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Ten Counties Launch Education and Workforce Initiative

Representatives from local government and area business leaders announced today the formation of Southwest Tennessee Educational Pathways (STEP), a college access initiative designed to boost workforce development in a ten-county region. The announcement came as part of the annual West Tennessee Economic Development Summit held at Jackson State Community College.

Modeled after the highly successful Ayers Foundation Scholarship Program, the STEP college access program will be implemented in two phases. First, an infrastructure of mentors will be recruited and trained to assist students in navigating the college admissions and financial aid processes. Secondly, participating counties will work to provide “last dollar” scholarships to fill in the tuition gaps for students after all other sources of financial aid have been accessed.

“The regional cooperation in this effort is unprecedented. We came together to explore ways to capitalize on the megasite, and it became clear that improving the area’s workforce was crucial to enticing further economic development,” said Joe Barker, Executive Director of the Southwest Tennessee Development District.

STEP has engaged the Ayers Foundation to provide expertise through analyzing existing community resources, recommending how these resources may be leveraged and aligned, and developing training programs for mentors. State Commissioner of Labor and Workforce Development James Neeley who attended the launch said, “I am impressed with how local leaders have come together to address workforce needs. We at the department were happy to be a partner in this effort and support this initiative. It’s a great example for other communities.”

Local governments located in the following counties are participating in the STEP initiative: Chester, Decatur, Hardeman, Hardin, Haywood, Henderson, Lauderdale, Madison, McNairy, and Tipton.



Defaulted Student Loans

At this time, among other things, many of us are concerned with the default of student loans. So I have pulled together a few facts for us to consider. Each of us at some time have had a student borrower say to us “I did not realize that was a loan that I was going to have to repay.” We need to make sure students understand their responsibilities toward the loan they are getting to assist them in paying for their education. They must understand a student loan must be repaid.

Prior to a student loan defaulting the student has been placed in repayment by the loan holder. If there is a break in the scheduled payment process, then the student is considered to be delinquent on their loan payment. During this period, the loan holder, authorized by Title IV of the Higher Education Act, will try to contact the borrower. The loan holder also notifies the guaranty agency who notifies the school. If the loan holder cannot locate the borrower, the loan will enter default status. This is when the guaranty agency reviews and pays a default claim to the loan holder. It is during this delinquency period that schools are now becoming more involved in trying to assist the loan holder and guaranty agency in re-establishing contact with the borrower and hopefully preventing a default.

Loan holders, (e.g. lenders) and guaranty agencies (after default) have rigorous collection procedures. Borrowers who do not make loan repayments often have to deal with some very serious consequences, such as:

- Garnishment of administrative wages: The Higher Education Act of 1965 states that the Department of Education and guaranty agencies may request that employers take up to 15% of the disposable income of employees with student loans in default.
- Federal offset of income tax refunds: The Department of Education can ask the Treasury Department to offset the defaulted borrower's federal income tax refunds.

Additionally, defaulters may lose their professional licenses by having their licenses suspended or annulled. TSAC has just this year instituted this process. Several defaulted borrowers who have a professional license in Tennessee have had their licenses suspended because of failure to make satisfactory payment arrangements on their defaulted loans.

The best “cure” for a student loan default is simply to prevent it. Student borrowers have several simple ways to prevent loan default:

- Prior to signing the Master Promissory Note for a loan, understand the loan process as much as possible. Ask lots of questions and listen.
- Keep track of the dates of the payment and maintain proper updated records pertaining to their loans.
- Keep the holder of each loan informed of any changes in address and/or name, termination of studies, or transfer to another college, etc.
- Keep in touch with the Financial Aid Office for the school where the loan was obtained. They can be a great source of assistance.
- If repayment problems do occur, contact the holder of the loan immediately. They are going to work with borrowers to prevent default.

Watch for additional information on student loan defaults in the December newsletter. If you have further questions, please contact me at jane.pennington@tn.gov or 615.253.7487.

National Training for Counselors & Mentors

The National Training for Counselors and Mentors program continues into the month of November. The event begins at 8:30 a.m. and concludes at 2:30 p.m. See schedule below for additional detail. The remaining dates are:

November 2	Memphis	Christian Brothers University
November 2	Nashville	Trevecca Nazarene University
November 3	Columbia	Columbia State Community College
November 3	Murfreesboro	Tennessee Technology Center at Murfreesboro
November 10	Milligan	Milligan College
November 11	Morristown	Walters State Community College
November 12	Knoxville	Pellissippi State Community College
November 13	Chattanooga	Chattanooga State Community College

NT4CM Workshop Agenda

8:30a.m.-9:00 a.m.

Registration and Refreshments

9:00 a.m.-12:00 p.m.

Welcome and Introductions

Overview of Financial Aid Programs

FAFSA4caster

Completing the FAFSA on the Web Worksheet

Academic Competitiveness Grants

Searching for Scholarships

12:00 p.m.-1:00 p.m.

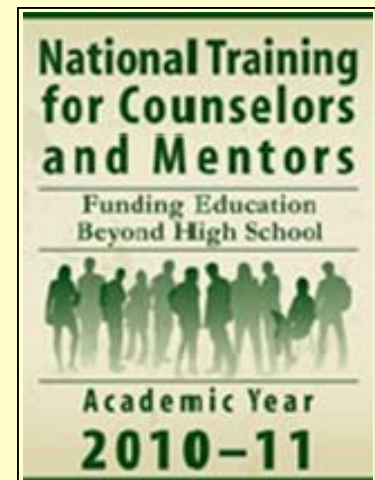
Lunch

1:00 p.m.-1:45 p.m.

Dual Enrollment Grant/Lottery Scholarships and other State Programs

1:45 p.m.-2:30 p.m.

CollegeForTN.org and GEARUP



TASF AA Financial Aid Training Opportunities

TASF AA Fall Training

(Tim Phelps will be presenting for TSAC)

November 4	@ Chattanooga State
November 6	@ Walters State Comm. College
November 10	@ TTC in Nashville
November 12	@ Union University

Outreach Schedule for November

Nov. 2	Pellissippi State, Magnolia Campus
Nov. 3	Pellissippi State, Main Campus
Nov. 4	Roane State, Oak Ridge Campus
Nov. 5	Roane State, Main Campus
Nov. 10	Northeast State
Nov. 17	Chattanooga State

Employee Spotlight: Susan Quinnan

Susan Quinnan's interest in financial aid began early in life as her mother worked for the South Carolina Commission on Higher Education which instilled in Susan an interest in higher education at a young age. Originally born and raised in Columbia, South Carolina, Susan came to Tennessee to pursue a Bachelor of Science degree in Political Science at Belmont University. She continued on at Belmont's Massey School of Business where she earned a Masters in Business Administration. Susan has also taught as an adjunct professor at Tennessee State University.

Susan came to work as a Financial Aid Program Specialist at TSAC over 5 years ago. Before that, Susan worked in real estate development, appraisal and sales. She obtained her real estate license at the age of 18. She has also worked for the Tennessee Disability Determination Service under a federal contract.

In her spare time, Susan enjoys traveling. She has been to 9 foreign countries, Hawaii, and her favorite vacation destination, San Diego, California. She adopted two Hurricane Katrina orphaned cats a few years back and she has also raised Arabian and American Saddlebred horses. Susan enjoys reading non-fiction, business books.

Susan communicated, "I love to learn and am a strong believer in life long learning." Susan's belief in the benefits of education and her commitment to serve the students of Tennessee is made evident every day in the way that she is an advocate for them.



Comments From Susan:

“ The most rewarding part of my job is being an advocate for students and borrowers. We are able to assist borrowers in addressing loan issues and help them work toward their future goals. ”

Clipslink Update

On October 24th, 2009, TSAC implemented a change to the sign on process for *Clipslink* (the web site used by students and borrowers to view grant, loan, and scholarship information).

Prior to the change, a social security number and date of birth were required to access the site. In an effort to limit the exposure of Personal Identifying Information (PII), the sign on process now requires the user to create an account by using a combination of personal information, challenge questions, and selection of a personal image. This change ensures that TSAC is in compliance with FFIEC guidelines and provides greater security to student in Tennessee.

Clipslink can be accessed via the Student Inquiry link in the Students & Parents section of the TSAC web site.

Questions may be directed to 1.800.535.4357.