

**Tennessee Student Assistance Corporation**

Thursday March 19, 2009

**DISCUSSION ITEM G:** Tentative Budget for 2009-10

**Staff Recommendation:** For Discussion Only.

**Background:** TSAC submitted a single improvement request to the Governor for fiscal year 2009-10. The request was for \$3.2 million for Tennessee Student Assistance Awards (TSAA) funded by the lottery program. At the time of distribution of the Board material the Governor's budget recommendations had not been published.

For fiscal year 2008-09, TSAC's reduction of state appropriations was approximately \$1.1 million. This includes \$946,000 from TSAA (2% of total state funds in TSAA, representing approximately 450 awards), \$103,000 from TSAC Administration (3.5% of total state funds in Administration), and \$78,500 for one position in the state Voluntary Buyout Program.

Like most other state agencies, TSAC has been asked to prepare for cuts in state appropriations of up to 15% for fiscal year 2009-10. TSAC will not receive any of the federal stimulus funds to offset reductions.

**Supporting Document:** *none*