0 | 0 | \$0 |
|--------------------------|---|-----|---|-----|

Tennessee Education Lottery Scholarship Program

**HOPE Access Grant
Awards By Institution**

| | 2004-2005 | | 2005-2006 | |
|--|-------------------|------------------|-------------------------|------------------|
| | Actual Recipients | | Eligible through 3/1/06 | |
| | Students | \$ | Students | \$ |
| <u>University of Tennessee System</u> | | | | |
| University of TN, Chattanooga | 8 | \$16,000 | 15 | \$16,800 |
| University of TN, Health Science Cntr. | 0 | 0 | 0 | 0 |
| University of TN, Knoxville | 3 | 3,779 | 10 | 19,522 |
| University of TN, Martin | <u>5</u> | <u>5,000</u> | <u>21</u> | <u>44,400</u> |
| TOTAL | 16 | \$24,779 | 46 | \$80,722 |
| <u>Board of Regents / Four-Years</u> | | | | |
| Austin Peay State University | 8 | \$15,000 | 17 | \$21,600 |
| East Tennessee State University | 1 | 2,000 | 11 | 21,600 |
| Middle Tennessee State University | 7 | 9,000 | 35 | 66,900 |
| Tennessee State University | 7 | 11,000 | 10 | 22,800 |
| Tennessee Technological University | 2 | 2,000 | 8 | 9,600 |
| University of Memphis | <u>12</u> | <u>22,000</u> | <u>36</u> | <u>43,200</u> |
| TOTAL | 37 | \$61,000 | 117 | \$185,700 |
| <u>State Tech / Community Colleges</u> | | | | |
| Chattanooga State Tech Comm. Co. | 0 | \$0 | 1 | \$1,575 |
| Cleveland State Community College | 2 | 1,250 | 7 | 8,663 |
| Columbia State Community College | 1 | 937 | 5 | 5,514 |
| Dyersburg State Community College | 4 | 2,500 | 7 | 7,481 |
| Jackson State Community College | 6 | 7,344 | 7 | 10,632 |
| Motlow State Community College | 5 | 5,625 | 10 | 7,486 |
| Nashville State Community College | 3 | 3,125 | 0 | 0 |
| Northeast State Tech Community Co. | 5 | 5,000 | 1 | 788 |
| Pellissippi State Tech Community Co. | 8 | 8,750 | 6 | 6,101 |
| Roane State Community College | 3 | 3,750 | 10 | 12,996 |
| Southwest Tennessee Comm. Co. | 0 | 0 | 0 | 0 |
| Volunteer State Community College | 1 | 1,250 | 5 | 6,891 |
| Walters State Community College | <u>4</u> | <u>5,000</u> | <u>6</u> | <u>7,876</u> |
| TOTAL | 42 | \$44,531 | 65 | \$76,003 |
| <u>Total Awards by Institution Type</u> | | | | |
| Independent / Four-Years | 12 | \$21,000 | 15 | \$48,000 |
| Independent / Two-Years | 1 | 1,250 | 1 | 788 |
| Private/Business Trade | 0 | 0 | 0 | 0 |
| University of Tennessee System | 16 | 24,779 | 46 | 80,722 |
| Board of Regents / Four-Years | 37 | 61,000 | 117 | 185,700 |
| State Tech/Community Colleges | <u>42</u> | <u>44,531</u> | <u>65</u> | <u>76,003</u> |
| GRAND TOTAL | 108 | \$152,560 | 244 | \$391,213 |

Tennessee Education Lottery Scholarship Program

**Wilder-Naifeh Technical Skills Grant
Awards By Institution**

| | 2004-2005 | | 2005-2006 | |
|--------------------------------------|-------------------|----------------|-------------------------|----------------|
| | Actual Recipients | | Eligible through 3/1/06 | |
| | Students | \$ | Students | \$ |
| <u>Technology Centers</u> | | | | |
| TN Technology Center at Athens | 151 | \$149,372 | 166 | \$89,431 |
| TN Technology Center at Chattanooga | 506 | 409,534 | 486 | 460,870 |
| TN Technology Center at Covington | 133 | 98,608 | 135 | 65,562 |
| TN Technology Center at Crossville | 267 | 211,538 | 237 | 187,621 |
| TN Technology Center at Crump | 262 | 176,060 | 255 | 179,215 |
| TN Technology Center at Dickson | 358 | 262,837 | 319 | 196,553 |
| TN Technology Center at Elizabethton | 405 | 302,078 | 387 | 212,599 |
| TN Technology Center at Harriman | 197 | 179,712 | 151 | 84,902 |
| TN Technology Center at Hartsville | 194 | 165,508 | 162 | 97,749 |
| TN Technology Center at Hohenwald | 333 | 266,368 | 340 | 237,578 |
| TN Technology Center at Jacksboro | 193 | 131,768 | 168 | 124,969 |
| TN Technology Center at Jackson | 499 | 398,675 | 432 | 228,397 |
| TN Technology Center at Knoxville | 507 | 382,651 | 532 | 385,361 |
| TN Technology Center at Livingston | 357 | 269,123 | 277 | 166,304 |
| TN Technology Center at McKenzie | 290 | 201,403 | 236 | 200,813 |
| TN Technology Center at McMinnville | 216 | 171,877 | 187 | 106,824 |
| TN Technology Center at Memphis | 694 | 542,387 | 544 | 356,306 |
| TN Technology Center at Morristown | 788 | 521,168 | 634 | 326,961 |
| TN Technology Center at Murfreesboro | 242 | 210,400 | 296 | 227,806 |
| TN Technology Center at Nashville | 571 | 399,025 | 538 | 376,383 |
| TN Technology Center at Newbern | 230 | 149,543 | 161 | 116,439 |
| TN Technology Center at Oneida | 93 | 67,893 | 97 | 59,087 |
| TN Technology Center at Paris | 327 | 227,146 | 307 | 172,374 |
| TN Technology Center at Pulaski | 215 | 152,341 | 273 | 197,638 |
| TN Technology Center at Ripley | 170 | 121,730 | 98 | 43,741 |
| TN Technology Center at Shelbyville | 433 | 314,477 | 441 | 208,875 |
| TN Technology Center at Whiteville | <u>184</u> | <u>130,053</u> | <u>166</u> | <u>101,661</u> |
| TOTAL | 8,815 | \$6,613,273 | 8,025 | \$5,212,019 |

Tennessee Education Lottery Scholarship Program

**Dual Enrollment Grant
Awards By Institution**

| | 2004-2005 Actual Recipients | | 2005-2006 Eligible through 3/1/06 | |
|---|--------------------------------|------------|--------------------------------------|------------------|
| | Students | \$ | Students | \$ |
| <u>Independent / Four-Years</u> | | | | |
| Aquinas College | 0 | \$0 | 1 | \$300 |
| Baptist Memorial College of Heath Science | 0 | 0 | 0 | 0 |
| Belmont University | 0 | 0 | 0 | 0 |
| Bethel College | 0 | 0 | 0 | 0 |
| Bryan College | 0 | 0 | 0 | 0 |
| Carson Newman College | 0 | 0 | 22 | 6,600 |
| Christian Brothers University | 0 | 0 | 71 | 18,105 |
| Crichton College | 0 | 0 | 15 | 4,500 |
| Cumberland University | 0 | 0 | 0 | 0 |
| David Lipscomb University | 0 | 0 | 31 | 9,300 |
| Fisk University | 0 | 0 | 0 | 0 |
| Free Will Baptist Bible College | 0 | 0 | 0 | 0 |
| Freed-Hardeman University | 0 | 0 | 64 | 19,200 |
| Johnson Bible College | 0 | 0 | 0 | 0 |
| King College | 0 | 0 | 42 | 10,600 |
| Lambuth University | 0 | 0 | 0 | 0 |
| Lane College | 0 | 0 | 0 | 0 |
| Lee University | 0 | 0 | 44 | 11,175 |
| LeMoyne-Owen College | 0 | 0 | 0 | 0 |
| Lincoln Memorial University | 0 | 0 | 0 | 0 |
| Martin Methodist University | 0 | 0 | 75 | 21,400 |
| Maryville College | 0 | 0 | 1 | 300 |
| Memphis College of Art | 0 | 0 | 0 | 0 |
| Milligan College | 0 | 0 | 0 | 0 |
| Rhodes College | 0 | 0 | 0 | 0 |
| South College | 0 | 0 | 0 | 0 |
| Southern Adventist University | 0 | 0 | 0 | 0 |
| Tennessee Wesleyan College | 0 | 0 | 0 | 0 |
| Trevecca Nazarene University | 0 | 0 | 0 | 0 |
| Tusculum College | 0 | 0 | 0 | 0 |
| Union University | 0 | 0 | 0 | 0 |
| University of the South | 0 | 0 | 0 | 0 |
| Vanderbilt University | 0 | 0 | 0 | 0 |
| Watkins Inst. College of Art and Design | 0 | 0 | 0 | 0 |
| TOTAL | 0 | \$0 | 366 | \$101,480 |

Independent / Two-Years

| | | | | |
|------------------------|----------|------------|------------|------------------|
| Hiwassee College | 0 | \$0 | 102 | \$24,0102 |
| John A. Gupton College | 0 | 0 | 0 | 0 |
| TOTAL | 0 | \$0 | 102 | \$240,102 |

Private / Business & Trade

| | | | | |
|--------------------------|---|-----|---|-----|
| O'More College of Design | 0 | \$0 | 0 | \$0 |
|--------------------------|---|-----|---|-----|

Tennessee Education Lottery Scholarship Program

**Dual Enrollment Grant
Awards By Institution**

| | 2004-2005 Actual Recipients | | 2005-2006 Eligible through 3/1/06 | |
|---|--------------------------------|------------|--------------------------------------|------------------|
| | Students | \$ | Students | \$ |
| <u>University of Tennessee System</u> | | | | |
| University of TN, Chattanooga | 0 | \$0 | 19 | \$5,700 |
| University of TN, Health Science Cntr. | 0 | 0 | 0 | 0 |
| University of TN, Knoxville | 0 | 0 | 4 | 1,200 |
| University of TN, Martin | <u>0</u> | <u>0</u> | <u>337</u> | <u>101,100</u> |
| TOTAL | 0 | \$0 | 360 | \$108,000 |
| <u>Board of Regents / Four-Years</u> | | | | |
| Austin Peay State University | 0 | \$0 | 15 | \$4,500 |
| East Tennessee State University | 0 | 0 | 5 | 1,500 |
| Middle Tennessee State University | 0 | 0 | 8 | 2,400 |
| Tennessee State University | 0 | 0 | 0 | 0 |
| Tennessee Technological University | 0 | 0 | 49 | 14,700 |
| University of Memphis | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| TOTAL | 0 | \$0 | 77 | \$23,100 |
| <u>State Tech / Community Colleges</u> | | | | |
| Chattanooga State Tech Comm. Co. | 0 | \$0 | 521 | \$156,200 |
| Cleveland State Community College | 0 | 0 | 178 | 51,544 |
| Columbia State Community College | 0 | 0 | 339 | 101,600 |
| Dyersburg State Community College | 0 | 0 | 107 | 31,565 |
| Jackson State Community College | 0 | 0 | 74 | 21,600 |
| Motlow State Community College | 0 | 0 | 205 | 59,034 |
| Nashville State Community College | 0 | 0 | 306 | 90,797 |
| Northeast State Tech Community Co. | 0 | 0 | 139 | 41,700 |
| Pellissippi State Tech Community Co. | 0 | 0 | 175 | 48,936 |
| Roane State Community College | 0 | 0 | 181 | 53,182 |
| Southwest Tennessee Comm. Co. | 0 | 0 | 85 | 24,418 |
| Volunteer State Community College | 0 | 0 | 586 | 160,599 |
| Walters State Community College | <u>0</u> | <u>0</u> | <u>414</u> | <u>118,770</u> |
| TOTAL | 0 | \$0 | 3,310 | \$959,945 |

Tennessee Education Lottery Scholarship Program

**Dual Enrollment Grant
Awards By Institution**

| | 2004-2005 Actual Recipients | | 2005-2006 Eligible through 3/1/06 | |
|--------------------------------------|--------------------------------|------------|--------------------------------------|-----------------|
| | Students | \$ | Students | \$ |
| <u>Technology Centers</u> | | | | |
| TN Technology Center at Athens | 0 | \$0 | 0 | \$0 |
| TN Technology Center at Chattanooga | 0 | 0 | 0 | 0 |
| TN Technology Center at Covington | 0 | 0 | 19 | 5,700 |
| TN Technology Center at Crossville | 0 | 0 | 45 | 13,500 |
| TN Technology Center at Crump | 0 | 0 | 0 | 0 |
| TN Technology Center at Dickson | 0 | 0 | 0 | 0 |
| TN Technology Center at Elizabethton | 0 | 0 | 0 | 0 |
| TN Technology Center at Harriman | 0 | 0 | 0 | 0 |
| TN Technology Center at Hartsville | 0 | 0 | 11 | 3,300 |
| TN Technology Center at Hohenwald | 0 | 0 | 53 | 15,900 |
| TN Technology Center at Jacksboro | 0 | 0 | 20 | 6,000 |
| TN Technology Center at Jackson | 0 | 0 | 0 | 0 |
| TN Technology Center at Knoxville | 0 | 0 | 0 | 0 |
| TN Technology Center at Livingston | 0 | 0 | 53 | 15,900 |
| TN Technology Center at McKenzie | 0 | 0 | 0 | 0 |
| TN Technology Center at McMinnville | 0 | 0 | 0 | 0 |
| TN Technology Center at Memphis | 0 | 0 | 0 | 0 |
| TN Technology Center at Morristown | 0 | 0 | 16 | 4,800 |
| TN Technology Center at Murfreesboro | 0 | 0 | 1 | 300 |
| TN Technology Center at Nashville | 0 | 0 | 0 | 0 |
| TN Technology Center at Newbern | 0 | 0 | 22 | 6,600 |
| TN Technology Center at Oneida | 0 | 0 | 0 | 0 |
| TN Technology Center at Paris | 0 | 0 | 0 | 0 |
| TN Technology Center at Pulaski | 0 | 0 | 54 | 16,200 |
| TN Technology Center at Ripley | 0 | 0 | 0 | 0 |
| TN Technology Center at Shelbyville | 0 | 0 | 0 | 0 |
| TN Technology Center at Whiteville | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| TOTAL | 0 | \$0 | 294 | \$88,200 |

Total Awards by Institution Type

| | | | | |
|--------------------------------|----------|------------|--------------|--------------------|
| Independent / Four-Years | 0 | \$0 | 366 | \$101,480 |
| Independent / Two-Years | 0 | 0 | 102 | 240,102 |
| Private/Business Trade | 0 | 0 | 0 | 0 |
| University of Tennessee System | 0 | 0 | 360 | 108,000 |
| Board of Regents / Four-Years | 0 | 0 | 77 | 23,100 |
| State Tech/Community Colleges | 0 | 0 | 3,310 | 959,945 |
| Technology Centers | <u>0</u> | <u>0</u> | <u>294</u> | <u>88,200</u> |
| GRAND TOTAL | 0 | \$0 | 4,509 | \$1,520,827 |

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 23, 2006

INFORMATION ITEM B: Tennessee Student Assistance Award Program Status Report

Staff Recommendation

For discussion only.

Background

As we near the end of the 2005-06 award year, Tennessee Student Assistance Awards totaling \$39.8 million have been offered to about 19,700 students. These figures are current as of March 1, 2006, and will likely decline slightly in the year-end reconciliation process.

2005-06 award activity was down from the previous year when about 24,000 students actually received \$42.6 million.

Details are provided in the document entitled *Tennessee Student Assistance Award Program Update*, March 1, 2006

Supporting Document

Tennessee Student Assistance Award Program Update, March 1, 2006.

Tennessee Student Assistance Award

Program Update

March 1, 2006

Tennessee Student Assistance Corporation
Parkway Towers, Suite 1950
404 James Robertson Parkway
Nashville, Tennessee 37243-0820
(615) 741-1346

www.CollegePaysTN.com

Tennessee Student Assistance Corporation
Tennessee Student Assistance Award ("TSAA") Program

| | 2004-05 Actual Recipients | | 2005-06 Awards through 3/1/06* | |
|--------------------------------|------------------------------|------------------|-----------------------------------|------------------|
| | Students | \$ | Students | \$ |
| Independent / Four-Years | 4,335 | \$16,147,762 | 3,860 | \$15,285,454 |
| Independent / Two-Years | 76 | 218,316 | 42 | 146,600 |
| Private/Business and Trade | 1,346 | 2,230,346 | 1,218 | 2,116,420 |
| Board of Regents | 7,400 | 13,023,972 | 6,072 | 11,750,398 |
| University of Tennessee System | 2,970 | 5,387,321 | 2,484 | 4,884,058 |
| State Tech/Community Colleges | 6,474 | 5,088,447 | 4,898 | 4,862,856 |
| School of Nursing | 7 | 4,068 | 2 | 609 |
| Tennessee Technology Centers | <u>1,326</u> | <u>\$545,183</u> | <u>1,133</u> | <u>\$758,295</u> |
| | 23,934 | \$42,645,415 | 19,709 | \$39,804,690 |
| Average Award Amount | | \$1,782 | | \$2,020 |

* Awards were offered to eligible students who applied by March 15, 2005. Data shown here are current as of March 1, 2006. These amounts will decline as year end reconciliation rosters are completed.

TENNESSEE STUDENT ASSISTANCE CORPORATION
Tennessee Student Assistance Award

| | 2004-2005 | | 2005-2006 | |
|---|--------------|-------------------|--------------|---------------------------|
| | Students | Actual \$ | Students | Awards through 3-1-05* \$ |
| American Baptist College | 18 | 36,632 | 16 | 32,841 |
| Aquinas College | 76 | 245,521 | 69 | 240,333 |
| Aquinas College – Primetime | 30 | 77,774 | 17 | 52,055 |
| Baptist Memorial College of Health | 105 | 182,703 | 87 | 162,099 |
| Belmont University | 117 | 481,407 | 115 | 493,246 |
| Bethel College | 268 | 889,570 | 253 | 941,825 |
| Bryan College | 60 | 247,002 | 60 | 230,476 |
| Carson-Newman College | 266 | 1,120,819 | 170 | 722,176 |
| Christian Brothers University | 238 | 988,822 | 249 | 1,116,007 |
| Crichton College | 119 | 353,926 | 110 | 439,866 |
| Cumberland University | 182 | 772,910 | 165 | 739,061 |
| David Lipscomb University | 113 | 491,414 | 84 | 352,865 |
| Fisk University | 44 | 184,845 | 43 | 171,790 |
| Free Will Baptist Bible College | 11 | 36,630 | 10 | 36,507 |
| Freed-Hardeman University | 181 | 784,020 | 165 | 721,406 |
| Johnson Bible College | 22 | 55,971 | 20 | 51,380 |
| King College | 89 | 370,741 | 67 | 291,756 |
| Lambuth University | 128 | 555,399 | 100 | 438,583 |
| Lane College | 305 | 907,308 | 286 | 953,541 |
| Lee University | 172 | 632,151 | 142 | 579,840 |
| LeMoyn-Owen College | 263 | 952,296 | 214 | 859,225 |
| Lincoln Memorial University | 211 | 849,037 | 187 | 773,450 |
| Martin Methodist College | 154 | 576,886 | 163 | 604,049 |
| Maryville College | 116 | 482,442 | 121 | 543,458 |
| Memphis College of Art | 33 | 137,874 | 45 | 185,649 |
| Milligan College | 52 | 240,783 | 46 | 201,480 |
| Rhodes College | 29 | 124,163 | 26 | 116,183 |
| South College | 83 | 140,320 | 51 | 96,762 |
| Southern Adventist University | 39 | 151,728 | 34 | 144,356 |
| Tennessee Temple University | 7 | 14,613 | 12 | 26,319 |
| Tennessee Wesleyan College | 153 | 621,353 | 132 | 545,216 |
| Trevecca Nazarene University | 84 | 302,616 | 65 | 245,057 |
| Tusculum College | 290 | 1,031,439 | 286 | 1,153,299 |
| Union University | 136 | 556,107 | 121 | 495,904 |
| University of the South | 33 | 146,634 | 27 | 120,642 |
| Vanderbilt University | 82 | 353,827 | 77 | 355,323 |
| Watkins Institute College of Art and Design | 26 | 50,079 | 25 | 51,429 |
| | 4,335 | 16,147,762 | 3,860 | 15,285,454 |
| | | 3,725 | | 3,960 |

TOTAL:
AVERAGE AWARD:

TENNESSEE STUDENT ASSISTANCE CORPORATION
Tennessee Student Assistance Award

| 2004-2005 | | 2005-2006 | |
|-----------|--------|-----------|------------------------|
| Students | Actual | Students | Awards through 3-1-05* |
| | | § | |

INDEPENDENT/TWO-YEARS

| | | | | |
|---------------------------------------|-----------|----------------|-----------|----------------|
| Hiwassee College | 68 | 205,315 | 35 | 127,638 |
| John A. Gupton College | 5 | 10,065 | 5 | 16,698 |
| William R. Moore School of Technology | 3 | 2,936 | 2 | 2,264 |
| | 76 | 218,316 | 42 | 146,600 |
| | | 2,873 | | 3,490 |

TOTAL:
AVERAGE AWARD:

PRIVATE/BUSINESS & TRADE

| | | | | |
|--|--------------|------------------|--------------|------------------|
| ConCorde Career Institute | 157 | 273,711 | 114 | 211,632 |
| Draughon's Junior College, Clarksville | 98 | 172,224 | 26 | 47,400 |
| Draughon's Junior College, Murfreesboro | 38 | 72,585 | 70 | 116,313 |
| Draughon's Junior College, Nashville | 174 | 292,290 | 65 | 112,443 |
| Electronic Computer Programming College, Inc. | 48 | 80,116 | 50 | 71,146 |
| Fountainhead College of Technology | 31 | 52,314 | 16 | 27,372 |
| High Tech Institute | 145 | 245,814 | 66 | 119,565 |
| ITT Technical Institute, Knoxville | 82 | 139,043 | 78 | 136,621 |
| ITT Technical Institute, Memphis | 8 | 10,409 | 2 | 2928 |
| ITT Technical Institute, Nashville | 30 | 52,369 | 45 | 62,601 |
| MedVance Institute | 32 | 46,790 | 34 | 48,963 |
| Miller-Motte Business College, Clarksville | 47 | 75,798 | 45 | 82,416 |
| Miller-Motte Technical College, Chattanooga | 46 | 92,222 | 118 | 231,150 |
| Nashville Auto-Diesel College | 74 | 74,474 | 43 | 90,280 |
| Nashville College of Medical Career | 16 | 20,874 | 28 | 43,482 |
| National College of Business & Technology, Bristol | 0 | 0 | 0 | 0 |
| National College of Business & Technology, Knoxville | 16 | 27,512 | 49 | 93,076 |
| National College of Business & Technology, Nashville | 95 | 167,450 | 84 | 172,264 |
| North Central Institute | 3 | 4,572 | 5 | 11,322 |
| Nossi College of Art | 53 | 97,281 | 55 | 99,387 |
| O'More College of Design | 8 | 17,199 | 10 | 22,620 |
| Remington College, Memphis | 52 | 81,476 | 59 | 76,648 |
| Remington College, Nashville | 12 | 9,280 | 30 | 31,510 |
| SAE Institute of Technology | 0 | 0 | 1 | 2,322 |
| Southeastern Career College | 0 | 0 | 85 | 131,118 |
| Vatterott College | 12 | 17,434 | 3 | 6,144 |
| West Tennessee Business College | 69 | 107,109 | 37 | 65,697 |
| | 1,346 | 2,230,346 | 1,218 | 2,116,420 |
| | | 1,657 | | 1,738 |

TOTAL:
AVERAGE AWARD:

TENNESSEE STUDENT ASSISTANCE CORPORATION
Tennessee Student Assistance Award

| 2004-2005 | | 2005-2006 | |
|------------------------------------|--------------|--------------|------------------------|
| Students | Actual | Students | Awards through 3-1-05* |
| | \$ | | \$ |
| Austin Peay State University | 885 | 736 | 1,427,482 |
| East Tennessee State University | 1,135 | 904 | 1,688,919 |
| Middle Tennessee State University | 1,562 | 1,221 | 2,407,975 |
| Tennessee State University | 1,055 | 795 | 1,541,591 |
| Tennessee Technological University | 718 | 492 | 922,279 |
| University of Memphis | 2,045 | 1,924 | 3,762,152 |
| | 7,400 | 6,072 | 11,750,398 |
| | | | 1,935 |

TOTAL:
AVERAGE AWARD:

UNIVERSITY OF TENNESSEE SYSTEM

| | | | |
|--------------------------------------|--------------|--------------|------------------|
| University of Tennessee, Chattanooga | 768 | 566 | 1,051,856 |
| University of Tennessee, Knoxville | 1,425 | 6 | 9,249 |
| University of Tennessee, Martin | 758 | 1,167 | 2,397,006 |
| University of Tennessee, Memphis | 19 | 745 | 1,425,947 |
| | 2,970 | 2,484 | 4,884,058 |
| | | | 1,966 |

TOTAL:
AVERAGE AWARD:

STATE TECH/COMMUNITY COLLEGES

| | | | |
|---|--------------|--------------|------------------|
| Chattanooga State Technical Community College | 541 | 392 | 421,867 |
| Cleveland State Community College | 205 | 176 | 185,907 |
| Columbia State Community College | 357 | 251 | 239,529 |
| Dyersburg State Community College | 557 | 388 | 291,876 |
| Jackson State Community College | 453 | 306 | 286,557 |
| Motlow State Community College | 219 | 148 | 138,901 |
| Nashville State Technical Community College | 393 | 314 | 285,469 |
| Northeast State Technical Community College | 438 | 340 | 333,454 |
| Pellissippi State Technical Community College | 367 | 360 | 362,354 |
| Roane State Community College | 516 | 337 | 343,948 |
| Southwest Tennessee Community College (Union) | 1,411 | 1,257 | 1,385,373 |
| Volunteer State Community College | 375 | 284 | 259,432 |
| Walters State Community College | 642 | 345 | 328,189 |
| | 6,474 | 4,898 | 4,862,856 |
| | | | 993 |

TOTAL:
AVERAGE AWARD

TENNESSEE STUDENT ASSISTANCE CORPORATION
Tennessee Student Assistance Award

| 2004-2005 | 2005-2006 |
|-----------|------------------------|
| Actual | Awards through 3-1-05* |
| Students | Students |
| \$ | \$ |

SCHOOL OF NURSING

| | | | |
|--------------------------------------|----------|--------------|--|
| Methodist Hospital School of Nursing | 7 | 4,068 | |
| | 7 | 4,068 | |
| | | 581 | |

TOTAL:
AVERAGE AWARD:

TENNESSEE TECHNOLOGY CENTERS

| | | | | |
|--|--------------|----------------|--------------|----------------|
| Tennessee Technology Center at Athens | 16 | 8,252 | 23 | 16,746 |
| Tennessee Technology Center at Chattanooga | 73 | 31,704 | 35 | 24,870 |
| Tennessee Technology Center at Covington | 11 | 4,797 | 13 | 5,089 |
| Tennessee Technology Center at Crossville | 84 | 36,564 | 42 | 26,633 |
| Tennessee Technology Center at Crump | 39 | 11,346 | 26 | 14,536 |
| Tennessee Technology Center at Dickson | 41 | 18,152 | 63 | 51,144 |
| Tennessee Technology Center at Elizabethton | 58 | 26,398 | 60 | 34,972 |
| Tennessee Technology Center at Harriman | 52 | 25,027 | 28 | 19,934 |
| Tennessee Technology Center at Hartsville | 16 | 8,064 | 15 | 11,558 |
| Tennessee Technology Center at Hohenwald | 88 | 38,308 | 114 | 89,796 |
| Tennessee Technology Center at Jacksboro | 20 | 9,220 | 34 | 20,394 |
| Tennessee Technology Center at Jackson | 74 | 30,228 | 61 | 47,262 |
| Tennessee Technology Center at Knoxville | 76 | 28,237 | 66 | 33,525 |
| Tennessee Technology Center at Livingston | 90 | 27,809 | 54 | 41,844 |
| Tennessee Technology Center at McKenzie | 51 | 20,920 | 33 | 19,688 |
| Tennessee Technology Center at McMinnville | 33 | 13,244 | 25 | 14,744 |
| Tennessee Technology Center at Memphis | 62 | 26,017 | 91 | 69,472 |
| Tennessee Technology Center at Morristown | 112 | 50,184 | 89 | 60,843 |
| Tennessee Technology Center at Murfreesboro | 24 | 9,498 | 21 | 10,760 |
| Tennessee Technology Center at Nashville | 59 | 24,098 | 47 | 26,347 |
| Tennessee Technology Center at Newbern | 19 | 5,850 | 15 | 11,250 |
| Tennessee Technology Center at Oneida/Huntsville | 28 | 9,460 | 21 | 12,478 |
| Tennessee Technology Center at Paris | 62 | 23,268 | 51 | 29,742 |
| Tennessee Technology Center at Pulaski | 32 | 14,712 | 15 | 10,544 |
| Tennessee Technology Center at Ripley | 40 | 16,584 | 36 | 20,580 |
| Tennessee Technology Center at Shelbyville | 40 | 18,156 | 27 | 14,944 |
| Tennessee Technology Center at Whiteville | 26 | 9,086 | 28 | 18,600 |
| | 1,326 | 545,183 | 1,133 | 758,295 |

TOTAL:
AVERAGE AWARD:

GRAND TOTAL

| | | | |
|--|---------------|-------------------|-------------------|
| | 23,934 | 42,645,415 | |
| | | 1,782 | |
| | | 19,709 | 39,804,690 |
| | | | 2,020 |

* Awards were offered to eligible students who applied by March 15, 2005. Data shown here are current as of March 1, 2006. These amounts will decline as year end reconciliation rosters are completed.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 23, 2006

Information Item C: Federal Family Education Loan Program Status Report

Staff Recommendation Information only.

Background The Federal Family Education Loan Program provides three types of new loans.

Subsidized Stafford loans are made to students who demonstrate financial need. Students do not have to begin repayment until they leave school, and the federal government pays the interest while the students are enrolled.

Students unable to demonstrate financial need receive similar *unsubsidized Stafford loans*. While repayment is deferred until the students leave school, they are responsible for the interest while they are enrolled.

PLUS loans are made to parents of students. Financial need is not a factor, and repayment begins immediately.

TSAC guaranteed \$767 million in these three programs in 2004-05. In the first eight months of 2005-06 processing, \$597 million has been guaranteed. Details are provided in the document *Federal Family Education Loan Program Update*, March 1, 2006.

Supporting Document *Federal Family Education Loan Program Update*, March 1, 2006.

Federal Family Education Loan Program Update

March 1, 2006

Tennessee Student Assistance Corporation
Parkway Towers, Suite 1950
404 James Robertson Parkway
Nashville, Tennessee 37243-0820
(615) 741-1346

www.CollegePaysTN.com

Federal Family Education Loan Program

| | 2004-05 | | 2005-06 | |
|---|------------|----------------|-----------------|----------------|
| | Actual | | Through 2/28/06 | |
| | Loans* | \$ | Loans* | \$ |
| <u>Stafford Loan Program (Subsidized)</u> | | | | |
| Independent / Four-Years | 26,140 | \$101,565,439 | 21,463 | \$82,941,919 |
| Independent / Two-Years | 258 | 575,971 | 190 | 438,601 |
| Private/Business and Trade | 8,348 | 21,633,275 | 6,419 | 17,167,693 |
| Board of Regents | 24,197 | 82,065,169 | 14,174 | 50,715,234 |
| University of Tennessee System | 16,034 | 68,094,224 | 12,120 | 50,705,958 |
| State Tech/Community Colleges | 13,598 | 31,438,573 | 11,967 | 28,875,643 |
| School of Nursing | 39 | 96,839 | 8 | 11,378 |
| Tennessee Technology Centers | <u>261</u> | <u>541,540</u> | <u>100</u> | <u>206,304</u> |
| | 88,875 | \$306,011,030 | 66,441 | \$231,062,730 |
| <u>Stafford Loan Program (Unsubsidized)</u> | | | | |
| Independent / Four-Years | 21,716 | \$108,051,984 | 18,337 | \$98,503,736 |
| Independent / Two-Years | 182 | 551,858 | 139 | 434,677 |
| Private/Business and Trade | 7,449 | 21,306,991 | 6,234 | 18,361,371 |
| Board of Regents | 16,927 | 57,895,086 | 11,012 | 40,837,574 |
| University of Tennessee System | 13,587 | 68,458,163 | 10,391 | 49,791,763 |
| State Tech/Community Colleges | 6,764 | 15,861,223 | 6,454 | 16,322,331 |
| School of Nursing | 43 | 142,536 | 8 | 13,330 |
| Tennessee Technology Centers | <u>121</u> | <u>360,251</u> | <u>90</u> | <u>273,684</u> |
| | 66,789 | \$272,628,092 | 52,665 | \$224,538,466 |
| <u>PLUS Loan Program</u> | | | | |
| Independent / Four-Years | 4,311 | \$40,331,389 | 4,432 | \$45,023,294 |
| Independent / Two-Years | 26 | 121,778 | 22 | 85,216 |
| Private/Business and Trade | 570 | 3,313,674 | 460 | 3,375,960 |
| Board of Regents | 3,038 | 18,540,350 | 2,009 | 12,480,002 |
| University of Tennessee System | 1,891 | 13,592,006 | 1,546 | 11,817,161 |
| State Tech/Community Colleges | 137 | 491,679 | 143 | 630,327 |
| Tennessee Technology Centers | <u>1</u> | <u>8,633</u> | <u>1</u> | <u>7,500</u> |
| | 9,974 | \$76,399,509 | 8,613 | \$73,419,460 |
| <u>COMBINED LOAN PROGRAMS</u> | | | | |
| Independent / Four-Years | 52,167 | \$249,948,812 | 44,232 | \$226,468,949 |
| Independent / Two-Years | 466 | 1,249,607 | 351 | 958,494 |
| Private/Business and Trade | 16,367 | 46,253,940 | 13,113 | 38,905,024 |
| Board of Regents | 44,162 | 158,500,605 | 27,195 | 104,032,810 |
| University of Tennessee System | 31,512 | 150,144,393 | 24,057 | 112,314,882 |
| State Tech/Community Colleges | 20,499 | 47,791,475 | 18,564 | 45,828,301 |
| Tennessee Technology Centers | <u>383</u> | <u>910,424</u> | <u>191</u> | <u>487,488</u> |
| | 165,556 | \$654,799,256 | 127,703 | \$528,995,948 |
| <u>Other (Out-of-State) Schools</u> | 31,101 | \$112,122,415 | 20,551 | \$67,792,610 |
| <u>GRAND TOTAL</u> | 196,657 | \$766,921,671 | 148,254 | \$596,788,558 |

* Note that the number of loans is reported on a semester or term basis. For example, two loans would be reported for an individual who borrowed in both the fall and spring semesters.

TENNESSEE STUDENT ASSISTANCE CORPORATION
Federal Stafford Loan Program (*Subsidized*)

| | 2004-05 | | 2005-06 | |
|------------------------------------|---------|--------------|---------|-----------------------|
| | Loans* | Actual \$ | Loans* | Through 2/28/06 \$ |
| <u>INDEPENDENT/FOUR-YEARS</u> | | | | |
| Aquinas College (All Branches) | 766 | \$2,318,124 | 630 | \$1,815,988 |
| Baptist Memorial College of Health | 585 | 2,003,057 | 380 | 1,184,694 |
| Belmont University | 947 | 4,083,472 | 1,834 | 8,537,448 |
| Bethel College | 1,637 | 5,069,308 | 1,293 | 3,928,284 |
| Bryan College | 382 | 1,446,324 | 402 | 1,478,205 |
| Carson-Newman College | 1,307 | 4,095,053 | 1,098 | 3,564,189 |
| Christian Brothers University | 1,075 | 4,371,723 | 988 | 3,950,490 |
| Church of God Theological Seminary | 114 | 671,745 | 100 | 689,689 |
| Cumberland University | 927 | 2,583,508 | 655 | 1,954,130 |
| David Lipscomb University | 1,207 | 4,122,900 | 965 | 3,505,911 |
| Emmanuel School of Religion | 23 | 140,900 | 25 | 160,120 |
| Free Will Baptist Bible College | 206 | 755,265 | 207 | 785,734 |
| Freed-Hardeman University | 93 | 335,741 | 17 | 76,344 |
| Johnson Bible College | 435 | 1,474,295 | 308 | 1,100,753 |
| King College | 562 | 2,479,111 | 429 | 1,732,426 |
| Lambuth University | 420 | 1,487,765 | 389 | 1,380,776 |
| Lee University | 3,119 | 10,131,123 | 2,508 | 8,699,182 |
| Lincoln Memorial University | 1,587 | 5,289,298 | 1,576 | 5,929,206 |
| Martin Methodist College | 479 | 1,481,146 | 480 | 1,533,890 |
| Maryville College | 613 | 2,375,377 | 460 | 1,699,611 |
| Meharry Medical College | 820 | 6,846,253 | 129 | 1,033,229 |
| Memphis College of Art | 214 | 776,401 | 54 | 197,186 |
| Memphis Theological Seminary | 29 | 229,185 | 17 | 122,223 |
| Milligan College | 621 | 2,938,752 | 410 | 1,696,282 |
| Rhodes College | 107 | 387,317 | 83 | 372,124 |
| Southern College of Optometry | 1 | 8,500 | 1 | 8,500 |
| Temple Baptist Seminary | 8 | 51,200 | 8 | 53,000 |
| Tennessee Temple University | 1 | 1,045 | 1 | 1,750 |
| Tennessee Wesleyan College | 775 | 2,868,939 | 389 | 1,295,789 |
| Trevecca Nazarene University | 1,878 | 7,946,808 | 835 | 3,409,709 |
| Tusculum College | 1,844 | 6,318,943 | 1,508 | 5,083,805 |
| Union University | 869 | 3,410,346 | 1,166 | 5,241,054 |
| University of the South | 265 | 665,342 | 285 | 892,118 |

TENNESSEE STUDENT ASSISTANCE CORPORATION
Federal Stafford Loan Program (Subsidized)

| | 2004-05 | | 2005-06 | |
|--|---------------|----------------------|---------------|-----------------------|
| | Loans* | Actual \$ | Loans* | Through 2/28/06 \$ |
| Vanderbilt University (All Branches) | 2,033 | 11,739,749 | 1,653 | 9,156,708 |
| Watkins College of Art and Design | <u>191</u> | <u>661,424</u> | <u>180</u> | <u>671,372</u> |
| TOTAL | 26,140 | \$101,565,439 | 21,463 | \$82,941,919 |
| AVERAGE LOAN | | \$3,885 | | \$3,730 |
| <u>INDEPENDENT/TWO-YEARS</u> | | | | |
| Hiwassee College | 169 | \$362,267 | 150 | \$348,631 |
| John A Gupton College | <u>89</u> | <u>213,704</u> | <u>40</u> | <u>89,970</u> |
| TOTAL | 258 | \$575,971 | 190 | \$438,601 |
| AVERAGE LOAN | | \$2,232 | | \$2,308 |
| <u>PRIVATE/BUSINESS & TRADE</u> | | | | |
| Arnolds Beauty School | 39 | \$89,404 | 1 | \$1,750 |
| Concorde Career Institute | 53 | 106,106 | 3 | 6,060 |
| Draughon's Junior College (All Branches) | 3,199 | 7,918,424 | 2,706 | 6,719,987 |
| Electronic Computer Programming College | 149 | 342,571 | 89 | 204,839 |
| Fountainhead College of Technology | 201 | 645,949 | 126 | 401,325 |
| ITT Technical Institute (All Branches) | 0 | 0 | 2 | 7,000 |
| Jon Nave University of Cosmetology | 11 | 17,214 | 2 | 1,868 |
| McCollum & Ross - The Hair School | 149 | 368,098 | 79 | 197,214 |
| MedVance Institute | 298 | 756,731 | 57 | 137,991 |
| Middle Tennessee School of Anesthesia | 148 | 1,154,622 | 122 | 955,150 |
| Miller-Motte Business College (All Branches) | 732 | 1,532,986 | 731 | 1,895,064 |
| Mr Wayne's School Unisex Hair Design | 12 | 30,272 | 7 | 18,375 |
| Nashville Auto Diesel College | 9 | 19,430 | 2 | 5,250 |
| Nashville College of Medical Career | 252 | 627,031 | 148 | 371,938 |
| New Directions Hair Academy (All Branches) | 342 | 727,380 | 167 | 374,836 |
| New Wave Hair Academy (All Branches) | 499 | 1,241,860 | 272 | 670,776 |
| North Central Institute | 22 | 54,337 | 24 | 57,294 |
| Nossi College of Art | 383 | 1,076,801 | 272 | 773,882 |
| O'More College of Design | 94 | 328,809 | 104 | 373,304 |
| Plaza Beauty School | 107 | 242,816 | 74 | 160,910 |
| Queen City Hair Design | 1 | 2,486 | 0 | 0 |
| SAE Institute of Technology | 0 | 0 | 108 | 283,275 |

TENNESSEE STUDENT ASSISTANCE CORPORATION
Federal Stafford Loan Program (*Subsidized*)

| | 2004-05 | | 2005-06 | |
|---|--------------|---------------------|--------------|-----------------------|
| | Loans* | Actual \$ | Loans* | Through 2/28/06 \$ |
| South College | 1,122 | 3,213,633 | 747 | 2,129,838 |
| Southeastern Career College | 3 | 7,875 | 249 | 672,814 |
| Tennessee Academy of Cosmetology (All Branches) | 221 | 350,346 | 133 | 242,447 |
| Tennessee Career College | 120 | 332,941 | 58 | 181,651 |
| Volunteer Beauty Academy (All Branches) | <u>182</u> | <u>445,153</u> | <u>136</u> | <u>322,855</u> |
| TOTAL | 8,348 | \$21,633,275 | 6,419 | \$17,167,693 |
| AVERAGE LOAN | | \$2,591 | | \$2,675 |

BOARD OF REGENTS

| | | | | |
|------------------------------------|---------------|---------------------|---------------|---------------------|
| Austin Peay State University | 6,434 | \$20,915,372 | 3,770 | \$12,176,451 |
| East Tennessee State University | 6,688 | 25,087,621 | 4,014 | 15,865,406 |
| Middle Tennessee State University | 11,064 | 36,013,205 | 6,382 | 22,644,002 |
| Tennessee State University | 11 | 48,971 | 7 | 26,750 |
| Tennessee Technological University | <u>0</u> | <u>0</u> | <u>1</u> | <u>2,625</u> |
| TOTAL | 24,197 | \$82,065,169 | 14,174 | \$50,715,234 |
| AVERAGE LOAN | | \$3,392 | | \$3,578 |

UNIVERSITY OF TENNESSEE SYSTEM

| | | | | |
|--------------------------------------|---------------|---------------------|---------------|---------------------|
| University of Tennessee, Chattanooga | 2,955 | \$10,790,199 | 2,691 | \$10,596,540 |
| University of Tennessee, Knoxville | 9,134 | 40,187,060 | 6,364 | 28,310,986 |
| University of Tennessee, Martin | 3,035 | 9,780,023 | 2,792 | 9,625,368 |
| University of Tennessee, Memphis | <u>910</u> | <u>7,336,942</u> | <u>273</u> | <u>2,173,064</u> |
| TOTAL | 16,034 | \$68,094,224 | 12,120 | \$50,705,958 |
| AVERAGE LOAN | | \$4,247 | | \$4,184 |

STATE TECH/COMMUNITY COLLEGES

| | | | | |
|---|-------|-------------|-------|-------------|
| Chattanooga State Technical Community College | 3,505 | \$9,256,661 | 2,830 | \$7,503,611 |
| Cleveland State Community College | 516 | 1,152,615 | 423 | 977,076 |
| Columbia State Community College | 924 | 2,245,348 | 965 | 2,414,610 |
| Dyersburg State Community College | 581 | 1,286,548 | 610 | 1,433,888 |
| Nashville State Technical Community College | 1,855 | 4,175,611 | 1,868 | 4,526,654 |
| Northeast State Technical Community College | 1,101 | 2,252,951 | 885 | 2,099,685 |
| Pellissippi State Technical Community College | 1,658 | 3,047,684 | 1,378 | 2,771,372 |

TENNESSEE STUDENT ASSISTANCE CORPORATION
Federal Stafford Loan Program (*Subsidized*)

| | 2004-05 | | 2005-06 | |
|--|---------------|----------------------|---------------|----------------------|
| | Loans* | Actual | Loans* | Through 2/28/06 |
| | | \$ | | \$ |
| Roane State Community College | 973 | 2,619,095 | 958 | 2,491,438 |
| Volunteer State Community College | 1,528 | 3,234,046 | 1,356 | 3,029,360 |
| Walters State Community College | <u>957</u> | <u>2,168,014</u> | <u>694</u> | <u>1,627,949</u> |
| TOTAL | 13,598 | \$31,438,573 | 11,967 | \$28,875,643 |
| AVERAGE LOAN | | \$2,312 | | \$2,413 |
| <u>SCHOOL OF NURSING</u> | | | | |
| Methodist Hospital School of Nursing | 39 | \$96,839 | 8 | \$11,378 |
| TOTAL | 39 | \$96,839 | 8 | \$11,378 |
| AVERAGE LOAN | | \$2,483 | | \$1,422 |
| <u>TENNESSEE TECHNOLOGY CENTERS</u> | | | | |
| Tennessee Technology Center at Hohenwald | 103 | \$220,785 | 0 | 0 |
| Tennessee Technology Center at Nashville | <u>158</u> | <u>320,755</u> | <u>100</u> | <u>206,304</u> |
| TOTAL | 261 | \$541,540 | 100 | \$206,304 |
| AVERAGE LOAN | | \$2,075 | | \$2,063 |
| <u>GRAND TOTAL</u> | 88,875 | \$306,011,030 | 66,441 | \$231,062,730 |
| | | \$3,443 | | \$3,478 |

* Note that the number of loans is reported on a semester or term basis. For example, two loans would be reported for an individual who borrowed in both the fall and spring semesters.

TENNESSEE STUDENT ASSISTANCE CORPORATION
Federal Stafford Loan Program (*Unsubsidized*)

| | 2004-05 | | 2005-06 | |
|------------------------------------|---------|--------------|---------|-----------------------|
| | Loans* | Actual \$ | Loans* | Through 2/28/06 \$ |
| <u>INDEPENDENT/FOUR-YEARS</u> | | | | |
| Aquinas College (All Branches) | 731 | \$2,785,912 | 617 | \$2,237,421 |
| Baptist Memorial College of Health | 541 | 2,170,089 | 354 | 1,380,742 |
| Belmont University | 768 | 4,223,302 | 1,298 | 7,746,231 |
| Bethel College | 1,418 | 4,967,483 | 1,138 | 3,891,669 |
| Bryan College | 218 | 837,328 | 216 | 610,394 |
| Carson-Newman College | 869 | 2,815,345 | 818 | 2,810,915 |
| Christian Brothers University | 1,032 | 4,932,766 | 925 | 8,522,887 |
| Church of God Theological Seminary | 33 | 140,972 | 26 | 151,283 |
| Cumberland University | 1,139 | 3,260,379 | 725 | 2,490,429 |
| David Lipscomb University | 712 | 2,619,923 | 780 | 3,158,683 |
| Emmanuel School of Religion | 7 | 31,550 | 2 | 8,500 |
| Free Will Baptist Bible College | 93 | 365,769 | 125 | 488,927 |
| Freed-Hardeman University | 56 | 218,300 | 7 | 38,438 |
| Johnson Bible College | 275 | 906,808 | 229 | 783,833 |
| King College | 310 | 1,478,164 | 283 | 1,251,875 |
| Lambuth University | 249 | 805,149 | 253 | 772,705 |
| Lee University | 1,927 | 6,649,281 | 1,744 | 6,317,114 |
| Lincoln Memorial University | 1,817 | 8,864,313 | 1,777 | 10,123,601 |
| Martin Methodist College | 380 | 1,166,952 | 392 | 1,327,538 |
| Maryville College | 433 | 1,606,434 | 316 | 1,147,836 |
| Meharry Medical College | 837 | 19,137,837 | 156 | 3,097,055 |
| Memphis College of Art | 149 | 615,047 | 40 | 157,245 |
| Memphis Theological Seminary | 4 | 25,600 | 4 | 30,882 |
| Milligan College | 464 | 2,246,840 | 346 | 11,338,018 |
| Rhodes College | 82 | 306,072 | 74 | 319,361 |
| Southern College of Optometry | 1 | 7,944 | 3 | 6,351 |
| Temple Baptist Seminary | 2 | 11,500 | 5 | 38,620 |
| Tennessee Temple University | 1 | 1,500 | 1 | 8,000 |
| Tennessee Wesleyan College | 539 | 1,918,764 | 317 | 1,096,836 |
| Trevecca Nazarene University | 1,722 | 8,381,137 | 836 | 3,980,194 |
| Tusculum College | 1,738 | 6,963,735 | 1,422 | 5,811,356 |
| Union University | 933 | 3,982,970 | 1,093 | 6,014,620 |
| University of the South | 187 | 546,058 | 190 | 650,614 |

TENNESSEE STUDENT ASSISTANCE CORPORATION
Federal Stafford Loan Program (*Unsubsidized*)

| | 2004-05 | | 2005-06 | |
|--|---------------|----------------------|---------------|-----------------------|
| | Loans* | Actual \$ | Loans* | Through 2/28/06 \$ |
| Vanderbilt University (All Branches) | 1,895 | 12,486,639 | 1,682 | 10,106,177 |
| Watkins College of Art and Design | <u>154</u> | <u>574,122</u> | <u>143</u> | <u>587,386</u> |
| TOTAL | 21,716 | \$108,051,984 | 18,337 | \$98,503,736 |
| AVERAGE LOAN | | \$4,976 | | \$5,372 |
| <u>INDEPENDENT/TWO-YEARS</u> | | | | |
| Hiwassee College | 105 | \$280,958 | 94 | \$296,620 |
| John A Gupton College | <u>77</u> | <u>270,900</u> | <u>45</u> | <u>138,057</u> |
| TOTAL | 182 | \$551,858 | 139 | \$434,677 |
| AVERAGE LOAN | | \$3,032 | | \$3,127 |
| <u>PRIVATE/BUSINESS & TRADE</u> | | | | |
| Arnolds Beauty School | 28 | \$83,269 | 21 | \$58,484 |
| Concorde Career Institute | 42 | 69,231 | 2 | 2,776 |
| Draughton's Junior College (All Branches) | 2,735 | 5,242,151 | 2,741 | 5,384,071 |
| Electronic Computer Programming College | 110 | 184,066 | 62 | 97,452 |
| Fountainhead College of Technology | 164 | 638,600 | 90 | 337,558 |
| ITT Technical Institute (All Branches) | 1 | 2,625 | 3 | 10,625 |
| Jon Nave University of Cosmetology | 8 | 16,083 | 2 | 1,411 |
| McCollum & Ross - The Hair School | 142 | 525,430 | 74 | 268,235 |
| MedVance Institute | 272 | 730,112 | 40 | 118,289 |
| Middle Tennessee School of Anesthesia | 165 | 1,792,790 | 127 | 1,348,131 |
| Miller-Motte Business College (All Branches) | 711 | 1,743,537 | 726 | 2,473,412 |
| Mr Wayne's School Unisex Hair Design | 3 | 7,875 | 1 | 2,625 |
| Nashville Auto Diesel College | 6 | 16,966 | 1 | 4,000 |
| Nashville College of Medical Career | 266 | 601,825 | 160 | 443,202 |
| New Directions Hair Academy (All Branches) | 259 | 711,621 | 158 | 433,863 |
| New Wave Hair Academy (All Branches) | 468 | 1,716,940 | 263 | 959,846 |
| North Central Institute | 18 | 63,000 | 21 | 73,400 |
| Nossi College of Art | 330 | 1,263,615 | 245 | 942,274 |
| O'More College of Design | 58 | 248,352 | 72 | 318,008 |
| Plaza Beauty School | 91 | 184,582 | 55 | 131,243 |
| SAE Institute of Technology | 0 | 0 | 82 | 323,625 |
| South College | 1,088 | 4,172,442 | 731 | 2,835,033 |

TENNESSEE STUDENT ASSISTANCE CORPORATION
Federal Stafford Loan Program (*Unsubsidized*)

| | 2004-05 | | 2005-06 | |
|---|--------------|---------------------|--------------|-----------------------|
| | Loans* | Actual \$ | Loans* | Through 2/28/06 \$ |
| Southeastern Career College | 3 | 12,000 | 250 | 977,090 |
| Tennessee Academy of Cosmetology (All Branches) | 196 | 240,443 | 137 | 185,948 |
| Tennessee Career College | 143 | 499,572 | 62 | 238,880 |
| Volunteer Beauty Academy (All Branches) | <u>142</u> | <u>539,864</u> | <u>108</u> | <u>391,890</u> |
| TOTAL | 7,449 | \$21,306,991 | 6,234 | \$18,361,371 |
| AVERAGE LOAN | | \$2,860 | | \$2,945 |

BOARD OF REGENTS

| | | | | |
|------------------------------------|---------------|---------------------|---------------|---------------------|
| Austin Peay State University | 4,545 | \$15,889,993 | 2,952 | \$10,795,788 |
| East Tennessee State University | 3,869 | 13,597,075 | 2,490 | 9,543,953 |
| Middle Tennessee State University | 8,504 | 28,369,248 | 5,562 | 20,458,885 |
| Tennessee State University | 9 | 38,770 | 7 | 34,948 |
| Tennessee Technological University | <u>0</u> | <u>0</u> | <u>1</u> | <u>4,000</u> |
| TOTAL | 16,927 | \$57,895,086 | 11,012 | \$40,837,574 |
| AVERAGE LOAN | | \$3,420 | | \$3,708 |

UNIVERSITY OF TENNESSEE SYSTEM

| | | | | |
|--------------------------------------|---------------|---------------------|---------------|---------------------|
| University of Tennessee, Chattanooga | 2,557 | \$9,002,868 | 2,157 | \$8,351,953 |
| University of Tennessee, Knoxville | 7,616 | 37,823,689 | 5,539 | 28,765,721 |
| University of Tennessee, Martin | 2,255 | 7,566,040 | 2,226 | 8,067,192 |
| University of Tennessee, Memphis | <u>1,159</u> | <u>14,065,566</u> | <u>469</u> | <u>4,606,897</u> |
| TOTAL | 13,587 | \$68,458,163 | 10,391 | \$49,791,763 |
| AVERAGE LOAN | | \$5,039 | | \$4,792 |

STATE TECH/COMMUNITY COLLEGES

| | | | | |
|---|-------|-------------|-------|-------------|
| Chattanooga State Technical Community College | 1,084 | \$2,484,146 | 979 | \$2,346,008 |
| Cleveland State Community College | 381 | 750,716 | 294 | 624,133 |
| Columbia State Community College | 850 | 2,205,744 | 733 | 2,046,098 |
| Dyersburg State Community College | 207 | 406,184 | 200 | 435,752 |
| Nashville State Technical Community College | 1,368 | 4,107,625 | 1,387 | 4,544,967 |
| Northeast State Technical Community College | 612 | 990,687 | 508 | 953,858 |
| Pellissippi State Technical Community College | 704 | 1,239,483 | 724 | 1,358,146 |
| Roane State Community College | 648 | 1,880,427 | 719 | 2,079,033 |

TENNESSEE STUDENT ASSISTANCE CORPORATION
Federal Stafford Loan Program (*Unsubsidized*)

| | 2004-05 | | 2005-06 | |
|--|-------------------|--------------------------|-------------------|--------------------------|
| | Loans* | Actual \$ | Loans* | Through 2/28/06 \$ |
| Volunteer State Community College | 451 | 840,486 | 470 | 980,413 |
| Walters State Community College | <u>459</u> | <u>955,725</u> | <u>440</u> | <u>953,923</u> |
| TOTAL | 6,764 | \$15,861,223 | 6,454 | \$16,322,331 |
| AVERAGE LOAN | | \$2,345 | | \$2,529 |
| <u>SCHOOL OF NURSING</u> | | | | |
| Methodist Hospital School of Nursing | 43 | \$142,536 | 8 | \$13,330 |
| TOTAL | 43 | \$142,536 | 8 | \$13,330 |
| AVERAGE LOAN | | \$3,315 | | \$1,666 |
| <u>TENNESSEE TECHNOLOGY CENTERS</u> | | | | |
| Tennessee Technology Center at Nashville | <u>121</u> | <u>\$360,251</u> | <u>90</u> | <u>\$273,684</u> |
| TOTAL | 121 | \$360,251 | 90 | \$273,684 |
| AVERAGE LOAN | | \$2,977 | | \$3,041 |
| <u>GRAND TOTAL</u> | 66,789 | \$272,628,092 | 52,665 | \$224,538,466 |
| AVERAGE LOAN | | \$4,082 | | \$4,264 |

* Note that the number of loans is reported on a semester or term basis. For example, two loans would be reported for an individual who borrowed in both the fall and spring semesters.

TENNESSEE STUDENT ASSISTANCE CORPORATION
Federal PLUS Loan Program

| | 2004-05 | | 2005-06 | |
|--------------------------------------|--------------|---------------------|--------------|-----------------------|
| | Loans* | Actual \$ | Loans* | Through 2/28/06 \$ |
| <u>INDEPENDENT/FOUR-YEARS</u> | | | | |
| Aquinas College (All Branches) | 45 | \$218,825 | 64 | \$373,450 |
| Baptist Memorial College of Health | 50 | 211,875 | 68 | 328,675 |
| Belmont University | 520 | 6,424,791 | 719 | 10,336,217 |
| Bethel College | 41 | 173,528 | 46 | 254,389 |
| Bryan College | 107 | 914,670 | 135 | 1,088,334 |
| Carson-Newman College | 260 | 1,720,707 | 236 | 1,725,506 |
| Christian Brothers University | 120 | 755,063 | 106 | 720,129 |
| Cumberland University | 119 | 728,681 | 118 | 772,983 |
| David Lipscomb University | 411 | 3,471,915 | 411 | 3,537,687 |
| Free Will Baptist Bible College | 64 | 510,270 | 74 | 621,649 |
| Freed-Hardeman University | 8 | 65,615 | 4 | 61,770 |
| Johnson Bible College | 85 | 383,767 | 63 | 307,612 |
| King College | 110 | 769,073 | 96 | 730,088 |
| Lambuth University | 92 | 655,716 | 65 | 492,396 |
| Lee University | 408 | 3,075,595 | 412 | 3,463,683 |
| Lincoln Memorial University | 130 | 639,379 | 147 | 652,363 |
| Martin Methodist College | 43 | 228,400 | 62 | 335,023 |
| Maryville College | 180 | 1,430,751 | 142 | 1,041,632 |
| Memphis College of Art | 93 | 1,304,959 | 17 | 223,277 |
| Milligan College | 128 | 1,024,382 | 137 | 1,112,306 |
| Rhodes College | 44 | 549,380 | 33 | 417,528 |
| Southern Adventist University | 1 | 15,000 | 0 | 0 |
| Temple Baptist Seminary | 0 | 0 | 1 | 4,901 |
| Tennessee Wesleyan College | 84 | 456,090 | 107 | 698,557 |
| Trevecca Nazarene University | 246 | 1,959,052 | 233 | 1,916,405 |
| Tusculum College | 143 | 905,674 | 116 | 792,469 |
| Union University | 181 | 1,661,532 | 209 | 2,043,114 |
| University of the South | 120 | 1,653,422 | 134 | 2,194,838 |
| Vanderbilt University (All Branches) | 468 | 8,359,955 | 447 | 8,488,492 |
| Watkins College of Art and Design | 10 | 63,322 | 30 | 287,821 |
| TOTAL | 4,311 | \$40,331,389 | 4,432 | \$45,023,294 |
| AVERAGE LOAN | | \$9,355 | | \$10,159 |

TENNESSEE STUDENT ASSISTANCE CORPORATION
Federal PLUS Loan Program

| | 2004-05 | | 2005-06 | |
|---|------------|---------------------|-----------------|--------------------|
| | Actual | | Through 2/28/06 | |
| | Loans* | | Loans* | |
| | \$ | | \$ | |
| <u>INDEPENDENT/TWO-YEARS</u> | | | | |
| Hiwassee College | 16 | 84,912 | 12 | 47,776 |
| John A Gupton College | <u>10</u> | <u>36,866</u> | <u>10</u> | <u>37,440</u> |
| | 26 | \$121,778 | 22 | \$85,216 |
| | | \$4,684 | | \$3,873 |
| | | TOTAL | | |
| | | AVERAGE LOAN | | |
| <u>PRIVATE/BUSINESS & TRADE</u> | | | | |
| Arnolds Beauty School | 5 | 25,800 | 3 | 10,843 |
| Concorde Career Institute | 2 | 5,814 | 0 | 0 |
| Draughon's Junior College (All Branches) | 111 | 369,953 | 129 | 453,403 |
| Electronic Computer Programming College | 35 | 75,400 | 11 | 24,942 |
| Fountainhead College of Technology | 50 | 447,054 | 32 | 290,735 |
| ITT Technical Institute (All Branches) | 3 | 27,514 | 2 | 23,119 |
| McCollum & Ross - The Hair School | 6 | 38,260 | 5 | 25,934 |
| MedVance Institute | 10 | 34,670 | 4 | 8,853 |
| Miller-Motte Business College (All Branches) | 40 | 228,510 | 39 | 278,509 |
| Mr Wayne's School Unisex Hair Design | 1 | 2,400 | 0 | 0 |
| Nashville Auto Diesel College | 36 | 213,288 | 2 | 23,811 |
| Nashville College of Medical Career | 7 | 40,483 | 2 | 11,763 |
| New Directions Hair Academy (All Branches) | 41 | 263,412 | 31 | 192,212 |
| New Wave Hair Academy (All Branches) | 6 | 32,682 | 4 | 27,357 |
| North Central Institute | 4 | 24,501 | 1 | 13,000 |
| Nossi College of Art | 47 | 419,200 | 23 | 183,235 |
| O'More College of Design | 27 | 244,333 | 35 | 334,605 |
| Plaza Beauty School | 14 | 88,545 | 5 | 29,342 |
| SAE Institute of Technology | 0 | 0 | 51 | 862,099 |
| South College | 0 | 0 | 53 | 428,004 |
| Southeastern Career College | 69 | 534,812 | 3 | 24,872 |
| Tennessee Academy of Cosmetology (All Branches) | 16 | 30,104 | 8 | 10,105 |
| Tennessee Career College | 20 | 84,756 | 5 | 31,975 |
| Volunteer Beauty Academy (All Branches) | <u>20</u> | <u>82,183</u> | <u>12</u> | <u>87,242</u> |
| | 570 | \$3,313,674 | 460 | \$3,375,960 |
| | | TOTAL | | \$7,339 |
| | | AVERAGE LOAN | | |

TENNESSEE STUDENT ASSISTANCE CORPORATION
Federal PLUS Loan Program

| | 2004-05 | | 2005-06 | |
|------------------------------------|--------------|---------------------|-----------------|---------------------|
| | Actual | | Through 2/28/06 | |
| | Loans* | | Loans* | |
| | \$ | | \$ | |
| <u>BOARD OF REGENTS</u> | | | | |
| Austin Peay State University | 433 | 2,342,112 | 294 | 1,640,138 |
| East Tennessee State University | 667 | 4,111,110 | 474 | 3,082,494 |
| Middle Tennessee State University | 1,561 | 9,306,433 | 1,031 | 6,527,984 |
| Tennessee State University | 172 | 1,696,083 | 7 | 66,980 |
| Tennessee Technological University | <u>205</u> | <u>1,084,612</u> | <u>203</u> | <u>1,162,406</u> |
| TOTAL | 3,038 | \$18,540,350 | 2,009 | \$12,480,002 |
| AVERAGE LOAN | | \$6,103 | | \$6,212 |

UNIVERSITY OF TENNESSEE SYSTEM

| | | | | |
|--------------------------------------|--------------|---------------------|--------------|---------------------|
| University of Tennessee, Chattanooga | 340 | 1,759,544 | 272 | 1,666,930 |
| University of Tennessee, Knoxville | 1,290 | 10,651,929 | 980 | 8,547,007 |
| University of Tennessee, Martin | 261 | 1,180,533 | 283 | 1,513,224 |
| University of Tennessee, Memphis | <u>0</u> | <u>0</u> | <u>11</u> | <u>90,000</u> |
| TOTAL | 1,891 | \$13,592,006 | 1,546 | \$11,817,161 |
| AVERAGE LOAN | | \$7,188 | | \$7,644 |

STATE TECH/COMMUNITY COLLEGES

| | | | | |
|---|------------|------------------|------------|------------------|
| Chattanooga State Technical Community College | 0 | 0 | 18 | 73,412 |
| Cleveland State Community College | 30 | 127,562 | 12 | 34,728 |
| Columbia State Community College | 11 | 35,074 | 17 | 88,700 |
| Dyersburg State Community College | 8 | 27,114 | 4 | 12,600 |
| Nashville State Technical Community College | 0 | 0 | 3 | 14,000 |
| Northeast State Technical Community College | 3 | 21,124 | 16 | 76,457 |
| Pellissippi State Technical Community College | 4 | 12,350 | 57 | 260,622 |
| Roane State Community College | 67 | 214,701 | 0 | 0 |
| Volunteer State Community College | 0 | 0 | 16 | 69,808 |
| Walters State Community College | <u>14</u> | <u>53,754</u> | <u>0</u> | <u>0</u> |
| TOTAL | 137 | \$491,679 | 143 | \$630,327 |

TENNESSEE STUDENT ASSISTANCE CORPORATION
Federal PLUS Loan Program

| | 2004-05 Actual | 2005-06 Through 2/28/06 |
|---------------------|-------------------|----------------------------|
| Loans* | \$ | \$ |
| AVERAGE LOAN | \$3,589 | \$4,408 |

TENNESSEE TECHNOLOGY CENTERS

| | | |
|--|---------------------|---------------------|
| Tennessee Technology Center at Nashville | 1 | 1 |
| TOTAL | <u>\$8,633</u> | <u>\$7,500</u> |
| AVERAGE LOAN | \$8,633 | \$7,500 |
| AVERAGE LOAN | 9,974 | 8,613 |
| AVERAGE LOAN | \$76,399,509 | \$73,419,460 |
| AVERAGE LOAN | \$7,660 | \$7,500 |
| <u>GRAND TOTAL</u> | | |

* Note that the number of loans is reported on a semester or term basis. For example, two loans would be reported for an individual who borrowed in both the fall and spring semesters.

TENNESSEE STUDENT ASSISTANCE CORPORATION
Thursday, March 23, 2006

INFORMATION ITEM D: College Goal Sunday Report

Staff Recommendation For information only.

Background College Goal Sunday is a national effort to bring students, families, and volunteers together to provide information about college attendance and to help complete the “FAFSA” Free Application for Federal Student Aid. This was last reviewed with the Board at its September 19, 2005 meeting.

Tennessee’s first annual College Goal Sunday (CGS) event was held on February 12, 2006 at fourteen sites across the state. Due to inclement weather, three of the original seventeen scheduled sites were forced to cancel. The response from everyone was tremendous, with more than 250 volunteers participating at the CGS sites and 1,118 students, parents and other family members in attendance. Details are provided in the attached report.

Supporting Document *College Goal Sunday Attendance Report, February 12, 2006.*

College Goal Sunday Attendance Report

February 12, 2006

| College Goal Sunday Sites | Students | Family Members | Total |
|---|-----------------|-----------------------|--------------|
| Blountville Northeast State Tech CC | * | * | Canceled |
| Chattanooga University of TN, Chattanooga | 36 | 29 | 65 |
| Clarksville Austin Peay State University | 53 | 70 | 123 |
| Cleveland Cleveland State CC | 32 | 48 | 80 |
| Columbia Columbia State CC | 57 | 63 | 120 |
| Cookeville Tennessee Tech University | 42 | 46 | 88 |
| Dyersburg Dyersburg State CC | 33 | 52 | 85 |
| Gallatin Volunteer State CC | 38 | 44 | 82 |
| Harriman Roane State CC | 8 | 11 | 19 |
| Hohenwald Tennessee Tech Center, Hohenwald | 6 | 9 | 15 |
| Johnson City East Tennessee State University | * | * | Canceled |
| Jackson Tennessee Tech Center, Jackson | 24 | 20 | 44 |
| Knoxville Pellissippi State Tech CC | 38 | 34 | 72 |
| Lynchburg Motlow State CC | * | * | Canceled |
| Memphis Benjamin L. Hooks Library Southwest Tennessee CC | 31 18 | 57 22 | 88 40 |
| Nashville Nashville State Tech CC | 79 | 118 | 197 |
| Totals | 495 | 623 | 1,118 |

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 23, 2006

INFORMATION ITEM E: Application Deadline Dates for TSAC Programs

Staff Recommendation

For information only.

Background

The Tennessee Student Assistance Corporation has established a number of different application deadlines for the various student financial aid programs administered by the Corporation.

Over the next several months, TSAC staff will consult with the financial aid community to consider reducing and consolidating the number of different deadlines.

A recommendation may be brought to the Board at a future meeting.

Supporting Document

Application Deadlines for TSAC-Administered Student Financial Aid Programs, March 3, 2006.

Application Deadlines for
TSAC-Administered Student Financial Aid Programs

March 3, 2006

| <u>Program</u> | <u>Application Deadline</u> |
|---|---|
| Ned McWherter Scholars Program | February 15 |
| Robert C. Byrd Honors Scholarship | March 1 |
| Christa McAuliffe Scholarship | April 1 |
| Minority Teaching Fellows Program | April 15 |
| Tennessee Teaching Scholars Program | April 15 |
| Tennessee Student Assistance Award (TSAA) | May 1 |
| Dependent Children Scholarship Program | July 15 |
| HOPE Scholarship (fall term) | September 1 |
| HOPE Scholarship (spring & summer term) | February 1 |
| HOPE Scholarship (Tech Centers) | 7 th day after start of term |

