



Tennessee Student Assistance Corporation

March 20, 2008
Board of Directors Meeting

AGENDA

Tennessee Student Assistance Corporation

BOARD MEETING

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

Thursday, March 20, 2008

- I. CALL TO ORDER – 1:00 p.m.**
- II. ROLL CALL OF MEMBERS AND DETERMINATION OF A QUORUM**
- III. ADOPTION OF AGENDA**
- IV. APPROVAL OF THE MINUTES OF THE SEPTEMBER 27, 2007 BOARD MEETING1**
- V. CHAIRMAN’S REPORT**
- VI. EXECUTIVE DIRECTOR’S REPORT**
- VII. TASFAA PRESIDENT’S REPORT**
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X. NEW BUSINESS

XI. OLD BUSINESS

XII. ADJOURNMENT – Approximately 3:00 p.m.

Tennessee Student Assistance Corporation (TSAC)
Board of Directors Meeting Minutes
September 27, 2007
1:00 p.m. CDT

I. CALL TO ORDER

The board of directors of the Tennessee Student Assistance Corporation met on Thursday, September 27, 2007, in the Executive Conference Room of the Tennessee State Capitol, Nashville, Tennessee. The meeting was called to order by Vice Chairman Dr. Richard Rhoda at 1:00 p.m.

II. ROLL CALL OF MEMBERS AND DETERMINATION OF A QUORUM

The following board members and alternate representatives were present:

Patrick Smith, Designee for Gov. Phil Bredesen
Dr. Richard G. Rhoda, Executive Director, Tennessee Higher Education Commission
Dr. Robert Ruble, Executive Director, TSAC
Ms. Janice Cunningham, Designee for Mr. Dale Sims, State Treasurer
Dr. Lori May, President, Tennessee Proprietary Business School Association, Inc. and President, Remington College-Memphis Campus
Mr. Morgan Branch, Designee for Commissioner Lana C. Seivers, State Department of Education
Ms. Faye Weaver, Designee for Mr. John Morgan, Comptroller of the Treasury
Mr. Pete Abernathy, Designee for Commissioner Dave Goetz, Department of Finance & Administration
Dr. Claude O. Pressnell, Jr., President, Tennessee Independent Colleges and Universities Association
Mr. Clyde Walker, President of Tennessee Association of Student Financial Aid Administrators and Associate Director, Office of Student Financial Aid at Vanderbilt University
Dr. Katie High, Designee for Dr. John Petersen, President University of Tennessee
Dr. Joel Cunningham, Chairman, Tennessee Independent Colleges and Universities; and Vice Chancellor and President, University of the South
Ms. Deborah Cole, President and CEO, Citizens Bank
Dr. Fred D. Johnson, Private Citizen
Ms. Mary Kate Ridgeway, Private Citizen
Mr. Clay Petrey, Private Citizen
Ms. Whitney McKinney, Student Member

The following board members were unable to attend:

Gov. Phil Bredesen
Ms. Lana Seivers, Commissioner of Education
Mr. John Morgan, Comptroller of the Treasury
Mr. Dave Goetz, Commissioner of Finance and Administration
Dr. John Petersen, President University of Tennessee
Chancellor Charles W. Manning, Tennessee Board of Regents
Mr. Dale Sims, State Treasurer

III. ADOPTION OF AGENDA

R-09-07.1 RESOLVED: That the board approves the agenda as presented (Motion-Petrey, second-Johnson, unanimously approved).

IV. APPROVAL OF THE MINUTES OF THE MARCH 22, 2007 BOARD MEETING

R-09-07.2 RESOLVED: That the board approves the minutes of the March 22, 2007 board meeting (Motion-High, second-Weaver, unanimously approved).

V. CHAIRMAN'S REPORT

Dr. Rhoda, Executive Director of Tennessee Higher Education Commission (THEC) and Vice Chairman of the TSAC board, announced recent board member appointments. Gov. Bredesen reappointed two current board members: Deborah Cole will continue to serve as the commercial lender representative and Clay Petrey will continue to serve as a private citizen member. Both terms expire on June 30, 2010. He also announced that the governor appointed Whitney McKinney to serve as the student member, replacing Victoria Wheeler, through June 30, 2008. Ms. McKinney is a sophomore majoring in biology at the University of Tennessee at Chattanooga. Last, Dr. Lori May, president of Remington College's Memphis campus, has taken the place of Paul Starnes as President of the Tennessee Proprietary Business Schools Association, Inc., and will take his place on the TSAC board.

Next, Dr. Rhoda recognized retiring board member Mr. Starnes. Ms. Faye Weaver read a resolution and presented Mr. Starnes with a framed version of it.

R-09-07.3 RESOLVED: That the Tennessee Student Assistance Corporation expresses its appreciation to Paul Starnes for his leadership at all levels of Tennessee Education, and especially for his service to the students served by programs of the Tennessee Student Assistance Corporation (Motion-Rhoda, second-Weaver, unanimously approved).

Dr. Rhoda then appointed a committee to nominate 2008-09 board officers and committee members, and to report back to the board at its March 2008 meeting. The nominating committee members are the same as the previous year: Mr. Charles Manning, Dr. John Petersen and Mr. Clay Petrey.

He then called on Deborah Cole, to give the TSAC board Audit Committee report. Ms. Cole said that the Committee met on August 7, 2007, to attend the agency's state financial audit entrance conference for the fiscal year July 1, 2005 through June 30, 2006. The Committee met again on September 12, 2007 to go over the results of the financial audit and to attend a state performance audit exit conference.

On the basis of the performance audit exit conference, Deborah Cole suggested that the Audit Committee recommend to the full board of directors that the audit committee review, on an annual basis, the conflict of interest statements that all TSAC staff, board members and designees must submit to the TSAC office.

Ms. Cole said the Audit Committee also discussed the establishment of confidential reporting of illegal, improper, wasteful or fraudulent activity in accordance with Tennessee Code Annotated 4-35-107. She also noted that the audit committee interviewed two applicants for the vacant TSAC Internal Auditor position and that Dr. Ruble was to contact the references of the individual which the committee felt was the best qualified.

Dr. Rhoda then called on Dr. Robert Ruble to give the Executive Director's report.

VI. EXECUTIVE DIRECTOR'S REPORT

Dr. Ruble, Executive Director of TSAC, said there had been numerous staff changes since the last board meeting in March and introduced new members. Dan Lee retired as Associate Executive Director of Business Affairs, and has been replaced by former Internal Auditor Mason Ball. Sophia Massey joins TSAC on October 1 to take over Mr. Ball's former internal auditor position.

Jeri Fields left her position as Associate Executive Director for Communication Services and has taken a public relations position with the University of Arkansas at Fort Smith.

Marcie Mills has joined the agency as a paralegal assistant for TSAC's staff attorney Tom Bain. Cathy Jones has been promoted to the position of marketing representative in the agency's loan division. Her former client representative position was filled by Marea Herrington. Dr. Ruble noted that Ms. Jones and Ms. Herrington are both employees of Nelnet Guarantor Solutions (or NGS) rather than of TSAC, but both work very closely with the agency.

Dr. Ruble said that in the Communications Services division, Jason Seay has been promoted to Director of Outreach and Janice Maddox has been promoted to Director of Counselor Services. There are two new telephone counselors reporting to Ms. Maddox: Ashley Tyler and Alicia Pickett. In addition, there are four new outreach specialists working mainly from regional offices, reporting to Mr. Seay. They are Carol Bayer, who covers the mid-western Tennessee region, working out of an office at Bethel College; Felicia Orr, who works from an office at the University of Memphis, covering the western part of the state; Annie Trout, who heads up the mid-east Tennessee region, working out of an office on the Tennessee Tech campus, and James Snider, who covers middle Tennessee. Dr. Ruble then said he believed that the current staff was outstanding and that the reorganization of TSAC staff was complete.

Next, Dr. Ruble pointed out that TSAC is nearing the end of the second year of a 5-year contract with Guarantec to provide administrative systems support for our loan, grant, and scholarship programs. Guarantec has been renamed Nelnet Guarantor Solutions, or simply NGS. He said that although the next contract won't begin until Jan 1, 2011, TSAC staff is already hard at work preparing for it. The agency has met with Tennessee's Office of Contracts Review and Tennessee's Office of Information Resources to plan the RFP process. Dr. Ruble said the goal is to prepare an RFP which will invite serious proposals from a number of vendors and that TSAC will keep the board informed of the agency's progress.

Last, Dr. Ruble said the board normally meets formally twice a year in March and September. Several board members have suggested that six months is a long time between meetings, and that it might be helpful to have occasional informal working sessions, or retreats, in between the formal meetings. He added he hoped to schedule the first working session for early December.

VII. TASFAA PRESIDENT'S REPORT

Dr. Rhoda then called for the Tennessee Association of Student Financial Aid Administrators President's Report. Mr. Clyde Walker, current TASFAA President and Associate Director of Financial Aid at Vanderbilt University, gave the report.

Mr. Walker said that it was an honor to represent about 600 of his colleagues across the state. He noted that TASFAA and TSAC have a long-standing relationship. Then he reported that the TASFAA board met in July and approved the operating budget for the coming year. The board also approved a new program, a TASFAA Training Series. Under this new program, TASFAA will solicit donations for the entire series at one time instead of asking for funds for each event. The

association will also better coordinate the training topics to be covered. He thanked TSAC for its general support of TASFAA and then thanked Tim Phelps, TSAC's Associate Executive Director of Grants and Scholarships, for his efforts as Chair of the TASFAA State Programs Committee this year. Then he said the fall conference will be in Franklin, Tenn. October 21-23, 2007. Jeff Gerkin, Assistant Dean & Director of Financial Aid at the University of Tennessee, and TASFAA President-Elect, will chair that conference, and Rebecca Hargrove, President and CEO of Tennessee Education Lottery Corporation, is keynote speaker. Topics covered in the conference include a federal update, a TSAC update and the celebration of TASFAA's 40th birthday. The next TASFAA board meeting will be Oct. 21 and the association's spring conference will be in Memphis, Tenn.

VIII. DECISION ITEMS

Dr. Rhoda called on Tom Bain, TSAC's Associate Executive Director for Compliance and Legal Affairs, to introduce decision items A through C. Dr. Rhoda suggested that the board might discuss decision items A-C as a group and consider one roll-call vote to act on all three decision items.

A. Proposed Rule Changes to the Tennessee Education Lottery Scholarship Program

Mr. Bain noted that the new rules in items A through C will only be effective when approved by the board, then approved by the Attorney General and filed with the Secretary of State.

He then introduced decision item A: Proposed Rule Changes to the Tennessee Education Lottery Scholarship Program. Mr. Bain said the main substantive changes are to eliminate references to TELS award amounts in the rules, thus making rule changes unnecessary in the future if the only changes the legislature enacts are to award amounts; and to remove language from the rules that simply duplicates TELS program statutory language enacted by the legislature. Mr. Bain noted that the most recent award amounts for the lottery scholarships would be posted on TSAC's Web site, as well as links to TELS statutes so they are available to anyone publicly.

Then Mr. Bain noted three minor proposed revisions: A conflict in the current rules was resolved by deleting language suggesting that students could receive Tennessee Dual Enrollment Grants when taking remedial and developmental studies courses; high schools will be required to submit student information on or before June 30, which replaces the prior deadline of September 1; and last, if an award is made in error through no fault of the student, the student will not be required to repay the amount of the payment made in error. If TSAC determines fraud was committed or the error was through fault of the student, repayment will be required and the student will not receive additional aid until payment is made.

Ms. Janice Cunningham asked why the date was changed for when high schools have to submit student information and if that would be a problem for high schools. Mr. Bain referred the question to Tim Phelps, Associate Executive Director of Grants and Scholarships, who said that TSAC had spoke with THEC and the Tennessee Department of Education regarding this issue and that the agencies said the change would not pose a significant problem for school districts or high school counselors. He added that the reason for the date change was that the sooner the information is received, the sooner post-secondary institutions can make decisions about aid and the sooner students will know what their financial aid packages are.

Ms. Weaver then noted a typo in the proposed rules, which Mr. Bain acknowledged and said he would correct it.

B. Proposed Rule Changes to the Tennessee Teaching Scholars Program

Mr. Bain then introduced and discussed decision item B: Proposed Rule Changes to the Tennessee Teaching Scholars Program (TTSP). The TSAC staff considered it necessary to revise

the TTSP rules to clarify certain language in the rules, produce greater uniformity between the TTSP rules and the Minority Teaching Fellows Program (MTFP) and facilitate administration by postsecondary institutions and by TSAC.

He said that most of the rule changes were minor administrative or housekeeping changes, but added that a significant substantive change was made to the appeals procedures to clarify the process by which students may appeal adverse decisions relative to their scholarship applications or awards. He said that the change was made with assistance from the Attorney General's Office.

C. Proposed Rule Changes to the Tennessee Minority Teaching Fellows Program

Mr. Bain then introduced and discussed decision item C: Proposed Rule Changes to the Tennessee Minority Teaching Fellows Program (MTFP). The TSAC staff considered it necessary to revise the MTFP rules to clarify certain language in the rules, produce greater uniformity between the MTFP rules and the TTSP rules and to facilitate administration by postsecondary institutions and by TSAC.

He said that like the proposed TTSP changes, most of the rules changes proposed are minor administrative or housekeeping changes. However, the two most significant substantive changes proposed are: Applicant selection prioritization was reordered to ensure a higher retention rate and decrease the number of loan defaults; and the appeals procedures were changed with the assistance of the Attorney General's Office to clarify the process by which students may appeal adverse decisions relative to their scholarship applications or awards.

Dr. Claude Pressnell then asked if the changes proposed for TTSP and MTFP were to bring the two programs into alignment. Mr. Bain then replied that no, the programs are distinct, and the goal is to make administration of the two programs more simple and straight forward. Then Dr. Pressnell said that some of the proposed changes are potentially significant, such as the reduction of the repayment "grace period" from 15 months to one year and increasing the repayment period from eight years to 10 years. Dr. Pressnell then asked who was consulted in making these changes.

Mr. Bain replied that the initial draft was created by TSAC staff. Mr. Phelps added that the proposed rule changes were shared with the TASFAA Advisory Committee to TSAC. Dr. Pressnell responded that was helpful to know. Then Dr. Pressnell asked if there were any fiscal implications of the proposed changes by reducing grace period or extending repayment. Mr. Bain responded that the agency had not done any fiscal impact evaluation, or financial analysis, but he said he couldn't imagine there would be a significant fiscal impact. Mr. Phelps agreed with Mr. Bain. Dr. Pressnell said thank you.

Then Ms. Weaver asked if the proposed rules have to be approved by the Attorney General, and Mr. Bain responded yes.

Then Mr. Petrey expressed concerns about the rulemaking process and asked if all appropriate notices were given and input sought in the process of making the proposed rule changes. Mr. Bain said that the TELS rules are adopted as public necessity rules and proposed rules, so in essence there is no need for public notice because they are filed as public necessity. Once the Attorney General approves them, they are filed with the Secretary of State and then the proposed rules would be "on notice" for the public to be aware of before they become effective.

Mr. Patrick Smith, board alternate designee for Gov. Bredesen, clarified what Mr. Bain said by adding that by making the proposed rules public necessity rules, they are immediately effective but then they are published by the Secretary of State, and any citizen who objects has an opportunity to ask for a formal rulemaking hearing, and then the rules would be reviewed by the

Government Operations Committee of the General Assembly, so there is an opportunity for the public to voice their concerns. Mr. Petrey said thank you for explaining.

Dr. Fred Johnson then asked if recipients of these awards are ever consulted on proposed rule changes. Mr. Bain answered that the proposed changes are offered to the public through public necessity. Dr. Ruble added that the financial aid officer community is heavily involved in the rulemaking process.

R-09-07.4 RESOLVED:

- (1) That the Tennessee Student Assistance Corporation adopts Rule 1640-1-19, Tennessee Education Lottery Scholarship (TELS) Program as both public necessity rules and proposed rules; and
- (2) That the Tennessee Student Assistance Corporation adopts Rule 1640-1-17, Tennessee Teaching Scholars Program (TTSP) as proposed rules.
- (3) That the Tennessee Student Assistance Corporation adopts Rule 1640-1-13, Minority Teaching Fellows Program (MTFP) as proposed rules.
- (4) That the Tennessee Student Assistance Corporation authorizes its Executive Director to make any necessary technical corrections to these rules consistent with advice of the Tennessee Attorney General (Motion-Clyde Walker, second-Clay Petrey, unanimously approved by roll call vote).

Dr. Rhoda then called on Mason Ball, Associate Executive Director for Business Affairs, to introduce and discuss the proposed TSAC budget request for 2008-09.

D. Proposed Budget Request for 2008-09

Mr. Ball presented TSAC’s 2008-09 proposed budget request. He noted that the budget request must be submitted by October 1.

2008-09 Budget Request Summary			
<u>Priority</u>	<u>Amount</u>	<u>Source</u>	<u>Initiative</u>
1	\$10,000,000	Lottery	Establish Recurring TSAA Support from Lottery
2	\$3,770,000	State	Support TSAA Applicants Who Apply by April 1
3	\$299,000	State	Maintain Tennessee Teaching Scholars Program
4	\$198,200	State	Expand Ned McWherter Scholars Program
5	\$12,915,000	State	Support TSAA Applicants Who Apply by May 1
6	\$205,600	Federal	Loan Program Business Development

Janice Cunningham asked how Priority 6, the \$205,600 requested for the loan program business development would be spent. Mr. Ball responded that about 65 percent would go to salary and benefits for two business development positions hired and 10 percent or about \$20,000 would go for travel, about 3 percent or \$6,000 for supplies, about \$3,000 for two laptops and related computer supplies. He added that it is money that would be reimbursed by the federal government because it is part of the Federal Family Education Loan Program (FFELP).

Mr. Smith then asked Mr. Ball to better explain what the FFELP program is. Mr. Ball deferred to Levis Hughes, Associate Executive Director of Loan Programs, who said that FFELP is the guaranteed student loan program from the federal government. Mr. Smith then asked if there is currently anyone at TSAC marketing the federal programs and any of the other activities proposed, and Mr. Hughes replied no.

Then Mr. Petrey said that there was a lot of “budget-speak” in the presentation, and that the proposed budget is really proposed improvements to the budget. He then asked for confirmation that the 2007-08 budget presented here is carried forward through 2008-09 and these are additional funding requests to the Governor. Mr. Ball confirmed that.

Ms. Weaver then asked the board to consider moving the proposed improvements for the Ned McWherter Scholars Program higher up on the list of priorities because its goal is to retain the best and brightest of the state’s scholars. She also reminded the board that for every dollar TSAC awards students under this program, the higher education institution that the recipient attends also matches the award.

Dr. Rhoda added that individuals who earn the Ned McWherter scholarship are also eligible for the TELS program. Then he said that Priority No. 1, establishing recurring funding for the Tennessee Student Assistance Award from interest earnings, was absolutely essential and good public policy because the TSAA grant program is the state’s need-based program and all recipients are low income. Then he pointed out that Priority No. 2 and No. 5, which would extend the deadline for grant applications, that in theory that is a good thing, but the TSAA awards are based on funds available. He added that if funding is exhausted before those dates, that’s when the funding stops.

R-09-07.5 RESOLVED:

- (1) That the Tennessee Student Assistance Corporation recommends 2008-09 funding levels as presented in the document entitled *Tennessee Student Assistance Corporation Budget Request for 2008-09*, September 7, 2007; and
- (2) That the Tennessee Student Assistance Corporation authorizes its Executive Director to make any necessary technical corrections (Motion-High, second-Branch, abstain-Abernathy and Smith; otherwise unanimously approved).

Dr. Rhoda then called on Mr. Hughes to introduce the next discussion item about the proposed authorization to sign rehabilitation loan contracts.

E. Proposed Authorization to Sign Rehabilitation Loan Contracts

Mr. Hughes said that at TSAC’s fall 2006 board meeting, staff was asked to solicit bids under an RFP process for lenders to purchase loans of the agency which become eligible for the Loan Rehabilitation Program. He reminded the board that these are loans on which the borrower has defaulted and TSAC has paid the lender’s claim. TSAC now owns these loans. After the borrower makes a series of on-time payments to TSAC, the loan is eligible for rehabilitation and a lender purchases the rehabilitated loan from TSAC. In the past these rehabilitated loans were sold to a lender at par, but under the attached contracts, these loans will be sold at a premium. Depending on the level of actual loan volume, the additional revenue that TSAC will earn will be in the neighborhood of \$1 million dollars per year.

TSAC, in conjunction with the Tennessee Office of Contract Review, issued a RFP on June 1, 2007. A proposal evaluation team of experienced TSAC and THEC staff evaluated the proposals, and recommended that both of the respondents (Edsouth and SunTrust) be selected and assigned a portion of the loan volume. The portion of the loan volume assigned to each financial institution will vary from year to year, depending on individual performance.

R-09-07.6 RESOLVED: That the board authorizes the Executive Director to sign and execute the attached loan rehabilitation contracts with Educational Funding of the South, Inc. (Edsouth) and SunTrust Bank; and to make any necessary technical corrections (Motion-Smith, second-Walker, unanimously approved).

Dr. Rhoda called on Mr. Phelps to provide the grant and scholarship program update.

IX. DISCUSSION ITEMS

A. Grant and Scholarship Programs Update

Mr. Phelps said that Tennessee Student Assistance Awards (TSAA) totaling \$85.6 million were awarded to 37,054 students for the 2007-08 award year—a \$13 million increase from the prior year. Funds were able to be awarded to students who applied through March 24, 2007 due to receipt of \$10 million from the lottery reserve and \$3.8 million from state appropriations.

Available TSAA resources for 2007-08 total about \$59 million. The board approved a 145 percent over-commitment, which explains why \$85.6 million has been offered. The year-end figures for 2006-2007 indicate 95.5 percent actual expenditures, which represents 19,863 students receiving \$42.5 million.

The Tennessee Education Lottery Scholarship (TELS) has concluded the 2006-2007 award year by providing awards to approximately 60,000 students at just over \$188 million. TSAC estimates that for the 2007-2008 award year, 68,000 students will receive a TELS award totaling \$211,000,000.

Mr. Phelps noted that in the proposed budget request TSAC asked for additional funding for the Ned McWherter Scholars Program and the Tennessee Teaching Scholars Program. The current state appropriation limits recipients to about 134 students for each program and the agency would like to offer the program to more eligible students.

He also pointed out that there has been a decline in eligible applicants for the Minority Teaching Fellows Loan Forgiveness Program. TSAC intends to actively market this program to bring the number back up to the yearly maximum of 116 funded by law.

Mr. Phelps noted that there is one program not listed in the agenda because it is in its first year of inception—the Graduate Nursing Loan-Forgiveness Program (GNLFP). The program is funded through private donations and the goal of the first year is to achieve funding of \$1.4 million. So far, TSAC has received almost 200 applications for the program, 87 have accepted the award, and 13 applicants are pending, with the total award goal of 100 students. He said he could give the board a copy of the statistics about the current recipients, such as the institutions they attend.

Janice Cunningham asked for the current statistics for GNLFP.

When asked if there were any questions or comments, Mr. James R. Shannon, Jr., director of student financial services at Christian Brothers University in Memphis, said that the \$10 million recurring funds that TSAC asked for is critical, and not getting that funding would be devastating. He then asked advice on the best way of making sure that \$10 million gets funded.

Dr. Rhoda agreed that the funding was critical, and answered that legislative leadership was key. Janice Cunningham added that she thought TSAC should be reaching out to legislators at every opportunity about the 5,000 students that would lose TSAA funds without this additional funding.

Then Dr. Rhoda said that it was very significant that the lottery scholarship is now a mature program in its fifth year and there is now enough data to track the program's progress. Mr. Smith then asked Dr. Ruble if he knew roughly how many students are truly underserved by the TSAA program because of lack of funding. Dr. Ruble replied he didn't have the figures, but said he could provide those numbers to Mr. Smith at a later date.

Dr. Rhoda then asked Mr. Hughes to introduce and talk about the Federal Family Education Loan Program, or FFELP.

B. Federal Family Education Loan Program Update

Mr. Hughes noted that his report covered several topics, the first of which is a report on loan volumes within the state of Tennessee that the board asked for last year. He pointed to the supporting document provided to board members, *Loan Volume by Guarantor*, which provides a summary analysis of the chief guarantor competitors within the state. Based on loan volume comparisons during the most recent year four primary observations can be made: TSAC loan volumes are down; Direct Loan volumes are down; USA Funds, California Student Aid Commission, and National Student Loan Program loan volumes are up; and total loan volumes within the state are down. He explained that Direct Loans program is a federal program that the students borrow directly from the Department of Education instead of choosing a lender. He added that in his opinion, it is positive that Direct Loan volumes are down.

He said the purpose of the report is to bring to the board an understanding that TSAC does have competition, and it has affected agency revenues and fund balances negatively. Conversely, the agency's Operating Fund and the Federal Reserve Fund remain healthy when good loans remain under TSAC's guarantee. Mr. Hughes added that the staff was developing a five-year projection plan that will be shared with the board during the March meeting that outlines the impacts of loan volume decreases to fund balances. He said that TSAC's loan volume market share in Tennessee was 60.5 percent two years ago and is 59.5 percent currently (annual year 2005-06, the most recent numbers available), one percent lower. Loan volumes are down for several reasons, primarily because of a software conversion by the loan servicer, NGS, which caused some customer service issues and reporting issues.

Mr. Hughes noted that current earnings on these funds are reinvested into the students that the agency serves when our fund balances remain healthy. These funds are reinvested to students and schools by supporting TSAC's outreach services, and to a lesser degree, administrative expenses of the lottery, grant and scholarship programs. He pointed out that unlike other competing guarantors, TSAC is mandated to reinvest funds into the students and schools that the agency serves in Tennessee.

Next, Mr. Hughes discussed ongoing and future loan issues, including a loan software conversion and servicer update, and federal legislative changes that will have an impact on the loan program. He then outlined TSAC's response to these issues.

The last topic Mr. Hughes discussed was FFELP statistical volumes on three types of loans: Subsidized Stafford loans, unsubsidized Stafford loans, and PLUS loans made to parents of students. He noted that Grad/Professional loans are made to students in graduate or professional degree programs but act similar to PLUS loans. Overall, TSAC guaranteed \$734 million in these three programs in 2006-07. That represents a small increase of 0.26 percent or \$2 million.

Ms. Cunningham asked if the two new business development staff positions TSAC's loan division is seeking funding for in priority No. 6 of the 2008-09 proposed budget request would be used to increase loan volumes. Mr. Hughes responded that they would not only work on loan volumes, but also on customer service issues.

Dr. Pressnell asked if Mr. Hughes had any updated information on the Attorney General's investigation on student loans in Tennessee. Mr. Hughes responded that there has been no new activity in the last six weeks and he did not know when the AG's office was going to conclude its investigation.

Dr. Rhoda then called on Jason Seay, Director of Outreach, and Janice Maddox, Director of Counselor Services, to provide the Communication Services update.

C. Communication Services Update

Mr. Seay said that his four new Outreach Specialists could not be at this meeting because they were in the field interacting with the financial aid community and students. He said his staff was presenting all aspects of financial aid to high school and middle schools across the state on a frequent basis. He said his outreach team was also going into businesses and trying to reach the nontraditional students and parents who work untraditional shifts and can't make it to parent-student nights. He said he was excited about the new TSAC program brochures and that his group was in the process of dispersing about 500,000 copies to high schools and the financial aid community.

Next, Ms. Maddox said the agency's Call Center is getting ready to implement online "live chat" for students and parents to ask financial aid questions. She added that the Call Center had two new telephone counselors, Ashley Tyler, and Alicia Pickett, who will start Oct. 1. The Call Center's telephone vendor, Black Box, is going to provide service upgrades to the telephone system as well.

Ms. Cunningham asked if the counselors in the Call Center could answer questions about all of the programs administered by TSAC including TELS programs. Ms. Maddox replied that yes, they do, but that loan questions typically get forwarded to the loan staff.

Dr. Rhoda called on Mr. Bain to provide the 2007 legislative report.

D. 2007 General Assembly Legislative Report

Mr. Bain said that contrary to the pattern of recent years, the Tennessee General Assembly adjourned in June 2007 without having passed omnibus lottery legislation. However, the Legislature enacted a bill which increased the funding for several TSAC student financial aid programs.

The Tennessee Student Assistance Award program received \$13.8 million in additional funding for the TSAA program through the appropriations bill, Public Chapter 603 (Senate Bill 2334). From the total amount funded, \$3.8 million constituted recurring funding and \$10 million was non-recurring funding from lottery program reserves.

Additionally, the TELS program received funding through the increase of certain TELS program awards in *P.C. 603*. HOPE scholarships were increased for the 2007-2008 academic year from \$3,800 to \$4,000 at 4-year schools and from \$1,900 to \$2,000 at 2-year schools. Wilder-Naifeh Technical Skills grants were increased from \$1,500 per year to \$2,000 per year.

Ms. High asked Dr. Rhoda to comment on the group that is currently meeting to discuss lottery scholarship legislative issues for the upcoming General Assembly. Dr. Rhoda said that Erin O'Hara, Director of Planning and Research at THEC, has started a meeting of a group of people representing the Tennessee Independent Colleges and Universities Association, TSAC, Tennessee Board of Regents (TBR), TASFAA and legislative staff. The goal is to identify areas of consensus and find areas of division and to work through those. He added that the board will be kept informed of the group's activities.

X. NEW BUSINESS

Dr. Rhoda called on Deborah Cole, acting in her capacity as Chair of the TSAC board Audit Committee, to discuss how the board might handle future conflict of interest disclosures from TSAC staff and board members.

R-07-07.7 RESOLVED: That the board assign the responsibility for reviewing conflict of interest disclosures from TSAC staff and board members to its audit committee, with the expectation that the audit committee will bring any appropriate recommendations to the full board (Motion-Cole, second-Cunningham, unanimously approved).

XI. OLD BUSINESS

Dr. Rhoda asked if there was any old business. Ms. Weaver asked that TSAC share its entire operating budget with the board to put it in context of the proposed budget improvements presented in Decision Item D, and to understand all of the new staff additions. Dr. Rhoda concurred and asked that this be shared quickly. Dr. Ruble agreed and said he would do that.

XII. ADJOURNMENT

Dr. Rhoda then made an announcement about the dates of the TSAC board meetings. He said that due to a conflict with TBR's meeting schedule, it has been proposed that TSAC meet on the third Thursday of March and September instead of the fourth Thursday of those months. That would make the next TSAC board meeting March 20, 2008. There was no opposition.

The meeting adjourned at approximately 3:15 p.m.

Minutes recorded and written by Micaela Brown of TSAC and approved by:



Dr. Claude O. Pressnell, Jr., Secretary

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 20, 2008

DECISION ITEM A: Selection of 2008-09 Officers and Committee Members

Staff Recommendation

That the board select its 2008-09 officers and committee members during today's meeting.

Background

The Bylaws of the Tennessee Student Assistance Corporation state that 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. The term of office is one year.

The bylaws authorize the Chairman to appoint board committees. In practice, the Chairman often brings committee appointments to the full board.

Vice Chair Richard Rhoda has appointed a committee to nominate 2008-09 officers and committee members. The nominating committee consisted of John Petersen, Charles Manning, and Clay Petrey.

Following today's report from the nominating committee, 2008-09 officers and committee members will be selected. A list of current (2007-08) officers and committee members is attached.

Supporting Document

Tennessee Student Assistance Corporation: 2007-08 Officers and Committees, February 27, 2008

Tennessee Student Assistance Corporation
2007-08 Officers and Committees

February 27, 2008

Officers

Chairman: Governor Phil Bredesen
Vice Chair: Richard Rhoda
Secretary: Claude Pressnell
Treasurer: Dale Sims

Executive Committee

Governor Phil Bredesen, Chair
Dave Goetz
John Morgan
Claude Pressnell
Richard Rhoda
Dale Sims

Appeals Committee

Charles Manning, Chair
John Morgan
John Petersen
Richard Rhoda
Paul Starnes

Audit Committee

Deborah Cole, Chair
Dave Goetz
Clay Petrey

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 20, 2008

DECISION ITEM B: Adoption of 2008-09 TSAA Over-commitment Ratio

Staff Recommendation

That the Tennessee Student Assistance Corporation adopts 145 percent as the over-commitment ratio for the 2008-09 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.

Based on the cash flow analysis in the attached document, the TSAC staff recommends a 145 percent over-commitment ratio for 2008-09. This is the same ratio that the board adopted for the current 2007-08 year.

If there is no appropriation increase, \$46,908,500 is expected to be available for 2008-09 awards. TSAC will offer 145 percent of that amount, or \$68,017,325.

An appropriation increase of \$27,000,000 has been proposed by TSAC and supported by the Governor. The \$27,000,000 improvement is included in the Governor's proposed budget. If supported by the legislature, the total amount available for the TSAA program will be \$73,908,500. 145 percent, or \$107,167,325, of that amount will be offered to students.

As of Feb. 11, 2008, TSAC has committed nearly \$60.8 million for the 2007-08 year, which is \$1.7 million more than the \$59,037,340 currently available. However, postsecondary institutions are still in the certification process and the TSAC staff anticipates that actual expenditures will continue to decrease to \$59,037,340 by the end of the year.

It is important to note that the analysis does not assume the availability of federal LEAP/SLEAP funds because these funds are not assured at this time. If LEAP/SLEAP funds materialize at the \$1.1 million level similar to that of 2007-08, it will be possible to offer 145 percent, or \$1.6 million, in additional awards.

Supporting Document

Tennessee Student Assistance Award Program History and 2008-09 Projections, February 26, 2008.

**Tennessee Student Assistance Award Program
History and 2008-09 Projections
February 26, 2008**

	<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>	<u>Projected 2007-08</u>	<u>Level-funded 2008-09</u>	<u>Governor Bdgt. 2008-09</u>
Last Date for Award Eligibility										
TSAA	June 19	June 15	June 14	April 23	March 22	March 15	March 4	March 24		
Atchley Opportunity Grant	June 19	June 15	May 13	March 1	March 5	March 15	March 4	March 24		
Funding:										
State	\$ 29,771,900	\$ 38,465,400	\$ 45,429,200	\$ 41,208,500	\$ 41,208,500	\$ 41,208,500	\$ 43,308,500	\$ 43,308,500	\$ 47,108,500	\$ 47,108,500
Transfer from TSLP Reserve (1)		0	0	0	0	0	0	1,000,000	-	-
Appropriation Increase								13,800,000	-	27,000,000
Federal (LEAP)	498,489	490,338	488,735	540,833	523,867	486,843	487,154	486,843	-	-
Federal (SLEAP)	186,277	508,787	1,242,817	1,787,266	802,160	808,011	819,708	641,997	-	-
Sub Total	30,456,666	39,464,525	47,160,752	43,536,599	42,534,527	42,503,354	44,615,362	59,237,340	47,108,500	74,108,500
Less Dependent Children	(50,000)	(50,000)	(56,019)	(70,000)	(94,885)	(133,456)	(138,191)	(200,000)	(200,000)	(200,000)
Available Funds for TSAA	\$ 30,406,666	\$ 39,414,525	\$ 47,104,733	\$ 43,466,599	\$ 42,439,642	\$ 42,369,898	\$ 44,477,171	\$ 59,037,340	\$ 46,908,500	\$ 73,908,500
Students Offered Aid	29,477	36,460	42,018	31,923	30,103	24,286	26,462	37,054	29,445	46,393
Students Received Aid	22,537	25,893	28,657	23,303	22,917	18,713	19,863	27,791	22,085	34,797
Received / Offered	76.5%	71.0%	68.2%	73.0%	76.1%	77.1%	75.1%	75.0%	75.0%	75.0%
Awards Committed	\$ 42,599,494	\$ 58,630,039	\$ 79,967,161	\$ 61,790,447	\$ 61,418,748	\$ 54,886,337	\$ 62,708,031	\$ 85,597,473	\$ 68,017,325	\$ 107,167,325
Actual Expenditures	\$ 29,303,545	\$ 37,320,053	\$ 45,710,007	\$ 41,833,378	\$ 42,645,415	\$ 38,450,700	\$ 42,495,240	\$ 59,037,340	\$ 46,908,500	\$ 73,908,500
Expenditures / Committed	68.8%	63.7%	57.2%	67.7%	69.4%	70.1%	67.8%	69.0%	69.0%	69.0%
Year-End Balance	1,103,121	2,094,472	1,394,726	1,633,221	(205,773)	3,919,198	1,981,931	0	0	0
% Over-commitment	140.1%	148.8%	169.8%	142.2%	144.7%	129.5%	141.0%	145.0%	145.0%	145.0%
% Available Funds Spent	96.4%	94.7%	97.0%	96.2%	100.5%	90.8%	95.5%	100.0%	100.0%	100.0%
Average Offer Amount	1,445	1,608	1,903	1,936	2,040	2,260	2,370	2,310	2,310	2,310
Average Expenditure Amount	1,300	1,441	1,595	1,795	1,861	2,055	2,139	2,124	2,124	2,124
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	\$ 12,091,724	\$ 14,719,357	\$ 13,160,938	\$ 13,160,938
Transfer to Funding (1)		0	0	0	0	0	0	(1,000,000)	0	0
Interest Earned/F&A year-end adjustment	291,600	51,264	68,216	144,897	144,483	392,996	642,022	441,581	394,828	394,828
Year-end Amount from Program (above)	1,103,121	2,094,472	1,394,726	1,633,221	(205,773)	3,919,198	1,981,931	0	0	0
Prior Year Collections	107,114	169,500	98,281	191,879	134,212	89,228	154,500	0	0	0
Reversion-TSAA (2)	-	(1,924,972)	(1,246,445)	-	(622,312)	(985,882)	(150,820)	(1,000,000)	(1,000,000)	(1,000,000)
Ending Balance June 30	\$ 6,550,535	\$ 6,940,799	\$ 7,255,577	\$ 9,225,574	\$ 8,676,184	\$ 12,091,724	\$ 14,719,357	\$ 13,160,938	\$ 12,555,766	\$ 12,555,766
Less Component Unavailable to TSAA	(4,016,596)	(4,115,434)	(4,178,129)	(4,286,931)	(4,377,741)	(4,571,768)	(4,805,302)	(5,116,487)	(5,473,303)	(5,473,303)
Reserve Available to TSAA	\$ 2,533,939	\$ 2,825,365	\$ 3,077,448	\$ 4,938,643	\$ 4,298,443	\$ 7,519,956	\$ 9,914,055	\$ 8,044,451	\$ 7,082,463	\$ 7,082,463
<i>Memo: Balances Fund 60 Year End Cash Reserves TSLP</i>	\$ 6,550,535	\$ 6,940,799	\$ 7,255,577	\$ 9,225,574	\$ 8,676,184	\$ 12,091,724	\$ 14,719,357			

(1) Although displayed as an additional funding source, this transfer will actually occur at the end of the fiscal year.

(2) In 2004-05 an additional \$615,500 was reverted from administrative funds, bringing the total 2004-05 reversion to \$1.2 million

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 20, 2008

DISCUSSION ITEM A: Tennessee Student Assistance Award Program Status Report

Staff Recommendation For discussion only.

Background Tennessee Student Assistance Awards totaling \$85.6 million have been offered to nearly 37,000 students for the 2007-08 year.

Due to funding limitations, students applying for awards after Mar. 24, 2007 were not offered assistance.

TSAA resources available for 2007-08 total \$59 million. The Board previously approved a 145 percent over-commitment strategy, which explains why \$85.6 million has been offered to students while only \$59 million is currently available.

Of the \$85.6 million offered to students, \$60.6 million is the current commitment. This figure is expected to drop to \$59 million by the end of the year.

Details are provided in the document entitled *Tennessee Student Assistance Award Program Update*, February 15, 2008

Supporting Document *Tennessee Student Assistance Award Program Update*, February 15, 2008.

Tennessee Student Assistance Award
Program Update

February 15, 2008

Tennessee Student Assistance Corporation
Parkway Towers, Suite 1510
404 James Robertson Parkway
Nashville, Tennessee 37243-0820
(615) 741-1346
www.CollegePaysTN.com

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

	2006-07 Actual Recipients		2007-08 Awards through 2/15/08*	
	Students	\$	Students	\$
Independent/Four-Year	4,357	\$16,515,578	5,280	\$20,765,087
Independent/Two-Year	61	221,867	95	352,902
Private/Business and Trade	1,250	2,074,999	1,670	3,176,515
Board of Regents	6,418	12,849,869	9,093	18,980,979
University of Tennessee System	2,560	5,265,487	3,723	7,648,359
State Tech/Community Colleges	4,902	4,881,652	6,949	8,081,427
Tennessee Technology Centers	1,003	692,633	1,713	1,624,345
School of Nursing	<u>1</u>	<u>609</u>	<u>0</u>	<u>0</u>
	20,551	\$42,502,694	28,523	\$60,629,614
Average Award Amount		\$2,068		\$2,126

* Awards were offered to eligible students who applied by March 24, 2007. Data shown here are current as of February 15, 2008. These amounts will decline as certification rosters are completed.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Tennessee Student Assistance Award

	2006-2007		2007-2008 *	
	Students	\$	Students	\$
<u>INDEPENDENT/FOUR-YEAR</u>				
American Baptist College	10	\$19,641	17	\$36,888
Aquinas College	82	283,863	81	345,189
Aquinas College – Primetime	22	72,000	19	74,795
Baptist Memorial College of Health	110	212,901	127	251,182
Belmont University	109	456,952	140	567,938
Bethel College	354	1,339,813	472	1,886,192
Bryan College	84	308,119	83	322,160
Carson-Newman College	195	803,071	238	1,001,669
Christian Brothers University	223	924,802	261	1,088,085
Crichton College	184	653,976	209	883,197
Cumberland University	140	601,899	157	678,459
David Lipscomb University	78	325,542	127	523,383
Fisk University	45	198,294	51	228,204
Free Will Baptist Bible College	10	42,303	12	49,683
Freed-Hardeman University	116	478,413	137	584,668
Johnson Bible College	14	43,101	25	77,873
King College	72	303,835	82	312,507
Lambuth University	100	429,789	127	536,355
Lane College	437	1,458,942	491	1,742,815
Lee University	183	727,478	214	854,408
LeMoyne-Owen College	239	935,724	198	806,118
Lincoln Memorial University	260	1,025,107	238	1,051,968
Martin Methodist College	204	778,081	248	969,815
Maryville College	106	472,155	153	648,667
Memphis College of Art	42	168,030	43	172,746
Milligan College	46	195,546	64	272,238
Rhodes College	24	98,214	42	189,390
South College	89	148,808	131	280,748
Southern Adventist University	36	156,288	48	200,079
Tennessee Temple University	8	15,954	26	56,250
Tennessee Wesleyan College	138	563,643	153	677,593
Trevecca Nazarene University	76	305,058	94	377,208
Tusculum College	264	948,784	431	1,619,246
Union University	129	510,111	183	777,160
University of the South	32	143,334	31	128,466
Vanderbilt University	79	330,268	101	435,648
Watkins Institute College of Art and Design	17	35,739	26	56,097
TOTAL:	4,357	16,515,578	5,280	20,765,087
AVERAGE AWARD:		3,791		3,933

TENNESSEE STUDENT ASSISTANCE CORPORATION

Tennessee Student Assistance Award

	2006-2007		2007-2008 *	
	Students	\$	Students	\$
<u>INDEPENDENT/TWO-YEAR</u>				
Hiwassee College	52	\$201,936	84	\$320,598
John A. Gupton College	7	17,475	9	28,500
William R. Moore School of Technology	2	2,456	2	3,804
TOTAL:	61	221,867	95	352,902
AVERAGE AWARD:		3,637		3,715

PRIVATE/BUSINESS & TRADE

Art Institute of Tn, Nashville	0	\$0	0	\$0
Chattanooga College	39	59,058	51	78,230
ConCorde Career Institute	55	104,238	111	200,460
Draughon's Junior College, Clarksville	36	62,736	60	102,307
Draughon's Junior College, Murfreesboro	54	96,690	64	131,488
Draughon's Junior College, Nashville	46	68,209	40	70,838
Fountainhead College of Technology	18	34,278	18	36,444
High Tech Institute, Memphis	138	225,230	98	199,521
High Tech Institute, Nashville	87	166,566	115	219,206
International Academy of Design & Technology	29	40,280	45	67,012
ITT Technical Institute, Cordova	5	3,862	0	0
ITT Technical Institute, Knoxville	51	89,633	71	123,676
ITT Technical Institute, Nashville	25	38,188	25	43,086
Kaplan Career College	64	100,323	40	53,250
MedVance Institute	25	26,084	33	47,572
Miller-Motte Business College, Clarksville	39	69,766	65	123,260
Miller-Motte Technical College, Chattanooga	139	231,950	141	270,668
Miller-Motte Business College, Goodlettsville	16	19,964	25	41,268
Nashville Auto-Diesel College	27	47,204	98	220,330
Nashville College of Medical Careers	28	35,883	30	60,765
National College of Business & Technology, Bartlett	0	0	4	8,904
National College of Business & Technology, Bristol	11	19,820	32	71,166
National College of Business & Technology, Knoxville	48	78,506	79	175,182
National College of Business & Technology, Madison	0	0	40	82,910
National College of Business & Technology, Memphis	0	0	59	134,706
National College of Business & Technology, Nashville	100	184,274	104	230,784
North Central Institute	4	6,942	1	2,322
Nossi College of Art	59	111,567	59	116,724
O'More College of Design	13	25,899	16	34,110
Remington College, Memphis	17	22,270	68	97,012
Remington College, Nashville	18	14,514	6	3,814
SAE Institute of Technology	2	4,620	3	6,080

TENNESSEE STUDENT ASSISTANCE CORPORATION

Tennessee Student Assistance Award

	2006-2007		2007-2008 *	
	Students	\$	Students	\$
Vatterott College	20	23,610	15	20,730
Virginia College	0	0	2	4,644
West Tennessee Business College	37	62,835	52	98,046
TOTAL:	1,250	2,074,999	1,670	3,176,515
AVERAGE AWARD:		1,660		1,902

TENNESSEE STUDENT ASSISTANCE CORPORATION

Tennessee Student Assistance Award

	2006-2007		2007-2008 *	
	Students	\$	Students	\$
<u>BOARD OF REGENTS</u>				
Austin Peay State University	794	\$1,559,522	1,209	\$2,511,511
East Tennessee State University	957	1,922,107	1,156	2,342,977
Middle Tennessee State University	1,268	2,500,484	1,830	3,753,257
Tennessee State University	877	1,806,687	1,299	2,677,491
Tennessee Technological University	575	1,183,012	879	1,828,820
University of Memphis	1,947	3,878,057	2,720	5,866,923
TOTAL:	6,418	12,849,869	9,093	18,980,979
AVERAGE AWARD:		2,002		2,087
 <u>UNIVERSITY OF TENNESSEE SYSTEM</u>				
University of Tennessee, Chattanooga	596	\$1,227,036	900	\$1,835,498
University of Tennessee, Knoxville	19	39,747	13	22,824
University of Tennessee, Martin	1,168	2,426,750	1,756	3,630,270
University of Tennessee, Memphis-Health Science	777	1,571,954	1,054	2,159,767
TOTAL:	2,560	5,265,487	3,723	7,648,359
AVERAGE AWARD:		2,057		2,054
 <u>STATE TECH/COMMUNITY COLLEGES</u>				
Chattanooga State Technical Community College	435	\$427,440	682	\$759,000
Cleveland State Community College	141	148,367	259	310,956
Columbia State Community College	254	258,352	329	350,073
Dyersburg State Community College	273	280,492	339	349,097
Jackson State Community College	393	385,823	559	591,040
Motlow State Community College	181	190,757	290	325,084
Nashville State Technical Community College	342	335,843	458	457,487
Northeast State Technical Community College	336	370,550	560	689,586
Pellissippi State Technical Community College	294	315,361	494	634,317
Roane State Community College	429	364,839	556	697,331
Southwest Tennessee Community College	1,166	1,180,677	1,408	1,783,134
Volunteer State Community College	284	255,896	427	454,667
Walters State Community College	374	367,255	588	679,655
TOTAL:	4,902	4,881,652	6,949	8,081,427
AVERAGE AWARD		996		1,163

TENNESSEE STUDENT ASSISTANCE CORPORATION

Tennessee Student Assistance Award

	2006-2007		2007-2008 *	
	Students	\$	Students	\$
TENNESSEE TECHNOLOGY CENTERS				
Tennessee Technology Center at Athens	17	\$13,356	41	\$48,410
Tennessee Technology Center at Chattanooga	47	39,787	66	58,772
Tennessee Technology Center at Covington	21	14,918	19	15,564
Tennessee Technology Center at Crossville	41	30,184	65	55,606
Tennessee Technology Center at Crump	30	22,820	64	44,433
Tennessee Technology Center at Dickson	40	25,196	60	43,066
Tennessee Technology Center at Elizabethton	50	28,063	57	57,438
Tennessee Technology Center at Harriman	35	29,623	27	29,086
Tennessee Technology Center at Hartsville	11	6,766	38	42,036
Tennessee Technology Center at Hohenwald	70	49,250	29	29,220
Tennessee Technology Center at Jacksboro	31	21,546	32	28,862
Tennessee Technology Center at Jackson	74	55,636	138	108,782
Tennessee Technology Center at Knoxville	30	20,374	81	65,662
Tennessee Technology Center at Livingston	30	19,638	110	128,364
Tennessee Technology Center at McKenzie	34	29,212	51	47,106
Tennessee Technology Center at McMinnville	34	19,408	51	38,928
Tennessee Technology Center at Memphis	87	48,266	149	155,056
Tennessee Technology Center at Morristown	61	34,094	214	248,866
Tennessee Technology Center at Murfreesboro	22	15,574	30	25,992
Tennessee Technology Center at Nashville	26	15,544	40	40,596
Tennessee Technology Center at Newbern	23	19,050	49	53,120
Tennessee Technology Center at Oneida/Huntsville	12	9,114	19	20,466
Tennessee Technology Center at Paris	68	46,844	95	82,300
Tennessee Technology Center at Pulaski	20	16,672	29	27,614
Tennessee Technology Center at Ripley	29	19,988	23	14,726
Tennessee Technology Center at Shelbyville	45	30,432	114	92,606
Tennessee Technology Center at Whiteville	15	11,278	22	21,668
School of Nursing	1	609		
TOTAL:	1,004	693,242	1,713	1,624,345
AVERAGE AWARD:		690		948
GRAND TOTAL	20,552	42,502,694	28,523	60,629,614
AVERAGE AWARD:		2,068		2,126

* Awards were offered to eligible students who applied by March 24, 2007.

Data shown here are current as of February 15, 2008. These amounts will decline as certification rosters are completed.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 20, 2008

DISCUSSION ITEM B: **Tennessee Education Lottery Scholarship Program Status Report**

Staff Recommendation For discussion only.

Background The TELS program is now a fully mature program with all classes currently participating. In the program's first year, \$93 million was provided to 40,000 students.

For 2008-09, TSAC expects to pay \$233 million to approximately 78,000 students. This figure has been tracked by TSAC on a monthly basis..

The summary page shows that nearly \$255 million is currently committed to 81,734 students. This number is expected to decrease to \$233 million as postsecondary institutions continue to certify students throughout the remainder of the academic year.

Details are provided in the document entitled *Tennessee Student Assistance Award Program Update*, February 15, 2008.

Supporting Document *Tennessee Student Assistance Award Program Update*, February 15, 2008.

Tennessee Education Lottery Scholarship
Program Update

February 15, 2008

Tennessee Student Assistance Corporation
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**Tennessee Education Lottery Scholarship Program
Summary Report
2007-2008 TELS Summary Report**

	2005-2006		2006-2007		2007-2008	
	Actual Recipients		Actual Recipients		Eligible through 2/15/08	
	Students	\$	Students	\$	Students	\$
HOPE						
Independent / Four-Year	7,134	\$25,376,393	5,637	\$20,042,753	6,605	\$24,862,457
Independent / Two-Year	77	135,938	60	103,313	101	178,000
Private/Business Trade	48	146,330	52	188,100	58	227,859
University of Tennessee System	11,437	37,808,755	9,644	34,398,172	11,645	44,906,874
Board of Regents / Four-Year	14,518	50,135,977	12,682	44,663,425	14,595	56,678,758
State Tech/Community Colleges	7,061	12,742,521	5,536	8,947,104	6,560	11,870,344
TOTAL	40,275	\$126,345,913	33,120*	\$108,342,867	38,893*	\$138,724,292
HOPE w/ GAM						
Independent / Four-Year	0	\$0	1,279	\$5,980,472	1,498	\$7,315,824
Independent / Two-Year	0	0	0	0	1	3,000
Private/Business Trade	0	0	2	9,600	3	12,500
University of Tennessee System	0	0	1,638	7,585,931	2,147	10,635,000
Board of Regents / Four-Year	0	0	995	4,589,640	1,145	5,637,300
State Tech/Community Colleges	0	0	25	55,514	41	108,125
TOTAL	0	\$0	3,939*	\$18,221,157	4,814*	\$23,711,749
HOPE w/ Aspire						
Independent / Four-Year	0	\$0	2,230	\$10,990,456	2,545	\$13,150,690
Independent / Two-Year	0	0	38	118,250	63	202,563
Private/Business Trade	0	0	12	62,850	20	108,166
University of Tennessee System	0	0	2,552	12,529,319	3,176	16,781,481
Board of Regents / Four-Year	0	0	4,533	22,033,210	5,481	29,209,551
State Tech/Community Colleges	0	0	2,454	7,071,278	2,942	9,417,492
TOTAL	0	\$0	11,629*	\$52,805,363	14,010*	\$68,869,943
HOPE Access Grant						
Independent / Four-Year	25	\$54,000	18	\$41,075	56	\$141,624
Independent / Two-Year	1	1,575	1	850	2	2,625
Private/Business Trade	0	0	0	0	0	0
University of Tennessee System	48	95,122	54	131,175	58	142,175
Board of Regents / Four-Year	124	257,100	145	333,129	169	434,500
State Tech/Community Colleges	67	82,497	97	133,487	151	208,488
TOTAL	265	\$490,294	315*	\$639,716	431*	\$929,412
Wilder-Naifeh Technical Skills	10,023	\$7,860,163	9,725*	\$8,079,913	14,124*	\$19,756,675

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**Tennessee Education Lottery Scholarship Program
Summary Report
2007-2008 TELS Summary Report**

	2005-2006		2006-2007		2007-2008	
	Actual Recipients		Actual Recipients		Eligible through 2/15/08	
	Students	\$	Students	\$	Students	\$
<u>HOPE Foster Care Grant</u>						
Independent / Four-Year	0	\$0	2	\$4,564	5	\$11,669
Independent / Two-Year	0	0	0	0	0	0
Private/Business Trade	0	0	0	0	0	0
University of Tennessee System	6	16,970	2	731	3	2,670
Board of Regents / Four-Year	15	50,052	9	22,691	6	19,789
State Tech/Community Colleges	8	19,536	4	6,619	0	0
TOTAL	29	\$86,558	17	\$34,604	14	\$34,128
<u>Dual Enrollment Grant</u>						
Independent / Four-Year	388	\$162,610	599	\$281,700	767	\$252,271
Independent / Two-Year	52	24,080	96	47,400	74	22,200
Private/Business Trade	0	0	0	0	2	600
University of Tennessee System	574	244,800	841	362,800	907	386,192
Board of Regents / Four-Year	97	48,757	250	133,800	448	133,768
State Tech/Community Colleges	3,825	1,400,359	5,735	2,449,822	5,614	1,726,895
Technology Centers	529	179,750	785	325,400	742	222,225
TOTAL	5,465	\$2,060,356	8,306	\$3,600,922	8,554	\$2,744,151
<u>Math & Science Teachers Program</u>						
Independent / Four-Year	0	\$0	0	\$0	2	\$4,000
University of Tennessee System	0	\$0	0	0	8	16,000
Board of Regents / Four-Year	0	\$0	0	0	24	48,000
TOTAL	0	\$0	0	\$0	34	\$68,000
<u>ALL PROGRAMS</u>						
Independent / Four-Year	7,547	\$25,593,003	9,765	\$37,341,020	11,478	\$45,738,535
Independent / Two-Year	130	161,593	195	269,813	241	408,388
Private/Business Trade	48	146,330	66	260,550	83	349,125
University of Tennessee System	12,065	38,165,647	14,731	55,008,128	17,944	72,870,392
Board of Regents / Four-Year	14,754	50,491,886	18,614	71,775,895	21,868	92,161,666
State Tech/Community Colleges	10,961	14,244,912	13,851	18,663,823	15,308	23,331,344
Technology Centers	10,552	8,039,913	10,510	8,405,313	14,866	19,979,900
GRAND TOTAL	56,057	\$136,843,284	67,732	\$191,724,541	81,788	\$254,839,350

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**Tennessee Education Lottery Scholarship Program
HOPE
(05-06 includes General Assembly Merit and Aspire)
Awards By Institution**

	2005-2006		2006-2007		2007-2008	
	Actual Recipients		Actual Recipients		Eligible through 2/15/08	
	Students	\$	Students	\$	Students	\$
Independent / Four - Year						
Aquinas College	36	\$109,686	30	\$91,143	35	\$116,034
Aquinas College-Primetime	0	0	0	0	9	36,000
Baptist Mem. Coll. Health & Sci.	80	269,100	86	299,425	110	399,000
Belmont University	568	1,960,240	496	1,745,625	555	2,074,500
Bethel College	183	666,700	168	590,425	192	687,500
Bryan College	103	374,700	99	351,500	133	480,275
Carson Newman College	484	1,693,922	398	1,416,450	456	1,794,000
Christian Brothers University	327	1,172,325	282	1,007,000	316	1,154,500
Crichton College	38	121,400	41	147,250	47	170,000
Cumberland University	264	896,350	214	752,400	252	981,500
David Lipscomb University	607	2,119,875	494	1,766,525	593	2,212,500
Fisk University	73	280,150	36	127,300	48	170,000
Free Will Baptist Bible College	26	89,825	23	82,278	23	78,500
Freed Hardeman University	320	1,114,920	247	896,610	317	1,183,150
Johnson Bible College	48	168,750	55	191,900	48	184,000
King College	193	662,617	166	599,624	172	621,688
Lambuth University	241	835,150	176	632,700	192	728,250
Lane College	58	233,400	22	77,900	29	104,000
Lee University	373	1,350,787	309	1,085,375	371	1,436,600
LeMoyne-Owen College	30	119,250	11	39,900	7	24,000
Lincoln Memorial University	156	588,966	134	461,600	173	616,625
Martin Methodist University	138	485,588	128	445,550	130	482,500
Maryville College	459	1,621,350	337	1,207,260	432	1,616,000
Memphis College of Art	22	79,800	20	70,300	38	148,000
Milligan College	119	396,600	98	349,600	141	528,000
Rhodes College	257	942,175	150	561,925	164	624,000
South College	14	40,400	16	54,467	34	109,337
Southern Adventist University	163	526,075	165	588,050	172	636,500
Tennessee Wesleyan College	253	872,300	220	780,142	221	872,000
Trevecca Nazarene University	141	473,250	131	472,150	169	640,250
Tusculum College	200	716,500	179	606,100	234	908,000
Union University	429	1,550,500	359	1,274,325	425	1,626,000
University of the South	145	535,764	118	417,658	125	466,107
Vanderbilt University	543	2,159,090	199	700,296	197	732,141
Watkins Inst. Coll. Of Art & Des.	43	148,888	42	152,000	62	221,000
TOTAL	7,134	\$25,376,393	5,637*	\$20,042,753	6,605*	\$24,862,457
Independent / Two-Year						
Hiwassee College	71	\$124,613	56	\$99,513	91	\$159,000
John A. Gupton College	6	11,325	4	3,800	10	19,000
TOTAL	77	\$135,938	60*	\$103,313	101*	\$178,000
Private / Business & Trade						
Art Institute of Tennessee-Nashville	0	\$0.00	0	\$0	1	\$1,589.00
O'More College of Design	48	146,330	52	188,100	58	226,000
TOTAL	48	\$146,330	52*	\$188,100	59*	\$227,589

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**Tennessee Education Lottery Scholarship Program
HOPE
(05-06 includes General Assembly Merit and Aspire)
Awards By Institution**

	2005-2006		2006-2007		2007-2008	
	Actual Recipients		Actual Recipients		Eligible through 2/15/08	
	Students	\$	Students	\$	Students	\$
University of Tennessee System						
University of TN, Chattanooga	2,621	\$7,113,678	1,955	\$6,820,865	2,381	\$8,669,934
University of TN, Health Sci. Ctr.	6	19,800	14	51,300	42	137,750
University of TN, Knoxville	7,024	24,428,437	6,257	22,502,201	7,610	29,645,190
University of TN, Martin	1,786	6,246,840	1,440	5,023,806	1,633	6,454,000
TOTAL	11,437	\$37,808,755	9,644*	\$34,398,172	11,645*	\$44,906,874
Board of Regents / Four Year						
Austin Peay State University	1,470	\$5,057,277	1,199	\$4,155,100	1,380	\$5,191,874
East Tennessee State University	2,335	8,076,336	2,096	7,350,275	2,524	9,556,878
ETSU School of Pharmacy	0	0	0	0	54	38,500
Middle Tennessee State University	5,034	17,243,122	4,679	16,496,376	5,324	20,957,480
Tennessee State University	531	1,842,981	345	1,179,325	410	1,536,000
Tennessee Technological Univer.	2,385	8,224,070	2,119	7,475,631	2,262	8,770,526
University of Memphis	2,763	9,692,192	2,292	8,006,718	2,702	10,627,500
TOTAL	14,518	\$50,135,977	12,682*	\$44,663,425	14,595*	\$56,678,758
State Tech / Community Colleges						
Chattanooga State Tech Com Coll	498	\$877,449	420	\$675,572	509	\$881,250
Cleveland State Comm College	343	646,666	250	420,362	285	545,826
Columbia State Comm College	609	1,081,655	501	821,224	598	1,040,250
Dyersburg State Comm College	225	414,434	148	236,007	180	337,000
Jackson State Comm College	458	844,559	358	574,955	450	813,869
Motlow State Comm College	555	901,926	404	660,857	438	789,920
Nashville State Comm College	216	371,338	168	241,970	210	335,952
Northeast State Tech Comm Coll	512	969,483	412	687,861	459	824,000
Pellissippi State Tech Comm Coll	962	1,669,780	796	1,253,108	974	1,699,562
Roane State Community College	833	1,641,606	644	1,049,018	789	1,536,375
Soutwest Tennessee Comm Coll	238	428,830	186	277,144	277	461,500
Volunteer State Community Coll	711	1,269,295	613	984,964	692	1,278,500
Walters State Community College	901	1,625,501	657	1,064,063	723	1,326,340
TOTAL	7,061	\$12,742,521	5,536*	\$8,947,104	6,560*	\$11,870,344
Total Awards By Institution Type						
Independent / Four-Year	7,134	\$25,376,393	5,637	\$20,042,753	6,605	\$24,862,457
Independent / Two-Year	77	135,938	60	103,313	101	178,000
Private / Business & Trade	48	146,330	52	188,100	59	227,859
University of Tennessee System	11,437	37,808,755	9,644	34,398,172	11,645	44,906,874
Board of Regents / Four-Year	14,518	50,135,977	12,682	44,663,425	14,595	56,678,758
State Tech / Community Colleges	7,061	12,742,521	5,536	8,947,104	6,560	11,870,344
GRAND TOTAL	40,275	\$126,345,913	33,120*	\$108,342,867	39,565*	\$138,724,292

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**Tennessee Education Lottery Scholarship Program
HOPE w/ GAM
Awards By Institution**

	2005-2006		2006-2007		2007-2008	
	Actual Recipients		Actual Recipients		Eligible through 2/15/08	
	Students	\$	Students	\$	Students	\$
Independent / Four -Year						
Aquinas College	0	\$0	0	\$0	0	\$0
Baptist Mem. Coll. Health & Sci.	0	0	0	0	0	0
Belmont University	0	0	121	\$566,400	135	637,500
Bethel College	0	0	3	14,400	3	15,000
Bryan College	0	0	10	45,600	19	95,000
Carson Newman College	0	0	67	314,400	78	390,000
Christian Brothers University	0	0	30	134,400	46	225,000
Crichton College	0	0	2	9,600	1	5,000
Cumberland University	0	0	6	26,400	7	35,000
David Lipscomb University	0	0	127	598,550	157	766,875
Fisk University	0	0	1	4,800	3	15,000
Free Will Baptist Bible College	0	0	1	2,400	1	5,000
Freed Hardeman University	0	0	39	177,600	47	232,500
Johnson Bible College	0	0	1	4,800	3	14,500
King College	0	0	19	88,800	20	97,500
Lambuth University	0	0	28	129,600	33	160,000
Lane College	0	0	0	0	0	0
Lee University	0	0	50	237,600	65	322,500
LeMoyne-Owen College	0	0	0	0	0	0
Lincoln Memorial University	0	0	9	43,200	13	65,000
Martin Methodist University	0	0	9	40,325	6	30,000
Maryville College	0	0	75	356,640	80	382,500
Memphis College of Art	0	0	1	4,800	1	5,000
Milligan College	0	0	19	86,400	12	57,500
Rhodes College	0	0	112	522,700	112	560,000
South College	0	0	0	0	0	0
Southern Adventist University	0	0	13	60,000	22	107,000
Tennessee Wesleyan College	0	0	9	40,800	13	65,000
Trevecca Nazarene University	0	0	11	48,000	11	55,000
Tusculum College	0	0	6	28,800	7	35,000
Union University	0	0	82	375,600	107	517,500
University of the South	0	0	52	240,000	71	350,000
Vanderbilt University	0	0	376	1,773,057	424	2,064,949
Watkins Inst. Coll. Of Art & Des.	0	0	1	4,800	1	5,000
TOTAL	0	\$0	1,279*	\$5,980,472	1,498*	\$7,315,824
Independent / Two-Year						
Hiwassee College	0	\$0	0	\$0	1	\$3,000
John A. Gupton College	0	0	0	0	0	0
TOTAL	0	\$0	0*	\$0	1*	\$3,000
Private / Business & Trade						
Art Institute of Tennessee-Nashville	0	\$0	0	\$0	0	\$0
O'More College of Design	0	0	2	9,600	3*	12,500
TOTAL	0	\$0	2*	9,600	3*	\$12,500

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**Tennessee Education Lottery Scholarship Program
HOPE w/ GAM
Awards By Institution**

	2005-2006		2006-2007		2007-2008	
	Actual Recipients		Actual Recipients		Eligible through 2/15/08	
	Students	\$	Students	\$	Students	\$
University of Tennessee System						
University of TN, Chattanooga	0	\$0	163	\$751,833	176	\$847,500
University of TN, Health Sci. Ctr.	0	0	0	0	0	0
University of TN, Knoxville	0	0	1,373	6,364,605	1,847	9,167,500
University of TN, Martin	0	0	103	469,493	125	620,000
TOTAL	0	\$0	1,638*	\$7,585,931	2,147*	\$10,635,000
Board of Regents / Four Year						
Austin Peay State University	0	\$0	60	\$276,000	74	\$357,500
East Tennessee State University	0	0	191	881,500	218	1,057,500
ETSU School of Pharmacy	0	0	0	0	1	2,500
Middle Tennessee State University	0	0	321	1,486,926	363	1,792,500
Tennessee State University	0	0	6	28,800	8	35,000
Tennessee Technological Univer.	0	0	264	1,209,000	282	1,390,800
University of Memphis	0	0	154	707,414	203	1,001,500
TOTAL	0	\$0	995*	\$4,589,640	1,145*	\$5,637,300
State Tech / Community Colleges						
Chattanooga State Tech Com Coll	0	\$0	1	\$2,364	1	\$1,500
Cleveland State Comm College	0	0	1	1,450	3	7,500
Columbia State Comm College	0	0	4	8,700	7	20,625
Dyersburg State Comm College	0	0	0	0	1	3,000
Jackson State Comm College	0	0	2	4,350	2	4,500
Motlow State Comm College	0	0	0	0	4	8,750
Nashville State Comm College	0	0	1	1,450	3	6,000
Northeast State Tech Comm Coll	0	0	2	4,350	2	6,000
Pellissippi State Tech Comm Coll	0	0	3	7,250	3	7,500
Roane State Community College	0	0	3	5,800	6	18,000
Southeast Tennessee Comm Coll	0	0	1	2,900	1	2,250
Volunteer State Community Coll	0	0	5	11,100	6	16,500
Walters State Community College	0	0	3	5,800	2	6,000
TOTAL	0	\$0	25*	\$55,514	41*	\$108,125
Total Awards By Institution Type						
Independent / Four-Year	0	\$0	1,279	\$5,980,472	1,498	\$7,315,824
Independent / Two-Year	0	0	0	0	1	3,000
Private / Business & Trade	0	0	2	9,600	3	12,500
University of Tennessee System	0	0	1,638	7,585,931	2,147	10,635,000
Board of Regents / Four-Year	0	0	995	4,589,640	1,145	5,637,300
State Tech / Community Colleges	0	0	25	55,514	41	108,125
GRAND TOTAL	0	\$0	3,915*	\$18,221,157	4,835*	\$23,711,749

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**Tennessee Education Lottery Scholarship Program
HOPE w/ Aspire
Awards By Institution**

	2005-2006		2006-2007		2007-2008	
	Actual Recipients		Actual Recipients		Eligible through 2/15/08	
	Students	\$	Students	\$	Students	\$
Independent / Four -Year						
Aquinas College	0	\$0	14	\$68,900	9	\$37,125
Aquinas College-Primetime	0	0	0	0	0	0
Baptist Mem. Coll. Health & Sci.	0	0	23	106,000	27	139,563
Belmont University	0	0	108	540,600	112	563,000
Bethel College	0	0	87	424,000	95	489,500
Bryan College	0	0	55	278,250	58	310,750
Carson Newman College	0	0	165	777,113	179	973,500
Christian Brothers University	0	0	112	575,050	140	713,563
Crichton College	0	0	31	151,050	43	216,500
Cumberland University	0	0	71	341,850	86	456,953
David Lipscomb University	0	0	117	580,350	129	678,563
Fisk University	0	0	46	230,550	51	253,000
Free Will Baptist Bible College	0	0	12	58,300	9	49,500
Freed Hardeman University	0	0	73	359,737	91	486,750
Johnson Bible College	0	0	19	95,400	20	104,500
King College	0	0	62	311,714	51	259,502
Lambuth University	0	0	61	304,750	67	338,250
Lane College	0	0	54	262,350	59	280,500
Lee University	0	0	161	775,700	170	884,625
LeMoyne-Owen College	0	0	14	68,900	19	87,313
Lincoln Memorial University	0	0	103	511,450	151	752,126
Martin Methodist University	0	0	78	364,375	78	390,500
Maryville College	0	0	120	604,200	150	761,750
Memphis College of Art	0	0	14	60,950	14	66,000
Milligan College	0	0	29	140,450	39	211,500
Rhodes College	0	0	53	275,600	43	231,000
South College	0	0	11	52,117	36	146,887
Southern Adventist University	0	0	29	145,087	42	216,500
Tennessee Wesleyan College	0	0	77	373,650	90	482,937
Trevecca Nazarene University	0	0	42	196,100	44	220,000
Tusculum College	0	0	81	389,550	114	616,000
Union University	0	0	134	666,687	162	829,750
University of the South	0	0	36	172,250	30	156,000
Vanderbilt University	0	0	133	678,401	134	689,721
Watkins Inst. Coll. Of Art & Des.	0	0	10	49,025	11	57,062
TOTAL	0	\$0	2,230*	\$10,990,456	2,545*	\$13,150,690
Independent / Two-Year						
Hiwassee College	0	\$0	38	\$118,250	58	\$192,063
John A. Gupton College	0	0	0	0	5	10,500
TOTAL	0	\$0	38*	\$118,250	63*	\$202,563
Private / Business & Trade						
Art Institute of Tennessee-Nashville	0	\$0	0	\$0	1	\$3,666
O'More College of Design	0	0	12	62,850	19	104,500
TOTAL	0	\$0	12*	\$62,850	20*	\$108,166

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Tennessee Education Lottery Scholarship Program
HOPE w/ Aspire
Awards By Institution

	2005-2006		2006-2007		2007-2008	
	Actual Recipients		Actual Recipients		Eligible through 2/15/08	
	Students	\$	Students	\$	Students	\$
University of Tennessee System						
University of TN, Chattanooga	0	\$0	532	\$2,564,482	589	\$2,955,676
University of TN, Health Sci. Ctr.	0	0	28	118,500	39	159,500
University of TN, Knoxville	0	0	1,452	7,212,240	1,872	9,972,157
University of TN, Martin	0	0	545	2,634,097	685	3,694,148
TOTAL	0	\$0	2,552*	\$12,529,319	3,176*	\$16,781,481
Board of Regents / Four Year						
Austin Peay State University	0	\$0	513	\$2,424,067	597	\$3,007,399
East Tennessee State University	0	0	790	3,794,019	911	4,836,283
ETSU School of Pharmacy			0	0	10	46,750
Middle Tennessee State University	0	0	1,379	6,704,341	1,690	9,158,026
Tennessee State University	0	0	278	1,373,894	401	2,012,000
Tennessee Technological Univer.	0	0	727	3,559,159	797	4,229,925
University of Memphis	0	0	865	4,177,730	1,092	5,919,168
TOTAL	0	\$0	4,533*	\$22,033,210	5,481*	\$29,209,551
State Tech / Community Colleges						
Chattanooga State Tech Com Coll	0	\$0	166	\$470,276	236	\$705,187
Cleveland State Comm College	0	0	98	268,881	90	287,435
Columbia State Comm College	0	0	194	552,982	227	703,198
Dyersburg State Comm College	0	0	93	266,776	106	354,753
Jackson State Comm College	0	0	193	545,954	216	706,548
Motlow State Comm College	0	0	170	499,672	204	665,874
Nashville State Comm College	0	0	95	259,481	81	240,141
Northeast State Tech Comm Coll	0	0	176	525,910	223	701,106
Pellissippi State Tech Comm Coll	0	0	286	813,610	259	799,316
Roane State Community College	0	0	349	1,061,609	456	1,561,438
Southeast Tennessee Comm Coll	0	0	67	193,448	190	499,184
Volunteer State Community Coll	0	0	241	709,815	278	937,377
Walters State Community College	0	0	330	902,866	384	1,255,935
TOTAL	0	\$0	2,454*	\$7,071,278	2,942*	\$9,417,492
Total Awards By Institution Type						
Independent / Four-Year	0	\$0	2,230	\$10,990,456	2,545	\$13,150,690
Independent / Two-Year	0	0	38	118,250	63	202,563
Private / Business & Trade	0	0	12	62,850	20	104,500
University of Tennessee System	0	0	2,552	12,529,319	3,176	16,781,481
Board of Regents / Four-Year	0	0	4,533	22,033,210	5,481	29,209,551
State Tech / Community Colleges	0	0	2,454	7,071,278	2,942	9,417,492
GRAND TOTAL	0	\$0	11,629*	\$52,805,363	14,227*	\$68,866,277

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**Tennessee Education Lottery Scholarship Program
HOPE Foster Care Grant
Awards By Institution**

	2005-2006		2006-2007		2007-2008	
	Actual Recipients		Actual Recipients		Eligible through 2/15/08	
	Students	\$	Students	\$	Students	\$
Independent / Four -Year						
Aquinas College	0	\$0	0	\$0	0	\$0
Baptist Mem. Coll. Health & Sci.	0	0	0	0	0	0
Belmont University	0	0	1	4,311	0	0
Bethel College	0	0	0	0	1	1,067
Bryan College	0	0	0	0	0	0
Carson Newman College	0	0	0	0	0	0
Christian Brothers University	0	0	0	0	1	0
Crichton College	0	0	0	0	0	0
Cumberland University	0	0	0	0	0	0
David Lipscomb University	0	0	0	0	0	0
Fisk University	0	0	0	0	0	0
Free Will Baptist Bible College	0	0	0	0	0	0
Freed Hardeman University	0	0	0	0	1	5,041
Johnson Bible College	0	0	0	0	0	0
King College	0	0	0	0	1	1,276
Lambuth University	0	0	0	0	0	0
Lane College	0	0	0	0	0	0
Lee University	0	0	0	0	0	0
LeMoyne-Owen College	0	0	0	0	0	0
Lincoln Memorial University	0	0	0	0	1	1,585
Martin Methodist University	0	0	0	0	0	0
Maryville College	0	0	0	0	0	0
Memphis College of Art	0	0	0	0	0	0
Milligan College	0	0	0	0	0	0
Rhodes College	0	0	0	0	0	0
South College	0	0	0	0	0	0
Southern Adventist University	0	0	0	0	0	0
Tennessee Wesleyan College	0	0	0	0	0	0
Trevecca Nazarene University	0	0	0	0	1	2,700
Tusculum College	0	0	0	0	0	0
Union University	0	0	1	253	0	0
University of the South	0	0	0	0	0	0
Vanderbilt University	0	0	0	0	0	0
Watkins Inst. Coll. Of Art & Des.	0	0	0	0	0	0
TOTAL	0	\$0	2	\$4,564	5	\$11,669
Independent / Two-Year						
Hiwassee College	0	\$0	0	\$0	0	\$0
John A. Gupton College	0	0	0	0	0	0
TOTAL	0	\$0	0	\$0	0	\$0
Private / Business & Trade						
Art Institute of Tennessee-Nashville	0	\$0	0	\$0	0	\$0
O'More College of Design	0	0	0	0	0	0
TOTAL	0	\$0	0	\$0	0	\$0

**Tennessee Education Lottery Scholarship Program
HOPE Foster Care Grant
Awards By Institution**

	2005-2006		2006-2007		2007-2008	
	Actual Recipients		Actual Recipients		Eligible through 2/15/08	
	Students	\$	Students	\$	Students	\$
University of Tennessee System						
University of TN, Chattanooga	3	\$10,966	1	\$572	2	\$1,593
University of TN, Health Sci. Ctr.	0	0	0	0	0	0
University of TN, Knoxville	1	2,798	1	159	1	1,077
University of TN, Martin	2	3,206	0	0	0	0
TOTAL	6	\$16,970	2	\$731	3	\$2,670
Board of Regents / Four Year						
Austin Peay State University	4	\$9,839	2	\$5,549	1	\$1,166
East Tennessee State University	4	18,709	4	6,451	5	18,623
ETSU School of Pharmacy	0	0	0	0	0	0
Middle Tennessee State University	2	7,766	0	0	0	0
Tennessee State University	0	0	0	0	0	0
Tennessee Technological Univer.	1	3,140	1	4,507	0	0
University of Memphis	4	10,598	2	6,184	0	0
TOTAL	15	\$50,052	9	\$22,691	6	\$19,789
State Tech / Community Colleges						
Chattanooga State Tech Com Coll	0	\$0	1	\$407	0	\$0
Cleveland State Comm College	2	2,406	0	0	0	0
Columbia State Comm College	1	795	0	0	0	0
Dyersburg State Comm College	0	0	0	0	0	0
Jackson State Comm College	1	6,500	0	0	0	0
Motlow State Comm College	0	0	2	3,721	0	0
Nashville State Comm College	0	0	0	0	0	0
Northeast State Tech Comm Coll	1	3,469	1	2,491	0	0
Pellissippi State Tech Comm Coll	2	4,631	0	0	0	0
Roane State Community College	1	1,735	0	0	0	0
Soutwest Tennessee Comm Coll	0	0	0	0	0	0
Volunteer State Community Coll	0	0	0	0	0	0
Walters State Community College	0	0	0	0	0	0
TOTAL	8	\$19,536	4	\$6,619	0	\$0
Total Awards By Institution Type						
Independent / Four-Year	0	\$0	2	\$4,564	5	\$11,669
Independent / Two-Year	0	0	0	0	0	0
Private / Business & Trade	0	0	0	0	0	0
University of Tennessee System	6	16,970	2	731	3	2,670
Board of Regents / Four-Year	15	50,052	9	22,691	6	19,789
State Tech / Community Colleges	8	19,536	4	6,619	0	0
GRAND TOTAL	29	\$86,558	17	\$34,604	14	\$34,128

**Tennessee Education Lottery Scholarship Program
HOPE Access Grant
Awards By Institution**

	2005-2006		2006-2007		2007-2008	
	Actual Recipients		Actual Recipients		Eligible through 2/15/08	
	Students	\$	Students	\$	Students	\$
Independent / Four -Year						
Aquinas College	0	\$0	0	\$0	0	\$0
Baptist Mem. Coll. Health & Sci.	1	1,200	0	0	0	0
Belmont University	1	2,400	0	0	1	2,750
Bethel College	3	7,200	4	10,600	5	13,750
Bryan College	1	2,400	0	0	1	2,750
Carson Newman College	2	3,600	3	6,625	5	13,750
Christian Brothers University	0	0	0	0	1	2,750
Crichton College	0	0	2	2,650	1	2,750
Cumberland University	1	1,200	2	5,300	6	16,500
David Lipscomb University	0	0	0	0	1	2,750
Fisk University	0	0	0	0	2	5,500
Free Will Baptist Bible College	0	0	0	0	0	0
Freed Hardeman University	1	2,400	1	2,650	2	4,125
Johnson Bible College	0	0	1	2,650	0	0
King College	0	0	0	0	0	0
Lambuth University	0	0	0	0	2	2,750
Lane College	1	1,200	0	0	6	15,125
Lee University	1	2,400	1	1,325	0	0
LeMoyne-Owen College	1	2,400	0	0	2	5,500
Lincoln Memorial University	3	7,200	0	0	2	5,500
Martin Methodist University	2	4,800	0	0	2	2,750
Maryville College	2	4,800	1	1,325	2	4,125
Memphis College of Art	0	0	0	0	0	0
Milligan College	0	0	0	0	0	0
Rhodes College	0	0	0	0	0	0
South College	0	0	1	2,650	3	5,499
Southern Adventist University	0	0	3	5,300	0	0
Tennessee Wesleyan College	3	6,000	0	0	4	11,000
Trevecca Nazarene University	2	4,800	0	0	1	2,750
Tusculum College	0	0	0	0	6	16,500
Union University	0	0	0	0	0	0
University of the South	0	0	0	0	0	0
Vanderbilt University	0	0	0	0	0	0
Watkins Inst. Coll. Of Art & Des.	0	0	0	0	1	2,750
TOTAL	25	\$54,000	18*	\$41,075	56*	\$141,624
Independent / Two-Year						
Hiwassee College	0	\$0	1	\$850	2	\$2,625
John A. Gupton College	1	1575	0	0	0	0
TOTAL	1	\$1,575	1*	\$850	2*	\$2,625
Private / Business & Trade						
Art Institute of Tennessee-Nashville	0	\$0	0	\$0	0	\$0
O'More College of Design	0	0	0	0	0	0
TOTAL	0	\$0	0	\$0	0	\$0

*Totals represent a distinct count of students and are not always a sum of the numbers in the section. Students can attend multiple institutions throughout an academic year, but these students are only counted once in each section total.

**Tennessee Education Lottery Scholarship Program
HOPE Access Grant
Awards By Institution**

	2005-2006		2006-2007		2007-2008	
	Actual Recipients		Actual Recipients		Eligible through 2/15/08	
	Students	\$	Students	\$	Students	\$
University of Tennessee System						
University of TN, Chattanooga	16	\$30,000	29	\$67,575	25	\$56,925
University of TN, Health Sci. Ctr.	0	0	0	0	0	0
University of TN, Knoxville	11	20,722	7	17,225	11	28,875
University of TN, Martin	21	44,400	18	46,375	22	56,375
TOTAL	48	\$95,122	54*	\$131,175	58*	\$142,175
Board of Regents / Four Year						
Austin Peay State University	19	\$36,000	23	\$51,344	24	\$57,750
East Tennessee State University	11	22,800	11	27,825	13	30,250
ETSU School of Pharmacy	0	0	0	0	1	2,750
Middle Tennessee State University	35	69,900	31	63,492	39	104,500
Tennessee State University	10	22,800	25	56,644	24	57,750
Tennessee Technological Univer.	10	19,200	8	19,544	15	39,875
University of Memphis	39	86,400	47	114,280	53	141,625
TOTAL	124	\$257,100	145*	\$333,129	169*	\$434,500
State Tech / Community Colleges						
Chattanooga State Tech Com Coll	1	\$1,575	11	\$14,450	19	\$23,186
Cleveland State Comm College	7	8,663	4	5,100	7	10,500
Columbia State Comm College	5	5,514	8	10,888	9	13,125
Dyersburg State Comm College	7	6,890	8	12,537	11	11,814
Jackson State Comm College	7	10,632	12	16,716	21	29,750
Motlow State Comm College	10	10,634	9	11,476	18	27,564
Nashville State Comm College	0	0	5	7,650	3	2,625
Northeast State Tech Comm Coll	1	1,575	4	6,800	12	17,281
Pellissippi State Tech Comm Coll	6	7,677	12	16,358	13	18,612
Roane State Community College	11	14,571	8	10,200	7	10,500
Soutwest Tennessee Comm Coll	0	0	0	0	9	10,500
Volunteer State Community Coll	5	6,891	2	2,774	6	9,625
Walters State Community College	7	7,875	14	18,539	16	23,406
TOTAL	67	\$82,497	97*	\$133,487	151*	\$208,488
Total Awards By Institution Type						
Independent / Four-Year	25	\$54,000	18	\$41,075	56	\$141,624
Independent / Two-Year	1	1,575	1	850	2	2,625
Private / Business & Trade	0	0	0	0	0	0
University of Tennessee System	48	95,122	54	131,175	58	142,175
Board of Regents / Four-Year	124	257,100	145	333,129	169	434,500
State Tech / Community Colleges	67	82,497	97	133,487	151	208,488
GRAND TOTAL	265	\$490,294	315*	\$639,716	436*	\$929,412

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**Tennessee Education Lottery Scholarship Program
Wilder-Naifeh Technical Skills Grant
Awards By Institution**

	2005-2006		2006-2007		2007-2008	
	Actual Recipients		Actual Recipients		Eligible through 2/15/08	
	Students	\$	Students	\$	Students	\$
Technology Centers						
TN Tech Center at Athens	197	\$165,981	187	\$174,726	329	\$539,693
TN Tech Center at Chattanooga	505	466,953	496	454,831	608	862,088
TN Tech Center at Covington	160	117,032	170	136,260	226	325,658
TN Tech Center at Crossville	310	253,674	318	271,592	446	536,599
TN Tech Center at Crump	279	206,856	282	255,800	405	661,504
TN Tech Center at Dickson	423	346,240	412	376,716	709	1,073,393
TN Tech Center at Elizabethton	484	382,182	451	373,010	693	1,092,695
TN Tech Center at Harriman	193	180,317	224	184,383	268	428,448
TN Tech Center at Hartsville	208	177,533	205	206,153	332	551,962
TN Tech Center at Hohenwald	387	325,838	361	319,818	481	718,744
TN Tech Center at Jacksboro	180	142,030	179	145,118	237	310,734
TN Tech Center at Jackson	510	406,106	500	459,198	879	1,044,642
TN Tech Center at Knoxville	610	479,799	610	463,413	884	1,002,619
TN Tech Center at Livingston	377	311,492	390	316,999	538	1,000,133
TN Tech Center at McKenzie	268	212,246	265	249,489	375	499,580
TN Tech Center at McMinnville	221	180,170	262	231,634	392	451,608
TN Tech Center at Memphis	753	614,770	737	569,722	1,453	2,145,230
TN Tech Center at Morristown	952	571,272	662	419,319	957	1,064,216
TN Tech Center at Murfreesboro	302	266,124	291	262,619	414	668,699
TN Tech Center at Nashville	656	469,627	599	452,141	889	1,172,886
TN Tech Center at Newbern	196	162,662	234	204,839	382	693,415
TN Tech Center at Oneida	111	72,562	222	172,046	225	310,961
TN Tech Center at Paris	387	305,385	386	328,303	577	887,824
TN Tech Center at Pulaski	371	292,211	365	317,813	362	500,618
TN Tech Center at Ripley	231	171,098	225	177,798	215	221,439
TN Tech Center at Shelbyville	557	410,339	527	386,040	623	675,303
TN Tech Center at Whiteville	195	169,663	180	170,135	254	315,975
TOTAL	10,023	\$7,860,163	9,725*	\$8,079,913	14124*	\$19,756,666

*Totals represent a distinct count of students and are not always a sum of the numbers in the section. Students can attend multiple institutions throughout an academic year, but these students are only counted once in each section total.

**Tennessee Education Lottery Scholarship Program
Dual Enrollment Grant
Awards By Institution**

	2005-2006		2006-2007		2007-2008	
	Actual Recipients		Actual Recipients		Eligible through 2/15/08	
	Students	\$	Students	\$	Students	\$
Independent / Four - Year						
Aquinas College	2	\$600	1	\$300	4	\$1,200
Baptist Mem. Coll. Health & Sci.	0	0	0	0	0	0
Belmont University	0	0	0	0	1	300
Bethel College	0	0	0	0	0	0
Bryan College	2	600	10	4,500	20	7,275
Carson Newman College	17	6,600	8	3,000	44	17,045
Christian Brothers University	74	34,935	135	60,000	135	39,500
Crichton College	11	4,800	17	9,000	7	3,000
Cumberland University	53	30,600	30	32,100	68	20,400
David Lipscomb University	26	9,300	79	34,800	64	19,200
Fisk University	0	0	0	0	0	0
Free Will Baptist Bible College	0	0	0	0	0	0
Freed Hardeman University	46	20,100	63	31,800	51	23,100
Johnson Bible College	0	0	0	0	0	0
King College	37	10,600	62	22,200	77	29,700
Lambuth University	0	0	0	0	0	0
Lane College	0	0	0	0	0	0
Lee University	33	10,875	40	15,000	32	9,100
LeMoyne-Owen College	0	0	41	22,200	62	18,600
Lincoln Memorial University	0	0	0	0	22	12,600
Martin Methodist University	83	32,400	66	31,500	92	27,600
Maryville College	1	300	2	600	1	300
Memphis College of Art	0	0	0	0	0	0
Milligan College	0	0	3	900	1	300
Rhodes College	0	0	0	0	0	0
South College	0	0	0	0	0	0
Southern Adventist University	0	0	34	10,200	29	5,551
Tennessee Wesleyan College	0	0	0	0	2	900
Trevecca Nazarene University	0	0	0	0	0	0
Tusculum College	0	0	0	0	0	0
Union University	3	900	8	3,600	54	16,200
University of the South	0	0	0	0	0	0
Vanderbilt University	0	0	0	0	1	300
Watkins Inst. Coll. Of Art & Des.	0	0	0	0	0	0
TOTAL	388	\$162,610	599	\$281,700	767	\$252,171
Independent / Two-Year						
Hiwassee College	52	\$24,080	96	\$47,400	74	\$22,200
John A. Gupton College	0	0	0	\$0	0	0
TOTAL	52	\$24,080	96	\$47,400	74	\$22,200
Private / Business & Trade						
Art Institute of Tennessee-Nashville	0	\$0	0	\$0	0	\$0
O'More College of Design	0	0	0	0	2	600
TOTAL	0	\$0	0	\$0	2	\$600

**Tennessee Education Lottery Scholarship Program
Dual Enrollment Grant
Awards By Institution**

	2005-2006		2006-2007		2007-2008	
	Actual Recipients		Actual Recipients		Eligible through 2/15/08	
	Students	\$	Students	\$	Students	\$
University of Tennessee System						
University of TN, Chattanooga	27	\$12,300	51	\$17,900	64	\$18,992
University of TN, Health Sci. Ctr.	0	0	0	0	0	0
University of TN, Knoxville	3	1,200	10	3,200	1	300
University of TN, Martin	544	231,300	780	341,700	842	366,900
TOTAL	574	\$244,800	841	\$362,800	907	\$386,192
Board of Regents / Four Year						
Austin Peay State University	16	\$8,400	16	\$7,500	46	\$13,768
East Tennessee State University	21	6,900	31	12,600	93	27,500
Middle Tennessee State University	9	4,800	9	4,500	14	5,400
Tennessee State University	1	600	0	0	0	0
Tennessee Technological Univer.	50	28,057	49	25,200	59	16,300
University of Memphis	0	0	145	84,000	236	70,800
TOTAL	97	\$48,757	250	\$133,800	448	\$133,768
State Tech / Community Colleges						
Chattanooga State Tech Com Coll	613	\$171,900	758	\$382,800	770	\$230,100
Cleveland State Comm College	217	88,602	271	128,214	311	89,847
Columbia State Comm College	289	104,000	418	168,986	399	119,400
Dyersburg State Comm College	93	31,511	346	152,174	385	176,960
Jackson State Comm College	45	21,600	74	38,100	181	54,000
Motlow State Comm College	260	116,421	435	203,178	471	139,197
Nashville State Comm College	250	93,205	282	114,314	275	81,155
Northeast State Tech Comm Coll	179	71,492	291	122,864	245	71,778
Pellissippi State Tech Comm Coll	279	101,346	607	243,018	527	157,279
Roane State Community College	271	119,145	428	177,438	368	105,124
Soutwest Tennessee Comm Coll	95	33,418	48	20,700	77	23,100
Volunteer State Community Coll	894	327,036	1,249	498,090	1,044	313,200
Walters State Community College	340	120,684	528	199,945	561	165,756
TOTAL	3,825	\$1,400,359	5,735	\$2,449,822	5,614	\$1,726,896

**Tennessee Education Lottery Scholarship Program
Dual Enrollment Grant
Awards By Institution**

	2005-2006		2006-2007		2007-2008	
	Actual Recipients		Actual Recipients		Eligible through 2/15/08	
	Students	\$	Students	\$	Students	\$
Technology Centers						
TN Tech Center at Athens	0	\$0	0	\$0	4	\$1,200
TN Tech Center at Chattanooga	0	0	0	0	0	0
TN Tech Center at Covington	19	5,700	17	6,300	24	6,600
TN Tech Center at Crossville	81	26,700	59	20,700	42	12,600
TN Tech Center at Crump	3	800	34	13,800	30	9,000
TN Tech Center at Dickson	0	0	37	21,000	22	6,600
TN Tech Center at Elizabethton	0	0	4	1,100	4	1,200
TN Tech Center at Harriman	4	1,200	1	300	9	2,700
TN Tech Center at Hartsville	13	4,800	8	3,900	14	4,200
TN Tech Center at Hohenwald	54	16,200	117	38,875	84	24,525
TN Tech Center at Jacksboro	20	6,000	15	8,100	19	7,900
TN Tech Center at Jackson	0	0	13	6,800	7	2,000
TN Tech Center at Knoxville	0	0	0	0	0	0
TN Tech Center at Livingston	61	25,800	106	48,600	96	28,800
TN Tech Center at McKenzie	3	900	25	9,600	22	6,600
TN Tech Center at McMinnville	0	0	0	0	0	0
TN Tech Center at Memphis	0	0	0	0	0	0
TN Tech Center at Morristown	25	11,400	35	18,100	24	7,200
TN Tech Center at Murfreesboro	1	300	1	300	8	2,400
TN Tech Center at Nashville	0	0	0	0	0	0
TN Tech Center at Newbern	25	11,400	26	11,025	35	10,200
TN Tech Center at Oneida	85	24,900	160	73,000	174	52,500
TN Tech Center at Paris	64	19,050	5	2,100	0	0
TN Tech Center at Pulaski	71	24,600	88	32,800	114	33,900
TN Tech Center at Ripley	0	0	2	900	0	0
TN Tech Center at Shelbyville	0	0	12	3,100	10	2,100
TN Tech Center at Whiteville	0	0	20	5,000	0	0
TOTAL	529	\$179,750	785	\$325,400	742	\$222,225
Total Awards By Institution Type						
Independent / Four-Year	388	\$162,610	599	\$281,700	767	\$252,171
Independent / Two-Year	52	24,080	96	47,400	74	22,200
Private / Business & Trade	0	0	0	0	2	600
University of Tennessee System	574	244,800	841	362,800	907	386,192
Board of Regents / Four-Year	97	48,757	250	133,800	448	133,768
State Tech / Community Colleges	3,825	1,400,359	5,735	2,449,822	5,614	1,726,896
Technology Centers	529	179,750	785	325,400	742	222,225
GRAND TOTAL	5,465	\$2,060,356	8,306	\$3,600,922	8,554	\$2,744,052

**Tennessee Education Lottery Scholarship Program
Math and Science Teachers Program
Awards By Institution**

	2005-2006		2006-2007		2007-2008	
	Actual Recipients		Actual Recipients		Eligible through 2/15/08	
	Students	\$	Students	\$	Students	\$
Independent / Four -Year						
Aquinas College	0	\$0	0	\$0	0	\$0
Baptist Mem. Coll. Health & Sci.	0	0	0	0	0	0
Belmont University	0	0	0	0	0	0
Bethel College	0	0	0	0	0	0
Bryan College	0	0	0	0	0	0
Carson Newman College	0	0	0	0	0	0
Christian Brothers University	0	0	0	0	0	0
Crichton College	0	0	0	0	0	0
Cumberland University	0	0	0	0	0	0
David Lipscomb University	0	0	0	0	0	0
Fisk University	0	0	0	0	0	0
Free Will Baptist Bible College	0	0	0	0	0	0
Freed Hardeman University	0	0	0	0	0	0
Johnson Bible College	0	0	0	0	0	0
King College	0	0	0	0	0	0
Lambuth University	0	0	0	0	0	0
Lane College	0	0	0	0	0	0
Lee University	0	0	0	0	0	0
LeMoyne-Owen College	0	0	0	0	0	0
Lincoln Memorial University	0	0	0	0	0	0
Martin Methodist University	0	0	0	0	0	0
Maryville College	0	0	0	0	0	0
Milligan College	0	0	0	0	0	0
Rhodes College	0	0	0	0	0	0
South College	0	0	0	0	0	0
Southern Adventist University	0	0	0	0	0	0
Tennessee Wesleyan College	0	0	0	0	0	0
Trevecca Nazarene University	0	0	0	0	0	0
Tusculum College	0	0	0	0	2	4,000
Union University	0	0	0	0	0	0
University of the South	0	0	0	0	0	0
Vanderbilt University	0	0	0	0	0	0
TOTAL	0	\$0	0	\$0	2	\$4,000
University of Tennessee System						
University of TN, Chattanooga	0	\$0	0	\$0	0	\$0
University of TN, Health Sci. Ctr.	0	0	0	0	0	0
University of TN, Knoxville	0	0	0	0	6	12,000
University of TN, Martin	0	0	0	0	2	4,000
TOTAL	0	\$0	0	\$0	8	\$16,000
Board of Regents / Four Year						
Austin Peay State University	0	\$0	0	\$0	5	\$10,000
East Tennessee State University	0	0	0	0	0	0
Middle Tennessee State University	0	0	0	0	11	22,000
Tennessee State University	0	0	0	0	2	4,000
Tennessee Technological Univer.	0	0	0	0	4	8,000
University of Memphis	0	0	0	0	2	4,000
TOTAL	0	\$0	0	\$0	24	\$48,000
Total Awards By Institution Type						
Independent / Four-Year	0	\$0	0	\$0	2	\$4,000
University of Tennessee System	0	0	0	0	8	16,000
Board of Regents / Four-Year	0	0	0	0	24	48,000
GRAND TOTAL	0	\$0	0	\$0	34	\$68,000

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 20, 2008

DISCUSSION ITEM C: Merit and Loan Forgiveness Programs Status Report

Staff Recommendation For discussion only.

Background The Dependent Children Scholarship, Minority Teaching Fellows, Ned McWherter Scholars, and Tennessee Teaching Scholars are state funded programs administered by TSAC. The Robert C. Byrd Honors Scholarship is a federally funded program that is also administered by TSAC. The Tennessee Graduate Nursing Loan Forgiveness program is funded by private resources.

Current 2007-08 data indicate that 1,077 students will receive \$2,943,949, although these amounts will decline as certification rosters are completed.

Supporting Document *Tennessee Student Assistance Corporation Merit and Loan Forgiveness Programs, February 15, 2008.*

Tennessee Student Assistance Corporation Merit and Loan Forgiveness
Programs Update

February 15, 2008

Tennessee Student Assistance Corporation
Parkway Towers, Suite 1510
404 James Robertson Parkway
Nashville, Tennessee 37243-0820
(615) 741-1346
www.CollegePaysTN.com

Tennessee Student Assistance Corporation
Merit and Loan Forgiveness Programs

	2007-08 Recipients	
	<u>Students</u>	<u>\$</u>
Independent/Four-Year	297	\$846,233
Board of Regents	322	966,712
University of Tennessee System	335	928,398
State Tech/Community Colleges	41	61,856
Tennessee Technology Centers	1	1,500
Private/Business and Trade	1	750
Out of State Institution	<u>80</u>	<u>138,500</u>
	1,077	\$2,943,949
Dependent Children	31	\$158,541
Minority Teaching Fellows	105	485,565
Ned McWherter Scholars	179	520,500
Robert C. Byrd Honors	526	753,334
Tennessee Teaching Scholars	159	648,009
Graduate Nursing	<u>77</u>	<u>378,000</u>
	1,077	\$2,943,949

* These amounts will decline as certification rosters are completed.

TENNESSEE STUDENT ASSISTANCE CORPORATION
2007-08

INDEPENDENT/FOUR-YEAR

	Dependent Children		Minority Teaching Fellows		Ned McWherter Scholars		Robert C. Byrd Honors		Tennessee Teaching Scholars		Graduate Nursing	
	Students	\$	Students	\$	Students	\$	Students	\$	Students	\$	Students	\$
American Baptist College												
Aquinas College												
Aquinas College – Primetime												
Baptist Memorial College of Health							1	1,500				
Belmont University	3	26,439			11	33,000	4	5,250	2	5,625	2	3,500
Bethel College			2	7,500			1	1,500				
Bryan College					1	3,000	1	1,500				
Carson-Newman College	1	5,934			2	6,000	10	14,250	6	22,500		
Christian Brothers University			3	15,000	1	3,000	2	3,000				
Crichton College			3	15,000			1	750				
Cumberland University					1	3,000	2	3,000	2	6,750		
David Lipscomb University	2	11,868			9	27,000	20	29,250	3	13,500		
Fisk University												
Free Will Baptist Bible College									1	4,500		
Freed-Hardeman University			2	10,000	4	10,500	4	6,000	2	9,000		
Johnson Bible College			1	5,000			1	1,500	1	4,500		
King College							1	1,500			6	35,000
Lambuth University							4	6,000				
Lane College			2	5,565								
Lee University			1	5,000	2	6,000	7	9,750	7	27,000		
LeMoyne-Owen College												
Lincoln Memorial University							6	9,000	2	6,750	1	7,000
Martin Methodist College							3	4,500	3	13,500		
Maryville College	1	5,934			3	9,000	5	7,500	4	18,000		
Memphis College of Art												
Milligan College							3	4,500	1	4,500		
Rhodes College					5	15,000	5	7,500				
South College							1	1,500				
Southern Adventist University							1	1,500			3	10,500
Tennessee Temple University												
Tennessee Wesleyan College							1	1,500	4	13,500		
Trevecca Nazarene University							3	4,500	1	2,250		
Tusculum College							1	1,500	4	15,750		
Union University	2	11,868			1	3,000	10	14,250			2	14,000
University of the South					5	13,500	1	1,500				
Vanderbilt University					62	180,000	9	13,500			2	14,000
Watkins Inst College of Art and Design												
TOTAL:	9	62,043	14	63,065	107	312,000	108	157,500	43	167,625	16	84,000

TENNESSEE STUDENT ASSISTANCE CORPORATION
2007-08

Dependent Children		Minority Teaching Fellows		Ned McWherter Scholars		Robert C. Byrd Honors		Tennessee Teaching Scholars		Graduate Nursing	
Students	\$	Students	\$	Students	\$	Students	\$	Students	\$	Students	\$

BOARD OF REGENTS

Austin Peay State University	2	3,150	5	25,000	1	3,000	20	29,250	6	24,750	3	14,000
East Tennessee State University					3	9,000	23	33,750	6	22,500	9	31,500
Middle Tennessee State University	4	22,173	14	70,000	4	12,000	44	64,500	11	33,750	7	33,250
Tennessee State University			5	25,000			9	12,750	1	4,500	15	73,500
Tennessee Technological University	2	11,868	5	25,000	9	27,000	28	39,750	16	66,384	1	1,750
University of Memphis	<u>6</u>	<u>32,637</u>	<u>27</u>	<u>122,500</u>	<u>4</u>	<u>12,000</u>	<u>17</u>	<u>24,000</u>	<u>8</u>	<u>33,750</u>	<u>7</u>	<u>22,750</u>
TOTAL:	14	69,828	56	267,500	21	63,000	141	204,000	48	185,634	42	176,750

UNIVERSITY OF TENNESSEE SYSTEM

University of Tennessee, Chattanooga	1	5,934	13	60,000	2	6,000	25	35,250	3	11,250		
University of Tennessee, Knoxville	2	7,380	15	67,500	44	124,500	112	161,084	58	258,750	6	36,750
University of Tennessee, Martin			5	22,500	5	15,000	30	42,750	7	24,750		
University of Tn, Memphis-Health Science											<u>7</u>	<u>49,000</u>
TOTAL:	3	13,314	33	150,000	51	145,500	167	239,084	68	294,750	13	85,750

STATE TECH/COMMUNITY COLLEGES

Chattanooga State Tech Community College							2	3,000				
Cleveland State Community College												
Columbia State Community College												
Dyersburg State Community College	1	2,634	2	5,000			1	1,500				
Jackson State Community College							7	9,750				
Motlow State Community College												
Nashville State Tech Community College	1	1,830					1	1,500				
Northeast State Tech Community College	2	6,216					4	5,250				
Pellissippi State Tech Community College							3	3,000				
Roane State Community College	1	2,676					6	6,750				
Southwest Tennessee Community College							1	1,500				
Volunteer State Community College							3	3,000				
Walters State Community College							<u>6</u>	<u>8,250</u>				
TOTAL:	5	13,356	2	5,000			34	43,500				

PRIVATE/BUSINESS AND TRADE

1 750

TENNESSEE STUDENT ASSISTANCE CORPORATION
2007-08

Dependent Children	Minority Teaching Fellows	Ned McWherter Scholars	Robert C. Byrd Honors	Tennessee Teaching Scholars	Graduate Nursing				
Students	\$	Students	\$	Students	\$	Students	\$	Students	\$

TENNESSEE TECHNOLOGY CENTERS

Tennessee Technology Center at Athens													
Tennessee Technology Center at Chattanooga													
Tennessee Technology Center at Covington													
Tennessee Technology Center at Crossville													
Tennessee Technology Center at Crump													
Tennessee Technology Center at Dickson													
Tennessee Technology Center at Elizabethton													
Tennessee Technology Center at Harriman													
Tennessee Technology Center at Hartsville													
Tennessee Technology Center at Hohenwald													
Tennessee Technology Center at Jacksboro													
Tennessee Technology Center at Jackson													
Tennessee Technology Center at Knoxville													
Tennessee Technology Center at Livingston													
Tennessee Technology Center at McKenzie													
Tennessee Technology Center at McMinnville													
Tennessee Technology Center at Memphis													
Tennessee Technology Center at Morristown													
Tennessee Technology Center at Murfreesboro													
Tennessee Technology Center at Nashville													
Tennessee Technology Center at Newbern								1	1,500				
Tennessee Technology Center at Oneida													
Tennessee Technology Center at Paris													
Tennessee Technology Center at Pulaski													
Tennessee Technology Center at Ripley													
Tennessee Technology Center at Shelbyville													
Tennessee Technology Center at Whiteville													
TOTAL:	0	0	0	0	0	0	0	1	1,500	0	0	0	0
Out of State Institutions								74	107,000			6	31,500
									1,446				5,250
GRAND TOTAL	31	158,541	105	485,565	179	520,500	526	753,334	159	648,009	77	378,000	

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 20, 2008

DISCUSSION ITEM D: Federal Family Education Loan Program Update

Staff Recommendation For discussion only

Background

There are seven topics that encompass the Federal Family Education Loan Program Update. The first of these is a report on loan volumes within the State of Tennessee.

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

Subsidized Stafford loans are provided to students who demonstrate financial need. Students are not required to repay the loan until the conclusion of their academic career. Additionally, the federal government continues to pay the accrued interest on the loan while the student is enrolled in school.

Students unable to demonstrate financial need have the option to receive an *Unsubsidized Stafford loan*. Repayment for unsubsidized Stafford Loans is deferred until the students complete their college career. The students are responsible for the interest accrued on the loan while they are enrolled.

PLUS loans are provided to the parents of students enrolled in a postsecondary institution. *Grad/Professional loans* are provided to students in graduate or professional degree programs and act similar to PLUS loans. Financial need is not a factor with these loans and repayment begins immediately.

In 2006-07, TSAC guaranteed \$734 million in these three programs. In the first seven months of 2007-08, these programs guaranteed \$510 million. The details for each of these loans are provided in the documents *Federal Family Education Loan Program Volumes*, March 20, 2008.

Other topics are displayed and detailed in the supporting document titled, '*Loan Issues Topical Display by Topic*', March 20, 2008 report.

Supporting Document

Federal Family Education Loan Program Volumes, March, 20, 2008.

Loan Issues Topical Display by Topic, March 20, 2008

Federal Family Education Loan Program Volumes

March 20, 2008

Tennessee Student Assistance Corporation
Parkway Towers, Suite 1510
404 James Robertson Parkway
Nashville, Tennessee 37243-0820
(615) 741-1346

www.CollegePaysTN.com

Federal Family Education Loan Program

	2006-07		2007-08	
	Loans*	\$	Loans*	\$
Stafford Loan Program (Subsidized)				
Independent / Four-Years	23,291	\$ 91,623,031	15,796	\$ 68,157,248
Independent / Two-Years	276	636,823	230	686,871
Private/Business and Trade	6,997	18,718,774	3,691	12,563,358
Board of Regents	17,372	60,874,655	14,867	61,696,626
University of Tennessee System	19,020	82,963,052	8,763	39,865,206
State Tech/Community Colleges	13,595	31,944,209	11,254	34,057,327
Tennessee Technology Centers	111	241,720	106	269,851
Total	80,662	\$ 287,002,264	54,707	\$ 217,296,487
Average Loan		\$3,558		\$3,972
Stafford Loan Program (Unsubsidized)				
Independent / Four-Years	19,782	\$ 96,979,913	12,861	\$ 65,985,004
Independent / Two-Years	204	718,219	169	536,123
Private/Business and Trade	6,892	21,224,146	3,220	11,506,646
Board of Regents	13,917	52,655,037	12,563	55,569,369
University of Tennessee System	15,851	84,481,971	7,612	40,812,673
State Tech/Community Colleges	7,225	18,078,016	5,798	16,880,778
Tennessee Technology Centers	103	308,215	82	250,290
Total	63,974	\$ 274,445,517	42,305	\$ 191,540,883
Average Loan		\$4,290		\$4,528
PLUS Loan Program				
Independent / Four-Years	4,186	\$ 40,563,661	2,362	\$ 23,440,720
Independent / Two-Years	25	141,365	25	156,565
Private/Business and Trade	585	4,898,978	212	1,743,035
Board of Regents	2,237	15,625,046	1,854	12,124,006
University of Tennessee System	2,232	17,516,644	1,086	9,010,539
State Tech/Community Colleges	169	639,414	129	615,888
Tennessee Technology Centers	1	7,500	1	6,000
Total	9,435	\$ 79,392,608	5,669	\$ 47,096,753
Average Loan		\$8,415		\$8,308
Grad PLUS Program				
Independent / Four-Years	778	\$ 10,819,658	639	\$ 10,116,818
Private/Business and Trade	118	1,643,530	99	2,143,471
Board of Regents	42	244,803	36	152,771
University of Tennessee System	448	3,108,111	290	2,374,951
Total	1,386	\$ 15,816,102	1,064	\$ 14,788,011
Average Loan		\$11,411		\$13,899
COMBINED LOAN PROGRAMS				
Independent / Four-Years	48,037	\$ 239,986,263	31,658	\$ 167,699,790
Independent / Two-Years	505	1,496,407	424	1,379,559
Private/Business and Trade	14,592	46,485,428	7,222	27,956,510
Board of Regents	33,568	129,399,541	29,320	129,542,772
University of Tennessee System	37,551	188,069,778	17,751	92,063,369
State Tech/Community Colleges	20,989	50,661,639	17,181	51,553,993
Tennessee Technology Centers	215	557,435	189	526,141
Total	155,457	\$ 656,656,491	103,745	\$ 470,722,134
Average Loan		\$4,224		\$4,537
Other (Out-of-State) Schools				
	20,576	\$ 76,967,389	9,269	\$ 38,950,125
GRAND TOTAL	176,033	\$733,623,880	113,014	\$ 509,672,259
Average Loan		\$4,168		\$4,510

* 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.

FEDERAL FAMILY EDUCATION LOAN PROGRAM
Federal Stafford Loan Program (*Subsidized*)

	2006-07		2007-08	
	Loans*	\$	Loans*	\$
<u>INDEPENDENT/FOUR-YEARS</u>				
Aquinas College (All Branches)	221	\$ 627,587	374	\$ 1,297,911
Baptist Memorial College of Health	660	2,301,913	437	1,640,321
Belmont University	436	1,909,971	1,022	5,405,109
Bethel College	1,433	4,344,693	634	2,200,621
Bryan College	655	2,290,596	317	1,213,707
Carson-Newman College	1,035	3,370,406	892	3,312,071
Christian Brothers University	1,144	4,394,879	867	3,994,551
Church of God Theological Seminary	32	255,033	18	148,108
Crichton College	0	-	160	637,642
Cumberland University	753	2,337,789	390	1,488,377
Emmanuel School of Religion	26	162,270	23	155,900
Free Will Baptist Bible College	200	791,788	171	746,080
Freed-Hardeman University	6	24,800	4	9,281
Johnson Bible College	351	1,250,650	328	1,299,830
King College	422	1,719,778	416	2,009,552
Lambuth University	415	1,452,901	108	435,919
Lee University	1,884	6,782,183	1,579	6,145,149
Lincoln Memorial University	1,491	5,472,371	1,055	4,880,627
Lipscomb University	1,268	4,385,577	12	39,608
Martin Methodist College	610	1,915,064	554	2,030,453
Maryville College	809	3,142,099	221	888,506
Meharry Medical College	611	5,027,035	245	2,047,574
Memphis College of Art	69	285,114	34	155,250
Memphis Theological Seminary	28	198,396	20	141,100
Milligan College	521	2,463,406	384	1,788,921
Rhodes College	69	255,735	51	193,158
Temple Baptist Seminary	53	226,115	1	2,100
Tennessee Temple University	296	946,413	327	1,274,474
Tennessee Wesleyan College	524	1,889,662	462	1,881,522
Trevecca Nazarene University	1,630	7,868,125	849	3,983,809
Tusculum College	2,361	7,955,221	1,334	4,806,862
Union University	1,778	8,610,677	1,093	5,552,174
University of the South	277	824,736	277	907,251
Vanderbilt University (All Branches)	1,104	5,704,738	1,024	4,963,700
Watkins College of Art and Design	119	435,310	113	480,030
TOTAL	23,291	\$ 91,623,031	15,796	\$ 68,157,248
AVERAGE LOAN		\$3,658		\$4,248
<u>INDEPENDENT/TWO-YEARS</u>				
Hiwassee College	189	\$ 432,153	169	\$ 503,799
John A Gupton College	87	204,670	61	183,072
TOTAL	276	\$ 636,823	230	\$ 686,871
AVERAGE LOAN		\$2,307		\$2,986
<u>PRIVATE/BUSINESS and TRADE</u>				
Arnolds Beauty School	48	\$ 105,982	21	\$ 61,461
Chattanooga College	128	292,496	100	298,216
Concorde Career Institute	5	10,602	1	3,500
Draughon's Junior College (All Branches)	3,258	8,000,279	1,977	6,144,886
Fountainhead College of Technology	59	200,426	32	120,750
ITT Technical Institute (All Branches)	9	25,712	12	48,576
Jon Nave University of Cosmetology	86	218,586	8	25,022
Kaplan Career	57	153,515	5	13,892
McCullum & Ross - The Hair School	3	3,257	0	-
MedVance Institute	15	32,838	0	-
Middle Tennessee School of Anesthesia	139	1,119,549	94	792,089
Miller-Motte Business College (All Branches)	1,024	2,601,749	236	751,417
Mr Wayne's School Unisex Hair Design	10	24,938	19	50,568
Nashville Auto Diesel College	1	525	1	3,500
Nashville College of Medical Career	214	533,765	132	394,997

FEDERAL FAMILY EDUCATION LOAN PROGRAM
Federal Stafford Loan Program (*Subsidized*)

	2006-07		2007-08	
	Loans*	\$	Loans*	\$
New Concepts School of Cosmetology	34	77,110	21	56,857
New Directions Hair Academy (All Branches)	23	30,736	0	-
New Wave Hair Academy (All Branches)	7	10,506	0	-
North Central Institute	40	97,117	14	33,950
Nossi College of Art	3	4,813	1	3,500
O'More College of Design	106	402,340	75	330,123
Plaza Beauty School	103	241,234	65	200,619
Psychological Studies	0	-	1	8,500
Pyramid Beauty School	16	42,000	0	-
SAE Institute of Technology	113	296,449	72	249,310
South College	1,150	3,471,719	720	2,754,860
Tennessee Academy of Cosmetology (All Branches)	171	286,043	28	49,447
Tennessee Career College	11	32,626	0	-
Volunteer Beauty Academy (All Branches)	164	401,862	56	167,318
TOTAL	6,997	\$ 18,718,774	3,691	\$ 12,563,358
AVERAGE LOAN		\$2,675		\$3,404
 BOARD OF REGENTS				
Austin Peay State University	4,609	\$ 15,799,623	4,282	\$ 17,921,899
East Tennessee State University	5,632	21,635,831	4,838	21,255,023
Middle Tennessee State University	7,121	23,391,803	5,744	22,508,704
Tennessee State University	10	47,398	3	11,000
TOTAL	17,372	\$ 60,874,655	14,867	\$ 61,696,626
AVERAGE LOAN		\$3,504		\$4,150
 UNIVERSITY OF TENNESSEE SYSTEM				
University of Tennessee, Chattanooga	4,405	\$ 17,307,598	1,627	\$ 6,365,199
University of Tennessee, Knoxville	11,133	51,515,755	6,064	29,387,572
University of Tennessee, Martin	3,039	10,502,277	1,026	3,753,532
University of Tennessee, Memphis	443	3,637,422	46	358,903
TOTAL	19,020	\$ 82,963,052	8,763	\$ 39,865,206
AVERAGE LOAN		\$4,362		\$4,549
 STATE TECH/COMMUNITY COLLEGES				
Chattanooga State Technical Community College	3,113	\$ 8,114,590	2,322	\$ 8,036,939
Cleveland State Community College	514	1,218,026	458	1,308,755
Columbia State Community College	998	2,365,626	844	2,559,229
Dyersburg State Community College	623	1,386,495	475	1,325,745
Nashville State Technical Community College	1,976	4,585,937	1,731	5,319,029
Northeast State Technical Community College	1,184	2,773,293	927	3,072,039
Pellissippi State Technical Community College	1,663	3,112,622	1,864	4,721,729
Roane State Community College	1,133	3,114,102	804	2,637,887
Volunteer State Community College	1,670	3,570,867	1,388	3,819,589
Walters State Community College	721	1,702,651	441	1,256,386
TOTAL	13,595	\$ 31,944,209	11,254	\$ 34,057,327
AVERAGE LOAN		\$2,350		\$3,026
 TENNESSEE TECHNOLOGY CENTERS				
Tennessee Technology Center at Nashville	111	\$ 241,720	106	\$ 269,851
TOTAL	111	\$ 241,720	106	\$ 269,851
AVERAGE LOAN		\$2,178		\$2,546
 GRAND TOTAL				
	80,662	\$ 287,002,264	54,707	\$ 217,296,487
AVERAGE LOAN		\$3,558		\$3,972

* 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.

FEDERAL FAMILY EDUCATION LOAN PROGRAM
Federal Stafford Loan Program (*Unsubsidized*)

	2006-07		2007-08	
	Loans*	\$	Loans*	\$
INDEPENDENT/FOUR-YEARS				
Aquinas College (All Branches)	206	\$ 769,965	358	\$ 1,346,990
Baptist Memorial College of Health	624	2,295,028	391	1,520,718
Belmont University	378	1,909,687	790	5,429,806
Bethel College	1,270	4,259,644	432	1,505,796
Bryan College	354	1,154,409	204	632,277
Carson-Newman College	769	2,766,920	661	2,643,627
Christian Brothers University	1,149	5,459,327	870	4,646,404
Church of God Theological Seminary	10	73,940	6	46,700
Crichton College	0	-	150	635,586
Cumberland University	819	2,816,324	348	1,277,866
Emmanuel School of Religion	4	33,500	5	25,510
Free Will Baptist Bible College	113	435,378	82	336,862
Freed-Hardeman University	6	27,250	3	7,875
Johnson Bible College	230	825,149	220	805,079
King College	307	1,399,852	279	1,320,287
Lambuth University	296	978,063	79	323,293
Lee University	1,271	5,156,115	1,117	4,701,016
Lincoln Memorial University	1,436	6,812,528	1,062	6,611,278
Lipscomb University	980	3,755,105	9	50,127
Martin Methodist College	416	1,341,372	363	1,201,462
Maryville College	524	2,025,359	113	438,309
Meharry Medical College	616	15,391,982	242	5,703,291
Memphis College of Art	62	244,734	26	97,907
Memphis Theological Seminary	18	120,969	15	103,500
Milligan College	437	2,307,312	325	1,699,496
Rhodes College	68	275,987	44	138,998
Temple Baptist Seminary	18	84,800	0	-
Tennessee Temple University	161	527,482	176	697,243
Tennessee Wesleyan College	396	1,476,298	312	1,334,582
Trevecca Nazarene University	1,478	7,156,597	731	3,602,362
Tusculum College	2,296	8,575,681	1,262	4,868,646
Union University	1,708	9,335,357	999	5,978,566
University of the South	167	566,361	179	634,357
Vanderbilt University (All Branches)	1,101	6,234,367	929	5,287,244
Watkins College of Art and Design	94	387,071	79	331,944
TOTAL	19,782	\$ 96,979,913	12,861	\$ 65,985,004
AVERAGE LOAN		\$4,902		\$5,131
INDEPENDENT/TWO-YEARS				
Hiwassee College	130	\$ 458,632	121	\$ 363,825
John A Gupton College	74	259,587	48	172,298
TOTAL	204	\$ 718,219	169	\$ 536,123
AVERAGE LOAN		\$3,521		\$3,172
PRIVATE/BUSINESS and TRADE				
Arnolds Beauty School	21	\$ 61,181	4	\$ 13,300
Chattanooga College	85	152,130	62	144,557
Concorde Career Institute	4	8,566	1	4,000
Draughon's Junior College (All Branches)	3,489	8,685,379	1,780	5,433,990
Fountainhead College of Technology	53	202,881	26	103,000
ITT Technical Institute (All Branches)	7	23,293	9	24,830
Institute of Hair Design	1	4,000	0	-
Jon Nave University of Cosmetology	52	189,325	8	26,371
Kaplan Career	47	107,643	3	8,111
McCollum & Ross - The Hair School	1	712	0	-
MedVance Institute	11	22,312	0	-
Middle Tennessee School of Anesthesia	148	1,614,676	94	1,109,911
Miller-Motte Business College (All Branches)	1,013	3,343,477	202	513,371
Mr Wayne's School Unisex Hair Design	2	4,625	7	19,079
Nashville Auto Diesel College	1	2,000	1	4,000
Nashville College of Medical Career	229	707,449	121	329,366

FEDERAL FAMILY EDUCATION LOAN PROGRAM
Federal Stafford Loan Program (*Unsubsidized*)

	2006-07		2007-08	
	Actual		As Of 01/31/08	
	Loans*	\$	Loans*	\$
New Concepts School of Cosmetology	34	82,156	19	51,223
New Directions Hair Academy (All Branches)	21	28,774	0	-
New Wave Hair Academy (All Branches)	6	9,003	0	-
North Central Institute	33	106,506	11	35,600
Nossi College of Art	2	4,000	0	-
O'More College of Design	55	225,676	52	220,469
Plaza Beauty School	80	195,963	43	144,483
Psychological Studies	0	-	1	830
Pyramid Beauty School	13	19,125	0	-
Remington College	1	4,000	0	-
SAE Institute of Technology	75	295,361	52	204,565
South College	1,083	4,323,380	666	2,947,945
Tennessee Academy of Cosmetology (All Branches)	184	284,269	20	34,934
Tennessee Career College	10	34,031	0	-
Volunteer Beauty Academy (All Branches)	131	482,253	38	132,711
TOTAL	6,892	\$ 21,224,146	3,220	\$ 11,506,646
AVERAGE LOAN		\$3,080		\$3,573
 BOARD OF REGENTS				
Austin Peay State University	3,592	\$ 14,328,877	3,527	\$ 16,025,767
East Tennessee State University	4,358	17,547,637	3,599	16,481,651
Middle Tennessee State University	5,958	20,757,366	5,434	23,053,107
Tennessee State University	9	21,157	3	8,844
TOTAL	13,917	\$ 52,655,037	12,563	\$ 55,569,369
AVERAGE LOAN		\$3,784		\$4,423
 UNIVERSITY OF TENNESSEE SYSTEM				
University of Tennessee, Chattanooga	3,907	\$ 16,904,841	1,524	\$ 6,353,511
University of Tennessee, Knoxville	9,130	50,858,890	5,289	30,721,689
University of Tennessee, Martin	2,358	8,531,165	725	2,700,425
University of Tennessee, Memphis	456	8,187,075	74	1,037,048
TOTAL	15,851	\$ 84,481,971	7,612	\$ 40,812,673
AVERAGE LOAN		\$5,330		\$5,362
 STATE TECH/COMMUNITY COLLEGES				
Chattanooga State Technical Community College	1,134	\$ 2,710,883	1,082	\$ 3,230,138
Cleveland State Community College	376	885,488	371	917,535
Columbia State Community College	812	2,081,575	620	1,911,866
Dyersburg State Community College	189	382,589	145	342,649
Nashville State Technical Community College	1,451	4,519,866	1,239	4,216,521
Northeast State Technical Community College	571	1,024,992	263	685,725
Pellissippi State Technical Community College	897	1,677,621	706	1,704,712
Roane State Community College	869	2,835,320	548	1,811,122
Volunteer State Community College	541	1,111,950	495	1,183,842
Walters State Community College	385	847,732	329	876,668
TOTAL	7,225	\$ 18,078,016	5,798	\$ 16,880,778
AVERAGE LOAN		\$2,502		\$2,911
 TENNESSEE TECHNOLOGY CENTERS				
Tennessee Technology Center at Nashville	103	\$ 308,215	82	\$ 250,290
TOTAL	103	\$ 308,215	82	\$ 250,290
AVERAGE LOAN		\$2,992		\$3,052
 GRAND TOTAL				
AVERAGE LOAN	63,974	\$ 274,445,517	42,305	\$ 191,540,883
		\$4,290		\$4,528

* 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.

FEDERAL FAMILY EDUCATION LOAN PROGRAM
Federal PLUS Loan Program (Parent)

	2006-07		2007-08	
	Actual		As Of 01/31/08	
	Loans*	\$	Loans*	\$
<u>INDEPENDENT/FOUR-YEARS</u>				
Aquinas College (All Branches)	19	\$ 118,700	48	\$ 278,075
Baptist Memorial College of Health	56	308,950	21	122,096
Belmont University	342	4,258,823	359	5,471,987
Bethel College	49	276,615	42	242,938
Bryan College	123	985,155	73	511,769
Carson-Newman College	198	1,540,301	173	1,372,431
Christian Brothers University	113	768,572	74	498,832
Cumberland University	141	1,016,728	86	723,228
Free Will Baptist Bible College	75	587,867	41	378,225
Freed-Hardeman University	2	24,225	2	23,230
Johnson Bible College	102	531,083	77	497,110
King College	104	836,828	55	438,691
Lambuth University	51	392,978	18	149,629
Lee University	283	2,192,582	191	1,539,970
Lincoln Memorial University	146	624,852	77	322,467
Lipscomb University	431	4,179,975	15	150,637
Martin Methodist College	64	323,202	55	323,079
Maryville College	181	1,506,967	48	418,704
Meharry Medical College	307	3,028,552	0	0
Memphis College of Art	24	346,695	12	187,730
Milligan College	138	1,059,162	82	762,661
Rhodes College	15	170,397	8	71,855
Temple Baptist Seminary	1	2,500	0	0
Tennessee Temple University	20	114,620	21	166,041
Tennessee Wesleyan College	138	1,009,774	71	527,288
Trevecca Nazarene University	186	1,666,777	148	1,220,220
Tusculum College	112	739,312	112	677,859
Union University	282	3,354,932	156	1,503,150
University of the South	149	2,298,770	126	1,975,746
Vanderbilt University (All Branches)	314	6,041,392	159	2,752,140
Watkins College of Art and Design	20	256,375	12	132,932
TOTAL	4,186	\$ 40,563,661	2,362	\$ 23,440,720
AVERAGE LOAN		\$9,690		\$9,924
<u>INDEPENDENT/TWO-YEARS</u>				
Hiwassee College	16	\$ 97,190	17	\$ 96,455
John A Gupton College	9	44,175	8	60,110
TOTAL	25	\$ 141,365	25	\$ 156,565
AVERAGE LOAN		\$5,655		\$6,263
<u>PRIVATE/BUSINESS and TRADE</u>				
Arnolds Beauty School	7	\$ 29,480	2	9,000
Chattanooga Collee	11	25,342	4	11,673
Draughon's Junior College (All Branches)	142	642,742	62	336,964
Fountainhead College of Technology	21	210,045	2	17,300
ITT Technical Institute (All Branches)	9	79,082	4	48,657
Jon Nave University of Cosmetology	19	199,895	0	-
Southeastern Career College	0	8,695	2	17,076
Middle Tennessee School of Anesthesia	77	889,035	0	-
Miller-Motte Business College (All Branches)	44	280,592	23	121,837
Nashville College of Medical Career	4	34,596	5	36,505
New Concepts School of Cosmetology	2	6,700	1	2,300
New Directions Hair Academy (All Branches)	5	38,151	1	2,790
North Central Institute	4	38,700	2	14,000
Nossi College of Art	8	51,450	0	-
O'More College of Design	32	220,505	16	151,262
Plaza Beauty School	13	81,324	9	37,950

FEDERAL FAMILY EDUCATION LOAN PROGRAM
Federal PLUS Loan Program (Parent)

	2006-07		2007-08	
	Actual		As Of 01/31/08	
	Loans*	\$	Loans*	\$
SAE Institute of Technology	56	1,055,461	18	394,108
South College	100	846,927	57	512,183
Tennessee Academy of Cosmetology (All Branches)	8	13,362	0	-
Volunteer Beauty Academy (All Branches)	<u>23</u>	<u>146,894</u>	<u>4</u>	<u>29,430</u>
TOTAL	585	\$4,898,978	212	\$ 1,743,035
AVERAGE LOAN		\$8,374		\$8,222
 <u>BOARD OF REGENTS</u>				
Austin Peay State University	367	\$ 3,542,815	245	\$ 1,693,681
East Tennessee State University	616	3,997,070	518	3,651,758
Middle Tennessee State University	1,143	7,363,432	1,055	6,515,388
Tennessee State University	11	87,618	3	31,400
Tennessee Technological University	<u>100</u>	<u>634,111</u>	<u>33</u>	<u>231,780</u>
TOTAL	2,237	\$ 15,625,046	1,854	\$ 12,124,006
AVERAGE LOAN		\$6,985		\$6,539
 <u>UNIVERSITY OF TENNESSEE SYSTEM</u>				
University of Tennessee, Chattanooga	372	\$ 2,235,003	204	\$ 1,177,054
University of Tennessee, Knoxville	1,428	12,782,126	780	7,151,543
University of Tennessee, Martin	323	1,583,508	99	639,442
University of Tennessee, Memphis	<u>109</u>	<u>916,007</u>	<u>3</u>	<u>42,500</u>
TOTAL	2,232	\$ 17,516,644	1,086	\$ 9,010,539
AVERAGE LOAN		\$7,848		\$8,297
 <u>STATE TECH/COMMUNITY COLLEGES</u>				
Chattanooga State Technical Community College	32	\$ 136,477	31	\$ 129,802
Cleveland State Community College	14	34,538	8	35,084
Columbia State Community College	13	59,122	10	51,356
Dyersburg State Community College	10	32,658	2	5,000
Nashville State Technical Community College	2	5,500	3	8,800
Northeast State Technical Community College	8	31,000	3	5,826
Pellissippi State Technical Community College	74	288,380	55	292,894
Volunteer State Community College	<u>16</u>	<u>51,739</u>	<u>17</u>	<u>87,126</u>
TOTAL	169	\$ 639,414	129	\$ 615,888
AVERAGE LOAN		\$3,784		\$4,774
 <u>TENNESSEE TECHNOLOGY CENTERS</u>				
Tennessee Technology Center at Nashville	<u>1</u>	<u>\$ 7,500</u>	<u>1</u>	<u>\$ 6,000</u>
TOTAL	1	\$ 7,500	1	\$ 6,000
AVERAGE LOAN		\$7,500		\$6,000
 <u>GRAND TOTAL</u>				
AVERAGE LOAN	9,435	\$79,392,608	5,669	\$47,096,753
		\$8,415		\$8,308

* 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.

FEDERAL FAMILY EDUCATION LOAN PROGRAM
Federal PLUS Loan Program (Graduate/Professional)

	2006-07		2007-08	
	Actual		As Of 01/31/08	
	Loans*	\$	Loans*	\$
INDEPENDENT/FOUR-YEARS				
Belmont University	42	\$ 290,372	47	\$ 437,477
Bethel College	4	79,250	1	12,000
Carson-Newman College	1	7,671	0	-
Christian Brothers University	7	34,529	1	2,464
Crichton College	0	-	6	43,250
Johnson Bible College	2	9,210	0	-
Lee University	5	16,361	2	7,600
Lincoln Memorial University	1	4,550	0	-
Meharry Medical College	427	4,882,460	382	5,777,158
Milligan College	47	247,527	30	169,966
Southern College of Optometry	0	-	1	1,929
Trevecca Nazarene University	63	855,026	9	62,334
Union University	65	1,776,318	60	1,416,136
Vanderbilt University (All Branches)	114	2,616,384	100	2,186,504
TOTAL	778	\$ 10,819,658	639	\$ 10,116,818
AVERAGE LOAN		\$13,907		\$15,832
PRIVATE/BUSINESS and TRADE				
Middle Tennessee School of Anesthesia	118	\$ 1,643,530	83	\$ 1,830,426
South College	0	-	16	313,045
TOTAL	118	\$ 1,643,530	99	\$ 2,143,471
AVERAGE LOAN		\$13,928		\$21,651
BOARD OF REGENTS				
Austin Peay State University	5	\$ 22,396	2	\$ 16,000
East Tennessee State University	34	202,783	32	129,771
Middle Tennessee State University	2	9,624	0	-
Tennessee State University	1	10,000	0	-
Tennessee Tech University	0	-	2	7,000
TOTAL	42	\$ 244,803	36	\$ 152,771
AVERAGE LOAN		\$5,829		\$4,244
UNIVERSITY OF TENNESSEE SYSTEM				
University of Tennessee, Chattanooga	15	\$85,809	6	\$36,978
University of Tennessee, Knoxville	313	2,124,521	216	1,830,468
University of Tennessee, Martin	2	11,041	0	-
University of Tennessee, Memphis	118	886,740	68	507,505
TOTAL	448	\$3,108,111	290	\$2,374,951
AVERAGE LOAN		\$6,938		\$8,189
GRAND TOTAL	1,386	\$ 15,816,102	1,064	\$ 14,788,011
AVERAGE LOAN		\$11,411		\$13,899

* 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.

Loan Issues Topical Display by Topic

March 20, 2008

Tennessee Student Assistance Corporation
Parkway Towers, Suite 1510
404 James Robertson Parkway
Nashville, Tennessee 37243-0820
(615) 741-1346

www.CollegePaysTN.com

Loan Issues Topical Display by Topic																					
Topic	Background	Details	Ongoing																		
Student Loan Issues	The student loan industry has been under a great deal of scrutiny the last few months. TSAC's involvement has focused on the following:	New Federal laws go into effect on 7/1/08. Senate Bill 2997 has been proposed to offset some of the recent ethics issues. TSAC has prepared a document that compares federal legislation with the proposed State legislation.	TSAC has conducted 6 off-site training sessions within the past few months to outline new federal laws. TSAC replies to inquiries to federal law. TSAC plans to outline key law parameters at the next State conference to be conducted in Memphis in late March.																		
Cohort Default Rate	<p style="text-align: center;"><u>Historical rates:</u></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Year</th> <th>TSAC</th> <th>Nation</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>5.7</td> <td>4.6</td> </tr> <tr> <td>2004</td> <td>5.4</td> <td>5.1</td> </tr> <tr> <td>2003</td> <td>4.6</td> <td>4.5</td> </tr> <tr> <td>2002</td> <td>5.7</td> <td>5.2</td> </tr> <tr> <td>2001</td> <td>6.8</td> <td>5.4</td> </tr> </tbody> </table> <p style="text-align: center;"><u>Number of loans in Default</u> Number of loans in Repayment</p>	Year	TSAC	Nation	2005	5.7	4.6	2004	5.4	5.1	2003	4.6	4.5	2002	5.7	5.2	2001	6.8	5.4	<p>TSAC's unofficial cohort default rate for 2006 has been received within the past month. The draft rate is 6.25% and will most likely be less when the final rate is announced, probably in mid September.</p> <p>Given the general economic trend toward recession, predictions are that cohort default rates will increase over the next couple of years.</p> <p>Additionally loan volume will increase because attendance will probably increase.</p>	TSAC has developed several recent default prevention initiatives involving a school committee, called DPAC. Loan staff is currently accessing the need to outsource, via an RFP of unused Default Prevention dollars.
Year	TSAC	Nation																			
2005	5.7	4.6																			
2004	5.4	5.1																			
2003	4.6	4.5																			
2002	5.7	5.2																			
2001	6.8	5.4																			
Federal Default Fee	Market pressures have recently forced many of TSAC's lenders to reassess their ability to continue to pay the student's portion of this fee.	In an effort to assist students, TSAC will begin paying the Federal Default Fee on students' behalf for loans guaranteed on or after 3/1/08.	This will reverse current declining volumes. Further, TSAC anticipates that loan volumes will increase as a result of this initiative.																		
Servicer Update	TSAC has a contract with Nelnet Guarantor Solutions (NGS) that encompasses three primary services: grant and scholarship (timeshare) system support, general ledger (timeshare) system support and loan processing (full service).	<p>Servicer continues to be 'in the news' by continuing to lay off workers on the lender side as a result of market conditions. Very few positions have been eliminated on the NGS side.</p> <p>NGS has re-organized all of it's 'computer services' group into Nelnet (the lender) and has also recently re-organized most of it's operational management team to personnel in Denver, CO.</p>	<p>TSAC continues to monitor the contract and work with the contractor to 'get past' system conversion issues and larger audit issues related to contract management.</p> <p>TSAC Loan Administration is assessing its current level of services and satisfaction of our existing services contract and outsourcing, and updating our current contract language in order to prepare a new RFP.</p>																		

Loan Issues Topical Display by Topic (continued)

Topic	Background	Details	Ongoing
<p>SunTrust changes Servicer</p>	<p>Due to increasing costs to the program, and lesser economies of scale at the Tennessee servicing center, SunTrust recently decided to begin using a servicer.</p>	<p>Part of the portfolio transitioned in February.</p> <p>The full portfolio will transition in March.</p> <p>The servicer that SunTrust chose is Nelnet.</p>	<p>TSAC may need to increase additional monitoring steps during transition and additional steps for audit sampling purposes.</p>
<p>Federal Legislative Changes that will have an impact on the Loan Program</p>	<p>Recently implemented legislative changes will have an impact to almost all industry participants.</p>	<p><u>GUARANTOR IMPACTS:</u> Guarantor collection retention reductions. Elimination of Exceptional Performer Status. Reduction of Insurance rates.</p> <p><u>LENDER IMPACTS:</u> TSAC has received notice that at least 4 minor lenders in our market have fully exited the program. However there has been no disruption of funding of loans at Tennessee schools.</p>	<p>The financial impacts of these changes will be discussed in more detail during the September Board meeting.</p> <p>TSAC will monitor and inquire of schools as to issues they may encounter during this credit crunch period.</p> <p>TSAC is also investigating a long-standing yet frequently unused Lender of Last Resort Program (LLR) in order to ensure ongoing funding.</p>

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 20, 2008

DISCUSSION ITEM E: Tentative TSAC Budget for 2008-09

Staff Recommendation For discussion only.

Background Governor Bredesen submitted his proposed to the legislature for the 2008-09 fiscal year. He has recommended improvements to the base budget funding within three allotment codes administered by TSAC.

Under the Governor's proposed Budget, \$27,000,000 would be provided for additional TSAA awards. Additionally, \$5,300,000 would be provided for lottery scholarships. The corporation would also receive \$1,400,000 for the Nursing Loan Forgiveness Program and \$205,600 for two business development positions in the federal loan program.

Supporting Document *TSAC Fiscal Year 2008-09 Budget Recommended Improvements, March 20, 2008.*

**TSAC Fiscal Year 2008-09
Budget Recommended Improvements
March 20, 2008**

Tennessee Student Assistance Awards (Allotment Code 332.03)

The Tennessee Student Assistance Awards Program provides non-repayable education grants to financially needy undergraduate students who are residents of Tennessee and enrolled at a public or eligible private postsecondary educational institution in Tennessee.

Base Budget Fiscal Year 2008 – 2009	
State Appropriations	\$47,108,500
Federal (U.S. Department of Education LEAP/SLEAP)	<u>1,562,400</u>
Sub Total:	\$48,670,900
<i>Recommended Improvement (Governor's Budget)</i>	
<i>State Appropriations (Recurring Lottery for Education</i>	
<i>Account revenue</i>	<i>18,000,000</i>
<i>Interest from \$200,000,000 current reserve in the Lottery</i>	
<i>For Education Account placed in endowment</i>	<u><i>9,000,000</i></u>
Grand Total:	\$75,670,900

The Governor's recommended improvement of \$27,000,000 represents \$18 million which is an appropriation from recurring Lottery for Education Account revenue. An amount of \$9 million is first-year interest earnings from a proposed \$200 million TSAA need-based scholarship endowment to be established by transfer of \$200 million from the Lottery for Education Account reserve to a separate endowment account at July 1, 2008. There are currently approximately 21,000 TSAA recipients. The improvement would provide funds for expansion of the TSAA program to 13,500 additional students.

Tennessee Student Assistance Corporation (Allotment Code 332.05)

The Tennessee Student Assistance Corporation provides all administrative management and oversight for each of the corporation programs. This allotment provides funds for the staffing and other operating costs of the administrating the financial assistance programs.

Base Budget Fiscal Year 2007 – 2008	
State Appropriations	\$ 1,537,400
Federal	5,296,300
Other (Lottery/Program Generated)	<u>14,640,400</u>
Sub Total:	\$21,474,100
<i>Recommended Improvement (Governor's Budget)</i>	
<i>State Appropriations</i>	
<i>Federal</i>	<i>1,400,000</i>
	<u><i>205,600</i></u>
Grand Total:	\$23,079,700

The Governor's recommended improvement of \$1,400,000 is to provide non-recurring matching funds for the graduate nursing loan forgiveness program, pursuant to 2006 Public Chapter 882. The program is in response to a shortage of nursing faculty in Tennessee that is forcing higher education institutions to turn away prospective nursing students. The \$205,600 is to provide funds for two business development positions in the TSAC federal loan program. These positions will work with financial aid offices in higher education institutions to develop more effective and

efficient loan processing systems; offer training regarding increased federal scrutiny over the federal loan program; and market TSAC's guarantee programs and services.

Lottery for Education Account (Allotment Code 332.19)

The Lottery for Education Account is an appropriation of the state's net education lottery proceeds. The majority of these funds are made available for post-secondary scholarships, which include the Tennessee HOPE Scholarship, the General Assembly Merit Scholarship, the Need-Based Supplemental Award, the Tennessee HOPE Access Grant, and the Wilder-Naifeh Technical Skills Grant. In the event that education lottery proceeds available to the account exceed scholarship needs, excess proceeds may be appropriated for pre-kindergarten and early childhood education programs, not to exceed \$25 million. Funding for the pre-K and early childhood education programs is appropriated here and is reflected in the Department of Education budget, funded by interdepartmental (other) revenue from the Lottery for Education Account state appropriation. Administrative costs associated with the scholarship program within the Tennessee Higher Education Commission and Tennessee Student Assistance Corporation also are funded from the Appropriation to the Lottery for Education Account.

Base Budget Fiscal Year 2007 – 2008		
State Appropriations	<u>\$267,100,000</u>	
Sub Total:	\$267,100,000	
<i>Recommended Improvement (Governor's Budget)</i>		
<i>State Appropriations</i>	<u>5,300,000</u>	
Grand Total:		\$272,400,000

The Governor's recommended improvement of \$5,300,000 is to provide funding from recurring lottery for education revenues to expand retention of HOPE scholarships. Students maintaining a minimum cumulative GPA of 2.75 will retain scholarships. Approximately 3,000 students will be affected. Currently, students must have a GPA of 2.75 after their first year, but achieve a minimum cumulative GPA of 3.0 in subsequent years to renew their scholarship eligibility. Full implementation will be realized in fiscal year 2010 – 2011, at an annualized cost of \$13,300,000.

Summary of Recommended TSAC Budget for FY 2008 – 2009

Tennessee Student Assistance Corporation (332.03)	\$ 75,670,900
State	\$56,108,500
Fed	1,562,400
Other	18,000,000
Federal Family Education Loan Program (332.04)	\$127,502,500
Fed	\$121,602,500
Other	5,900,000
Tennessee Student Assistance Corporation (332.05)	\$ 23,079,700
State	\$ 2,937,400
Fed	5,501,900
Other	14,640,400
Academic Scholars Program (332.06)	\$ 780,500
State	\$ 401,800
Other	378,700

Loan/Scholarship Program (332.07)	\$ 2,906,900
State \$ 1,191,000	
Other 1,715,900	
Lottery for Education Account	\$290,400,000
State \$290,400,000	
TOTAL	<u>\$520,340,500</u>

Summary of Legislation Pending with the 105th General Assembly (2008)
Relative to Postsecondary Education Student Financial Aid
February 25, 2008

Senate Bills

- *SB0025/
HB0020 Increases the maximum adjusted gross income (AGI) eligibility from \$36,000 to \$45,000 for the ASPIRE award, HOPE Access Grant, and the HOPE Scholarship for non-traditional students.
- *SB0356/
HB0154 Permits students who attend an eligible high school and complete all but one course at the high school to complete the remaining course as a home-schooled student and retain eligibility for HOPE and GAMS as if the student graduated from the eligible high school.
- *SB0611/
HB0653 Makes various changes to the requirements for HOPE Scholarships, ASPIRE Awards, HOPE Access Grants and HOPE Scholarships.
- *SB2397/
HB2418 Creates the “Helping Heroes Grant” to provide postsecondary financial assistance from net lottery proceeds to discharged Iraq and Afghanistan veterans, who are defined as Tennessee residents for one (1) year prior to receiving financial aid.
- *SB2589/
HB2980 Proposes to change the home of record requirement for purposes of qualifying for the HOPE Scholarship by dependents of members of the armed forces or the Tennessee National Guard who do not reside in Tennessee immediately preceding the date of application for a HOPE Scholarship and who did not complete high school in Tennessee.
- *SB2631/
HB2893 Changes the home of record requirement from time of entry into military service to date of application for financial assistance for purposes of qualifying for a HOPE scholarship by dependents of members of the armed forces or the Tennessee national guard who do not reside in Tennessee immediately preceding date of application for a HOPE scholarship and who did not complete high school in Tennessee.
- *SB2642/
HB2892 Allows HOPE scholarship eligible students who enter ineligible postsecondary institutions after finishing high school to be eligible for a Tennessee HOPE scholarship if they transfer to an eligible postsecondary institution within sixteen months of completing high school and meet academic, as well as, the general requirements for the scholarship.
- *SB2757/
HB2922 Changes the definition of home school student by removing the requirement that students be home schooled for two years prior to high

school graduation.

- *SB2770/
HB3705 Changes the basis of calculation of collegiate cumulative grade point average (GPA) from semester hours attempted to semester hours completed for the purposes of scholarship continuation and termination.
- *SB2773/
HB3420 Allows a student whose parent relocates out-of-state on an employer's work assignment for more than one year to be eligible for a Tennessee HOPE scholarship; provided that the parent intends to return to Tennessee at the end of the assignment and the student meets all eligibility requirements for the scholarship other than completing high school in Tennessee and residing in Tennessee immediately prior to application for the scholarship.
- *SB2809/
HB2975 Creates the "Lottery for Education After-school Programs (LEAP) Grant Fund" administered by the Department of Education for deposit of excess lottery funds for after-school programs and technical assistance.
- *SB2875/
HB2943 Requires the Department of Education to develop and implement a college scholarship program promoting civic learning and good citizenship.
- *SB2876/
HB2942 Creates the "General Assembly Civic Education Scholarship" funded from net lottery proceeds to promote and encourage civic learning and participation in community and government by high school students.
- *SB2997/
HB4135 Imposes additional responsibilities on the financial aid community (Tennessee public and private postsecondary institutions, lenders, and guarantee agencies) to include receipt of gift limitations, training costs, advisory board participation guidelines, and creation of preferred lender lists.
- *SB3035/
HB3304 Changes the HOPE scholarship eligibility requirement that requires home schooled students to be home schooled for the last two years of high school to permit students home schooled for only the last year of high school to be eligible.
- *SB3064/
HB3781 Proposes to add the University of Tennessee System and Board of Regents as recipients of the Tennessee Higher Education Commission's annual report on scholarship and grant programs data.
- *SB3115/
HB3434 Proposes to increase the number of semester hours that a student in a degree program requiring more than 120 semester hours to complete may receive a Tennessee HOPE scholarship from 136 semester hours to the actual number of semester hours required for the degree.

- *SB3193/
HB3341 Proposes to change the age requirement for eligibility of nontraditional students for the Tennessee HOPE scholarship from at least 25 years of age to at least 22 years of age.

- *SB3229/
HB4165 Creates the Tennessee Quality Teacher Fellowship (TQTF) program; consisting of the TQTF Fifth Year Scholarship for students in their fifth year of preparation, or preparing for a master's degree leading to licensure to teach in Tennessee; the TQTF College Scholarship for entering freshmen enrolled in a teacher preparation program; and the TQTF Innovation Scholarship for students in joint teacher preparation programs, with the postsecondary matching awarded funds. Students shall agree to student teach one year in a public classroom and teach three years in a public school after receipt of licensure.

- *SB3301/
HB3315 Requires the Department of Education and the Tennessee Higher Education Commission (THEC) to report on the effectiveness of the pilot after-school programs.

- *SB3302/
HB3316 Requires THEC to report on the effectiveness of the Tennessee HOPE scholarship for teachers (Tennessee Math and Science Teachers Loan Forgiveness Program) teaching mathematics or a science in Tennessee public schools.

- *SB3303/
HB3318 Adds the University of Tennessee System and Board of Regents as recipients of THEC's annual report on scholarship and grant programs data.

- *SB3305/
HB3320 Requires TSAC to prepare a status report for the Governor and General Assembly on the Tennessee HOPE Foster Child Tuition Grant program prior to February 1, 2009. The report shall include the number of students receiving the grant; the overall benefit of the grant to Tennessee foster children; and the recommendations for the program.

- *SB3440/
HB3448 Changes the definition of eligible independent postsecondary institutions for lottery scholarship purposes to include a regionally accredited school with its primary campus domiciled in Tennessee.

- *SB3448/
HB3480 Permits high school students to use Dual Enrollment Grants for any course for which they meet the enrollment requirements of the eligible postsecondary institution.

- *SB3498/
HB3799 Establishes a K-12 capital outlay project grant fund to provide grants to LEAs for capital projects that supplement, not supplant, non-lottery educational resources for K-12 capital outlay projects.

- *SB3591/
HB3489 Establishes the "Tennessee HOPE Reclamation Grant" program for nontraditional students at least 25 years of age who re-enroll in an eligible postsecondary institution as a freshmen, sophomore, or junior.

- *SB3620/
HB3641 Requires THEC and the TSAC to study and make recommendations concerning degree programs requiring more than 136 semester hours. THEC and TSAC shall make recommendations as to the HOPE Scholarship providing students who are in such programs the opportunity to be awarded the scholarship throughout the program.

- *SB3628/
HB3478 Requires THEC to report on the effectiveness of Wilder-Naifeh Technical Skills grants in retraining laid-off workers for new jobs and the feasibility of expansion of the Wilder-Naifeh Technical Skill Grant program

- *SB3815/
HB3353 Allows students completing four years in an Upward Bound program at the secondary level to be eligible for a Tennessee HOPE scholarship without meeting high school academic requirements; this bill allows such students to retain the scholarship with a cumulative grade point average of 2.25 at any time continuing eligibility is reviewed.

- *SB3869/
HB3997 Permits students to receive the Tennessee HOPE scholarships until the student receives a baccalaureate degree or the student has attended any postsecondary institution the equivalent of five full-time years, whichever occurs first.

- *SB3870/
HB3741 Changes the language of particular statutes in Tennessee Code Annotated (T.C.A.) Title 4, Chapter 9, that currently denotes a specific dollar amount for the average gross income (AGI) criteria for the applicable program to language that points back to T.C.A. § 49-4-915(a)(2), which sets the AGI for the ASPIRE award, thus eliminating the need to amend the statutes each time the AGI requirement is changed.

House Bills

- *HB0871/
SB1063 Enables students who are 25 years of age or older to receive a Wilder-Naifeh technical skills grant for study leading to a certificate at a board of regents' community college or technical community college; provided that such students meet all general requirements for the grant; permits such students subsequently to receive a Tennessee HOPE Scholarship; provided that such students meet all applicable requirements for the scholarship as nontraditional students. (2007)

- *HB2422/
SB3397 Creates a work-study program for HOPE with ASPIRE recipients. Participants will be tutoring, mentoring, or otherwise assisting elementary and secondary students in improving academic performance in order that such students may one day qualify for Tennessee HOPE scholarships.

- *HB2446/
SB3771 Provides that pass/fail courses are not included when calculating grade point averages for lottery scholarship purposes.

- *HB2447/
SB2647 Proposes to change the total semester hours for which a Tennessee HOPE scholarship may be received from semester hours attempted to semester hours attempted that have been paid for by net lottery proceeds.

- *HB2480/
SB2560 Proposes to establish a "Tennessee HOPE Professional Loan Scholarship" program for persons 25 years of age and older who have already obtained an associate, baccalaureate, or higher degree to become teachers and nurses. TSAC will forgive the loan-scholarship if the recipient fulfills the required number of years specified by TSAC, of either teaching in a Tennessee public school, or practicing nursing in Tennessee.

- *HB2521/
SB2744 Allows students who fail to achieve the required cumulative GPA for continuation of a Tennessee HOPE scholarship to be given a probationary period in which the students will continue to receive the HOPE scholarship.

- *HB2526/
SB2744 Establishes the "Tennessee Education Lottery Scholarship Free Community College Program" for students who apply to a community college within sixteen months of graduating from high school. Students must attain an ACT composite score of at least 19, an English score of at least 19, and a Mathematics score of at least 19 to achieve academic eligibility.

- *HB2737/
SB2744 Creates the "Tennessee Education Lottery (TEL) Financial Assistance Grant" to provide assistance to students with a financial need. Students will be eligible if they meet all nonacademic requirements for the Tennessee HOPE Scholarship and qualify for an award under the federal Pell grant program.
- *HB2738/
SB3571 Permits Tennessee HOPE scholarship recipients to maintain academic eligibility by maintaining good standing at the eligible postsecondary institution in which the student is enrolled; changes initial eligibility requirements for certain students to conform to the change in the continuing eligibility requirement.
- *HB2739/
SB3573 Awards the Tennessee HOPE scholarship to nontraditional students retroactively for the semester hours attempted in order to receive the scholarship; this provision applies to nontraditional students initially becoming eligible for the scholarship.
- *HB2841/
SB2956 Creates the "Tennessee Local Firefighters and Law Enforcement Officers Grant." A firefighter or law enforcement officer will be eligible for a grant for one (1) academic year for each two (2) years of full-time active service that such participant has completed as a firefighter or law enforcement officer respectively. The award will be one-half the amount of the Tennessee HOPE Scholarship.
- *HB2842/
SB2957 Creates the "Tennessee Service Members and Dependents Grant." This bill will provide grants for service members, dependent children of service members, and spouses of services members. The award amount will be one-half the of the Tennessee HOPE scholarship.
- *HB2887/
SB3022 Changes Tennessee HOPE scholarship eligibility requirement for home schooled students from being home schooled at least the last two years of high school to being home schooled at least the last year of high school; permits retroactive award of scholarship for academic year 2007-2008 to home schooled students who would have qualified in that academic year, if the one-year requirement had been in place.
- *HB3086/
SB3328 Adds the University of Tennessee System and Board of Regents as recipients of THEC's annual report on scholarship and grant programs data as currently required by T.C.A. 49-4-903.
- *HB3139/
SB3414 Proposes to count semester hours attempted under a Dual Enrollment Grant for purposes of determining continuing eligibility for, and length of time of, receipt of a Tennessee HOPE scholarship, if such semester hours are accepted for credit by the eligible postsecondary institution in

which the student enrolls after receiving a Tennessee HOPE scholarship.

- *HB3185/
SB3577

Creates the ASPIRE work-study program to provide additional postsecondary financial assistance from net lottery proceeds to students receiving both the Tennessee HOPE scholarship and the ASPIRE award.
- *HB3187/
SB3579

Provides that the lottery scholarship ASPIRE award will consist of two equally funded parts. One-half of the award will be a grant payable to a student who qualifies for the award based on average gross income. The other half of the award will be earnable in the ASPIRE work-study program that will provide work opportunities in public schools and after-school programs.
- *HB3289/
SB3557

Proposes to make several changes including raising the income requirement to \$40K for those programs with an AGI requirement; allowing students to receive three-fourths of the HOPE award if GPA is between 2.75 and 3.00; expanding nontraditional eligibility requirements; redefining home school eligibility requirements; and requiring TSAC and THEC to develop a form to replace the FAFSA.
- *HB3665/
SB3867

Proposes to include in the definition of eligible independent postsecondary institution for lottery scholarship purposes, those private institutions located in Tennessee and accredited by the Association of Biblical Higher Education.
- *HB3742/
SB3978

Mandates a reduction of the amount of Tennessee HOPE Foster Child Tuition Grant only for gift aid received - student loans and work-study awards shall not be considered gift aid. The bill permits the Tennessee HOPE Foster Child Tuition Grant to be used for room and board as well as tuition and fees.
- *HB3890/
SB4018

Permits students who meet all nonacademic eligibility requirements as entering freshmen, but not the high school academic eligibility requirements, to become eligible for the Tennessee HOPE scholarship by entering college, continuing to meet all nonacademic requirements, and making the dean's list at the eligible postsecondary institution at which the student is enrolled full time.
- *HB3896/
SB3958

Creates lottery funded after-school programs in civic education.
- *HB3920/
SB4041

Requires THEC to promulgate rules and regulations to operate proprietary schools and requires such schools to disclose certain information to prospective students.

- *HB3968/
SB4101 Proposes to make changes to the scholarship programs funded by net lottery proceeds which include but are not limited to: changing the GPA requirement to 2.75; providing a partial award to students with a GPA of at least 2.5, but less than 2.75; providing a bonus award for those students maintaining at least a 2.75 in their junior and senior years; changing the AGI criteria from \$36K to \$45K; expanding eligibility criteria for nontraditional students; changing the terminating event of 120 attempted hours to 5 full-time equivalent years or a baccalaureate degree is earned; and allowing a student to drop from full-time to part-time one time.
- *HB4130/
SB4099 Creates the "Tennessee Rural Health Act of 2008", a loan forgiveness program providing scholarships to recipients who agree to practice general medicine, internal medicine, or as a primary care provider, or as a family practitioner whose practice primarily serves TennCare recipients, in a health resource shortage area.
- *HB4179/
SB4127 Creates the "Tennessee Back to Class Act of 2008", providing scholarships for students that have been out of school for more than two years and are within 30 semester hours of a baccalaureate degree.
- *HB4210/
SB4211 Proposes to change the GPA required to maintain the Tennessee HOPE scholarship from 3.0 to 2.75, allowing students whose eligibility is reviewed at end of the 2007-2008 academic year and who have a grade point average of 2.75 or higher to retain eligibility for the Tennessee HOPE scholarship.
- *HB4212/
SB4197 Creates the "Tennessee Student Assistance Award (TSAA) fund," to be funded with lottery proceeds, to help provide more need-based student assistance grants. The bill provides for \$200 million being transferred from the Lottery for Education account to the Tennessee Student Assistance Award Fund on July 1, 2008. In any year in which the fund balance exceeds the principal amount, TSAC may draw on the monies in excess of the principal amount to increase the number of TSAA awards.

Classified Listing of Bills Pending Relative to TSAC and Higher Education

February 25, 2008

TELS BILLS

AGI (AVERAGE GROSS INCOME)

*SB0025/HB0020 (2007)

*SB3870/HB3741

DUAL ENROLLMENT

*HB3139/SB3414

*SB3448/HB3480

GPA - GRADE POINT AVERAGE

*HB2446/SB3771

*HB2521/SB2744

*HB4210/SB4211

*SB2770/HB3705

HOME SCHOOL

*HB2887/SB3022

*SB0356/HB0154

*SB2757/HB2922

*SB3035/HB3304

HOPE FOSTER CHILD

*HB3742/SB3978

HOPE WITH ASPIRE WORK-STUDY

*HB2422/SB3397

*HB3185/SB3577

*HB3187/SB3579

MILITARY (HOME OF RECORD)

*SB2589/HB2980

*SB2631/HB2893

MISCELLANEOUS

*HB3665/SB3867

*SB2642/HB2892

*SB2773/HB3420

*SB3440/HB3448

NEED-BASED

- *HB2737/SB2744
- *HB4212/SB4197

NEW PROGRAMS

- *HB2480/SB2560
- *HB2526/SB2744
- *HB2841/SB2956
- *HB2842/SB2957
- *HB4130/SB4099
- *SB2397/ HB2418
- *SB3229/HB4165
- *SB3815/HB3353

NON-ACADEMIC ELIGIBILITY

- *HB2738/SB3571
- *HB3890/SB4018

NONTRADITIONAL STUDENTS

- *HB0871/SB1063 (2007)
- *HB2739/SB3573
- *HB4179/SB4127
- *SB3193/HB3341
- *SB3591/HB3489

OMNIBUS TELS BILLS

- *HB3289/SB3557
- *HB3968/SB4101
- *SB0611/HB0653 (2007)

TERMINATING EVENTS (EXTENSION OF)

- *HB2447/SB2647
- *SB3115/HB3434
- *SB3869/HB3997

BILLS NOT RELATED TO TELS

MISCELLANEOUS

- *HB3896/SB3958
- *SB2809/HB2975
- *SB2875/HB2943
- *SB2876/HB2942
- *SB2997/HB4135
- *SB3498/HB3799

THEC RESEARCH AND REPORTING

- *HB3086/SB3328
- *HB3920/SB4041
- *SB3064/HB3781
- *SB3301/HB3315
- *SB3302/HB3316
- *SB3303/HB3318
- *SB3305/HB3320
- *SB3620/HB3641
- *SB3628/HB3478

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 20, 2008

DISCUSSION ITEM G: College Goal Sunday Report

Staff Recommendation For discussion only.

Background The third annual College Goal Sunday (CGS) event was held on February 10, 2008 at 33 sites across the state. The response from the community was tremendous, with approximately 375 volunteers and 2,100 students and family members in attendance. Participation in the event increased 47 percent from the previous year due primarily to great weather conditions and marketing efforts by staff members.

The CGS program was last reviewed with the Board at its September 27, 2007 meeting.

Supporting Document *2008 College Goal Sunday Report, February 28, 2008.*

2007 College Goal Sunday Report
February 28, 2007

College Goal Sunday Sites	Students	Family Members	Total
Athens			
TTC @ Athens	32	16	48
Blountville			
Northeast State Comm College	48	55	103
Bristol			
National College of Bus & Tech	0	2	2
Chattanooga			
Chattanooga St Tech Com College	61	72	133
Chattanooga Urban League	3	5	8
Clarksville			
Austin Peay State University	84	97	181
Cleveland			
Cleveland State Comm College	46	77	123
Columbia			
Columbia State Comm College	28	52	80
Cookeville			
Tn Tech University	20	30	50
Covington			
TTC @ Covington	8	9	17
Crump			
TTC @ Crump	22	44	66
Decaturville			
Riverside High School	20	20	40
Dyersburg			
Dyersburg State Comm College	30	15	45
Evensville			
Rhea County High School	25	35	60
Gallatin			
Volunteer State Comm College	89	100	189
Greeneville			
Tusculum College	56	50	106
Harrogate			
Lincoln Memorial University	16	14	30

2007 College Goal Sunday Report
February 28, 2007

College Goal Sunday Sites	Students	Family Members	Total
Jackson			
Lambuth University	10	10	20
Knoxville			
Pellessippi State Tech Comm College	50	106	156
Lebanon			
Cumberland University	17	21	38
McMinnville			
TTC @ McMinnville	21	14	35
Memphis			
LeMoyne- Owen	25	25	50
SW Tn Comm College- Macon Grove Campus	22	29	51
TTC @ Memphis	22	36	58
White Station High School	28	20	48
Murfreesboro			
MTSU	45	54	99
Nashville			
Nashville State Tech Comm College	59	24	83
Watkins College of Art & Design	44	67	111
Oak Ridge			
Roane State Comm College - Oak Ridge	34	18	52
Paris			
TTC @ Paris	23	10	33
Pulaski			
Martin Methodist College	7	2	9
Waverly			
Nashville State Tech Comm College- Waverly	11	11	22
Whiteville			
TTC @ Whiteville	13	13	26
Totals	1019	1153	2172

TENNESSEE STUDENT ASSISTANCE CORPORATION
Thursday, March 20, 2008

DISCUSSION ITEM H: Communication Services Update

Staff Recommendation For discussion only.

Background An update will be provided discussing several improvements taking place within the Communication Services Division.

Supporting Document None.

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, March 20, 2008

DISCUSSION ITEM I: Tennessee Education Lottery Scholarship Program Annual Report

Staff Recommendation

For discussion only.

Background

The Tennessee Higher Education Commission has prepared an annual report for the Tennessee Education Lottery Scholarship Program, with outcomes through Fall, 2007.

Details are provided in the attached document entitled *Tennessee Education Lottery Scholarship Program Annual Report*.

Supporting Document

Tennessee Education Lottery Scholarship Program Annual Report, March 20, 2008.

**Tennessee Education Lottery
Scholarship Program
Annual Report**



TSAC Board Meeting

March 20, 2008

Tennessee Higher Education Commission ★ ★ ★ ★ ★ ★ ★ ★ ★ ★

Statutory Charge



“...provide assistance to the general assembly and to the Tennessee Student Assistance Corporation (TSAC) by researching and analyzing data concerning the scholarship and grant programs created under this part, including, but not limited to, student success and scholarship retention. THEC shall report its findings annually to the education committee of the senate and the education committee of the house of representatives before the second Tuesday in January.”

Tennessee Higher Education Commission ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ²

Tennessee Education Lottery Scholarship Eligibility Criteria, 2007-08



	HOPE (base)	General Assembly Merit Scholarship	ASPIRE (HOPE with need supplement)	Access Award	Wilder-Naifeh Technical Skills Grant
Amount (4-yr.)	\$4,000	\$5,000	\$5,500	\$2,750	N/A
Amount (2-yr.)	\$2,000	\$3,000	\$3,500	\$1,750	\$2,000
Minimum High School GPA	3.00	3.75	3.00	2.75	N/A
Minimum ACT Composite	or 21	and 29	or 21	and 18-20	N/A
Family Adjusted Gross Income	N/A	N/A	\$36,000 or less	\$36,000 or less	N/A
College Retention GPA	Cumulative 2.75 at 24 hours, cumulative 3.0 at 48, 72, 96 hours			Cumulative 2.75 at 24 hours allows qualification for HOPE	Satisfactory academic progress

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Tennessee Higher Education Commission ★ ★ ★ ★ ★ ★ ★ ★ ★ ★

Scholarship Recipients and Dollars Awarded 2004-05 through 2006-07



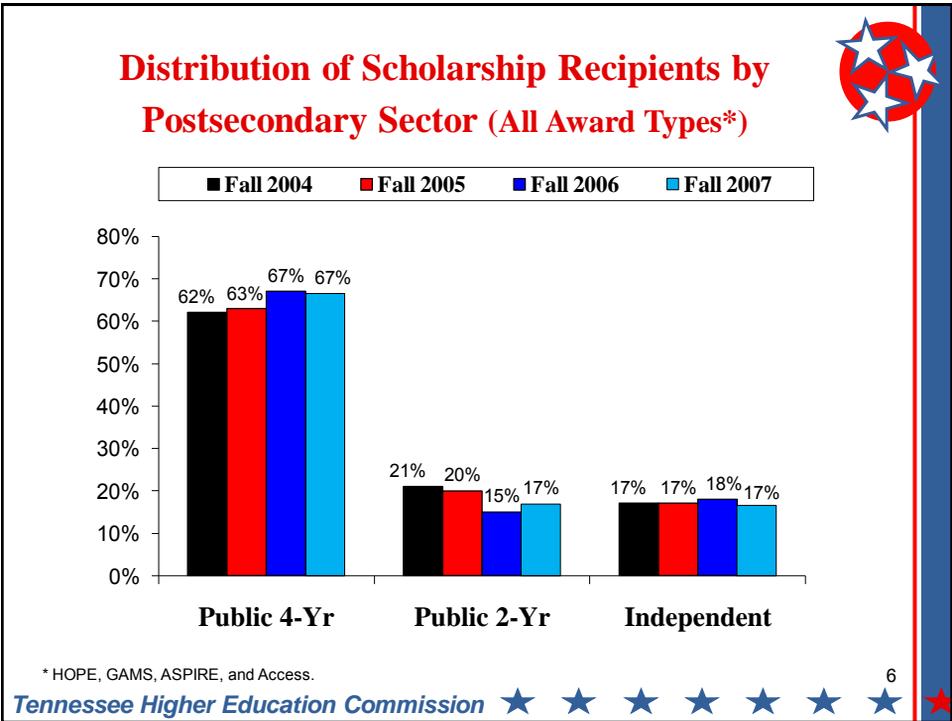
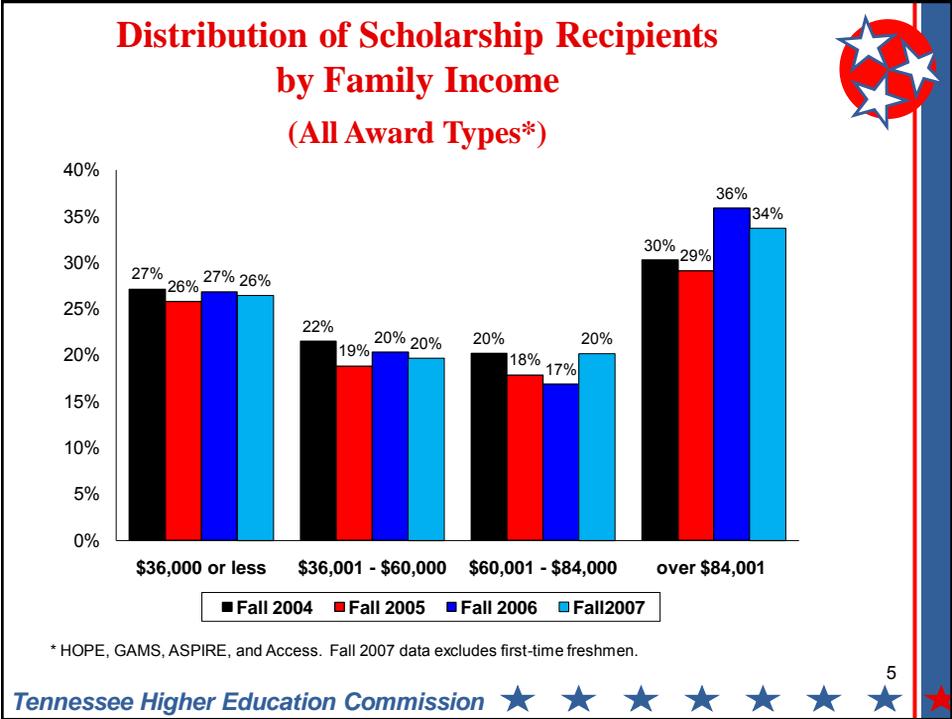
	2004-05		2005-06		2006-07	
	Students	Dollars	Students	Dollars	Students	Dollars
HOPE	31,272	\$86,650,189	40,275	\$126,345,913	33,120	\$108,329,304
GAMS	included in HOPE totals		included in HOPE totals		3,915	\$18,220,292
ASPIRE					11,625	\$52,784,041
Access Award	108	\$152,560	265	\$490,294	314	\$639,716
Wilder-Naifeh Technical Skills Grant	8,815	\$6,613,273	10,023	\$7,860,163	9,721	\$8,072,603
Foster Child Grant	n/a	n/a	30	\$88,245	17	\$34,604
Dual Enrollment Grant	n/a	n/a	5,465	\$2,060,356	8,306	\$3,600,922
Total	40,195	\$93,416,022	56,058	\$136,844,971	67,018	\$191,681,482

• 2007-08 estimate = \$233 Million

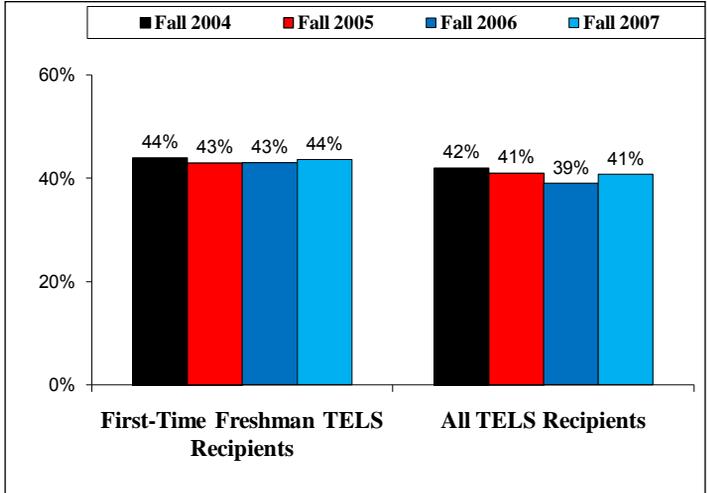
• 2008-09 estimate = \$238 Million

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Tennessee Higher Education Commission ★ ★ ★ ★ ★ ★ ★ ★ ★ ★



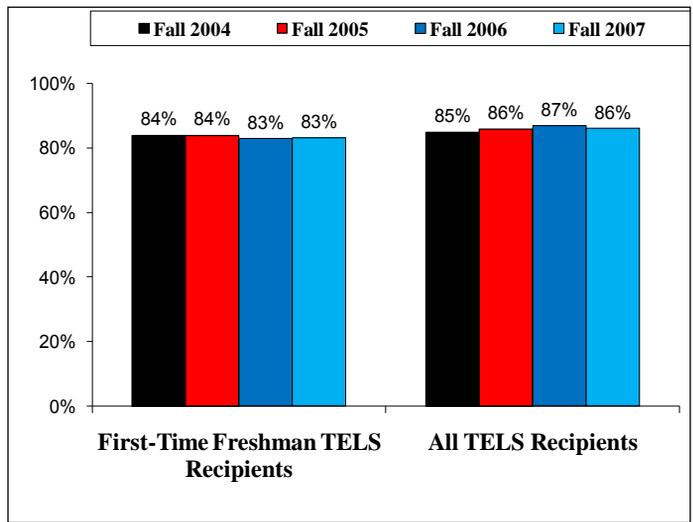
Male Students as a Percentage of Scholarship Recipients (All Award Types*)



* HOPE, GAMS, ASPIRE, and Access.

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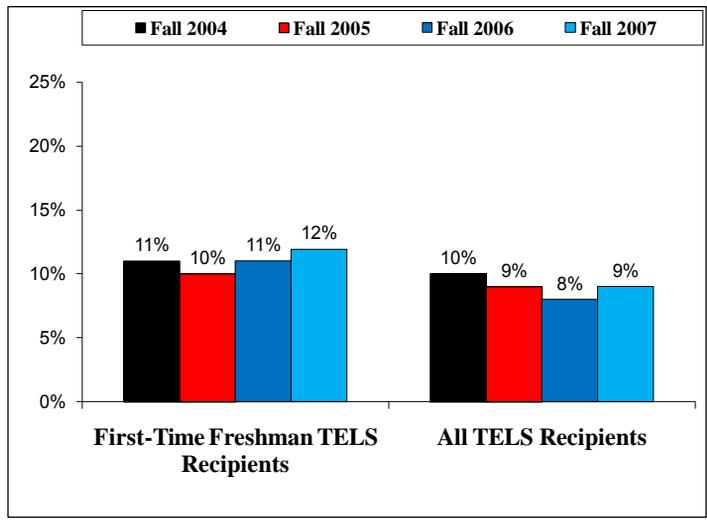
Caucasian Students as a Percentage of Scholarship Recipients (All Award Types*)



* HOPE, GAMS, ASPIRE, and Access.

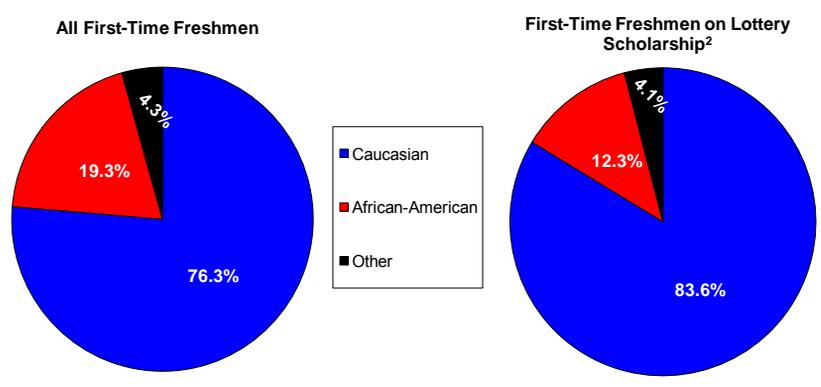
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African-American Students as a Percentage of Scholarship Recipients (All Award Types*)

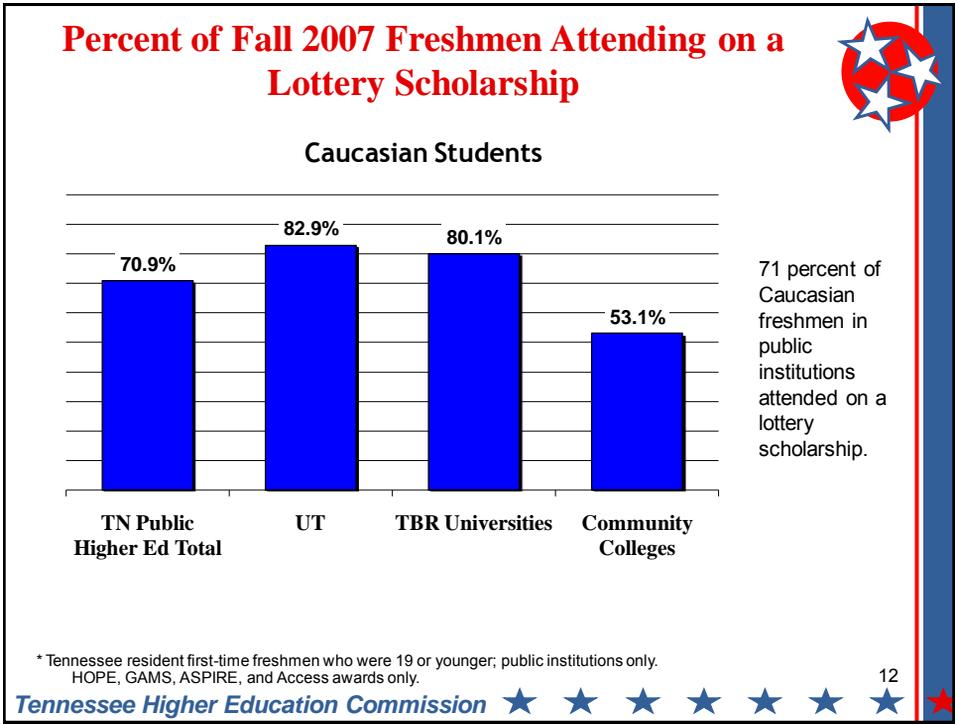
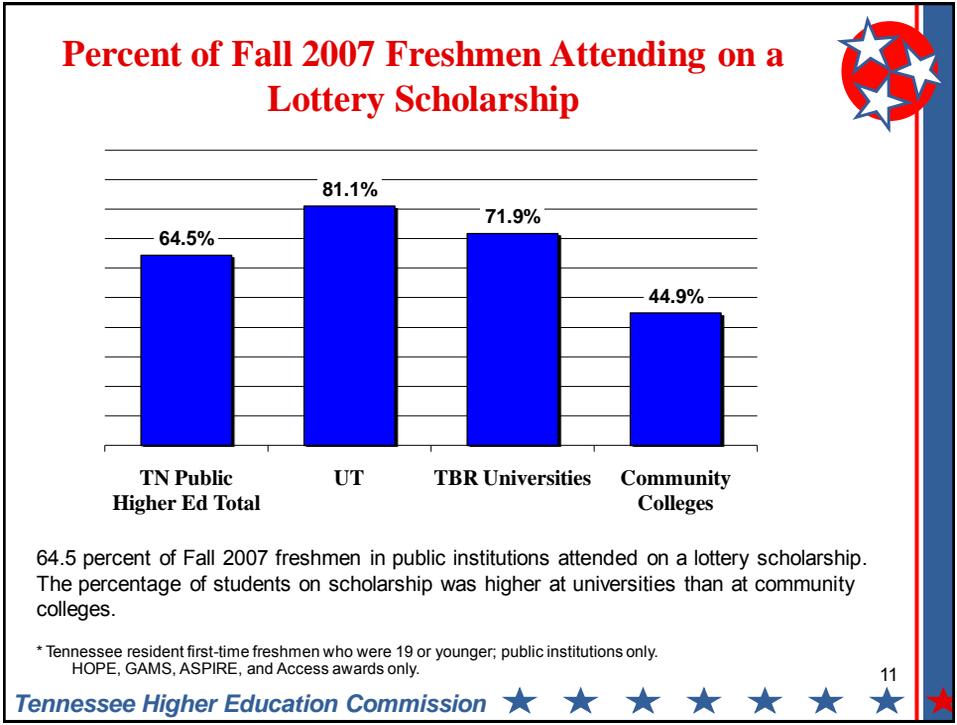


* HOPE, GAMS, ASPIRE, and Access.

Fall 2007 Freshmen¹ by Race/Ethnicity



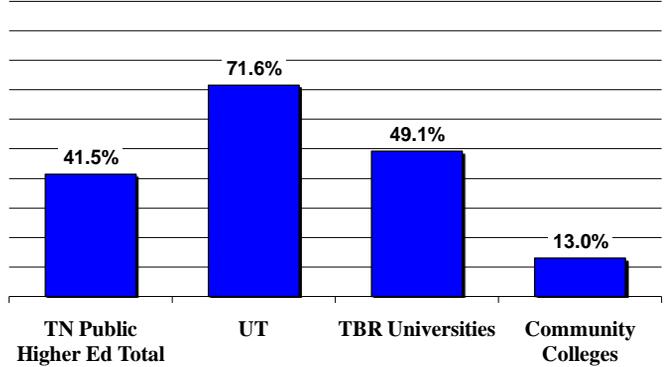
1. Public institutions only; Tennessee residents age 19 or younger enrolled Fall 2007 as first-time freshmen.
 2. First-time freshmen receiving HOPE, GAMS, ASPIRE, or Access awards.



Percent of Fall 2007 Freshmen Attending on a Lottery Scholarship



African American Students



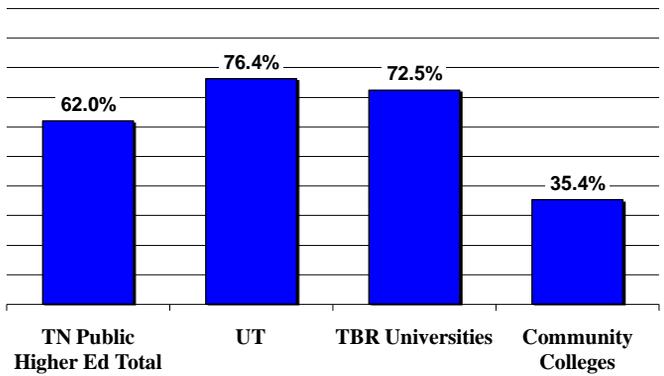
41.5 percent of African American freshmen in public institutions attended on a lottery scholarship.

* Tennessee resident first-time freshmen who were 19 or younger; public institutions only. HOPE, GAMS, ASPIRE, and Access awards only.

Percent of Fall 2007 Freshmen Attending on a Lottery Scholarship

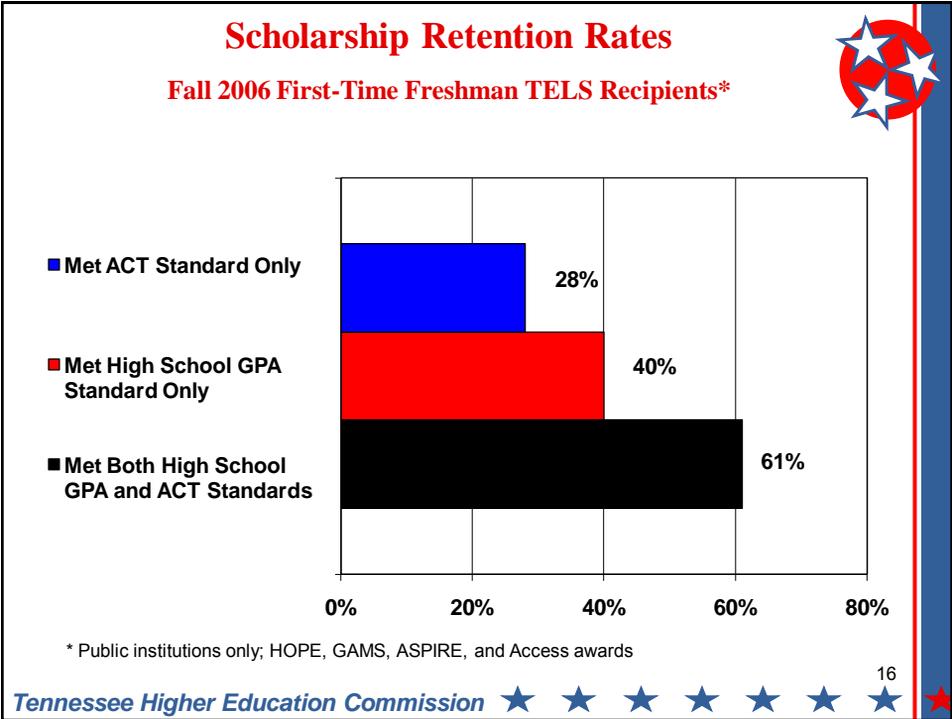
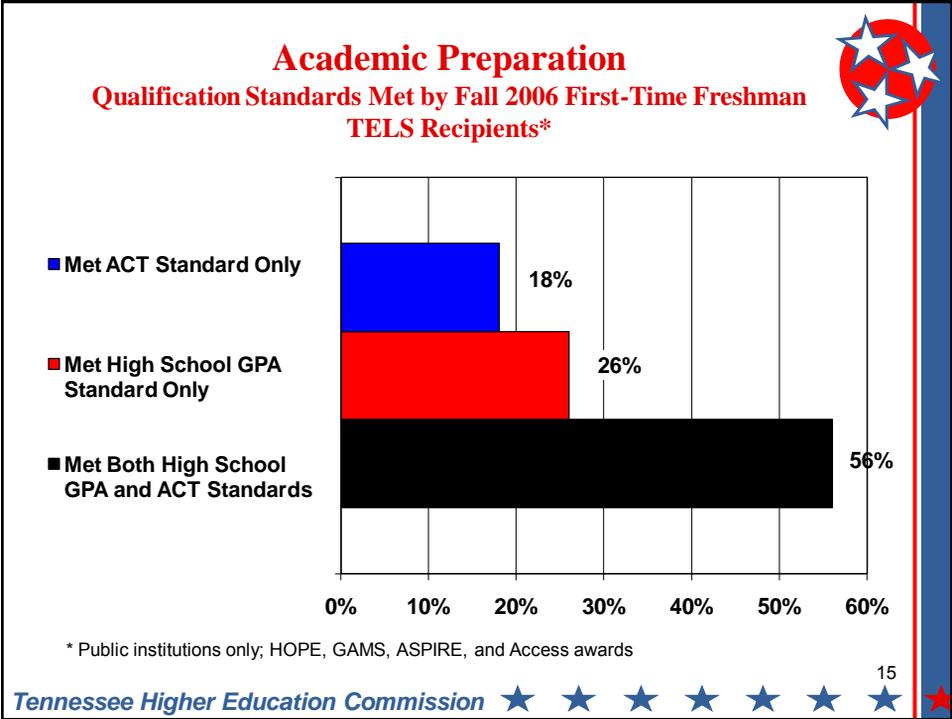


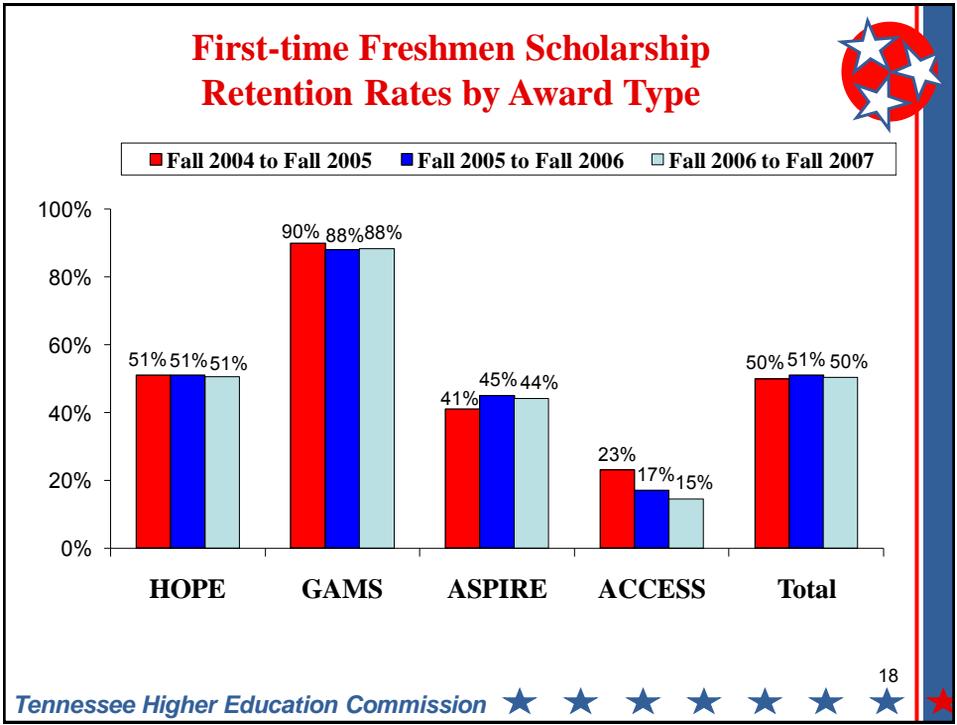
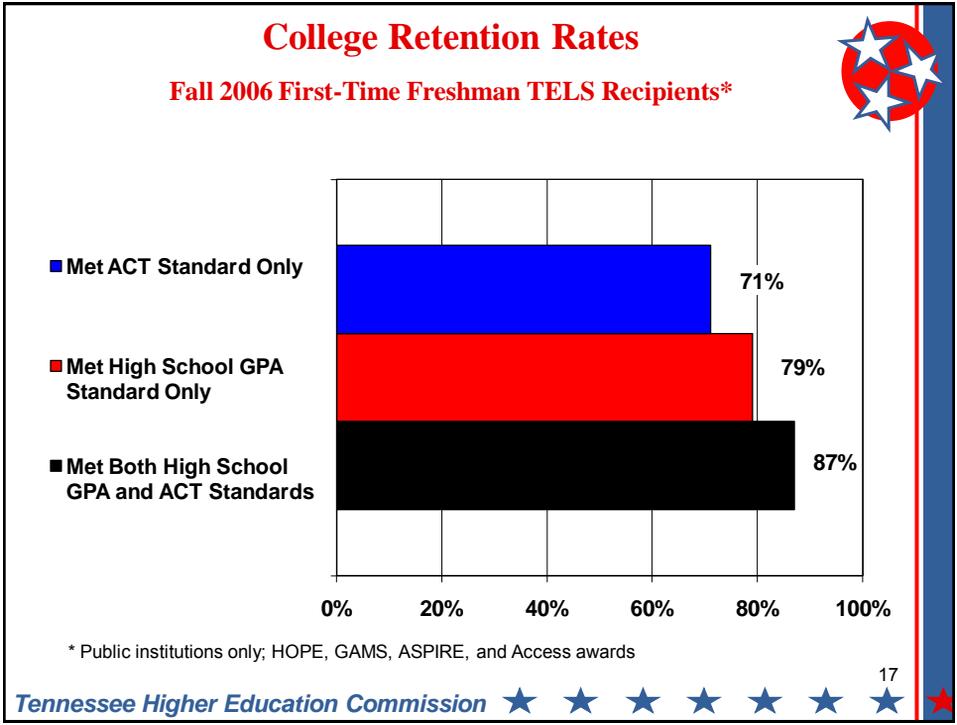
Students of Other Race/Ethnicity

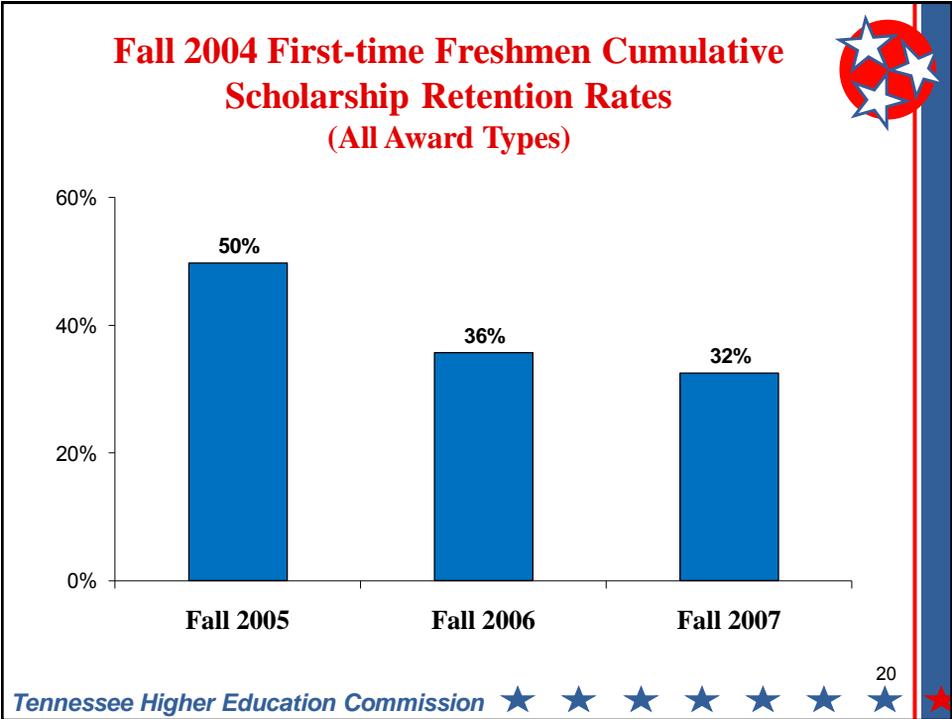
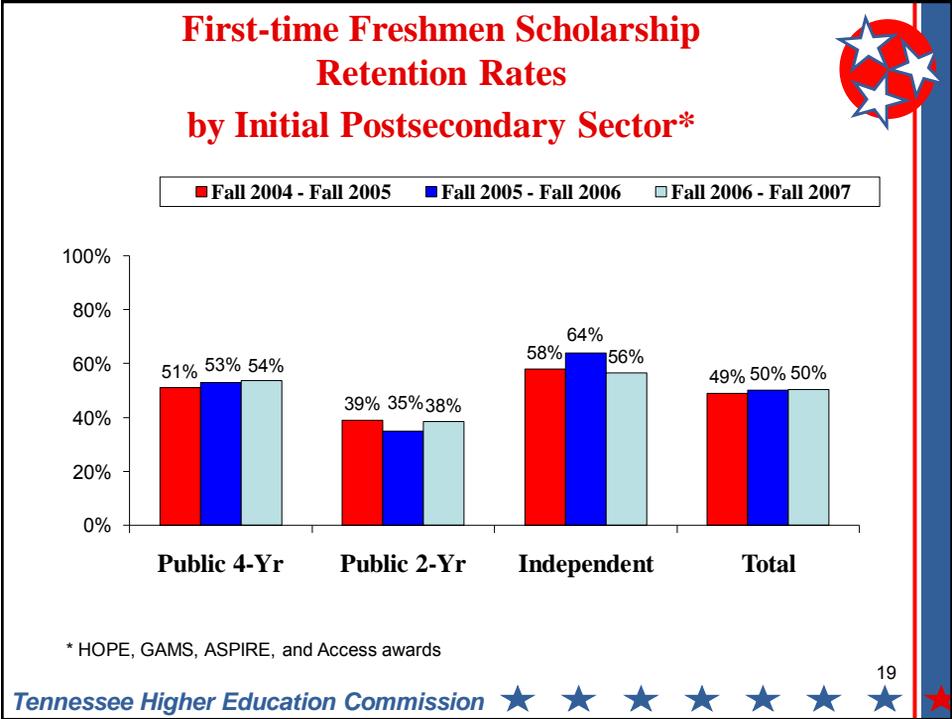


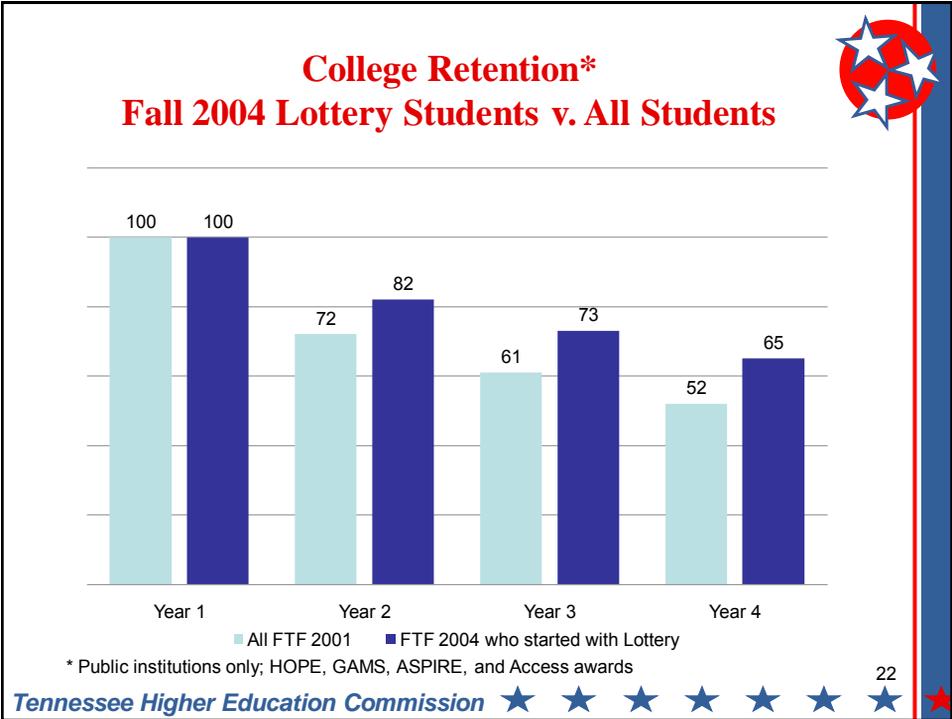
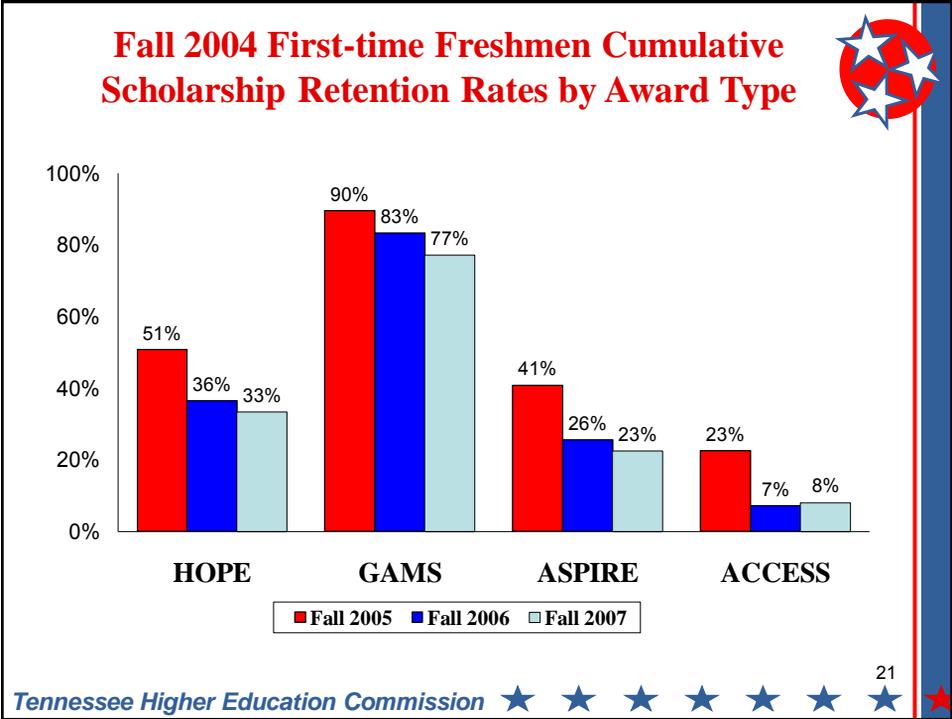
62 percent of public college freshmen from other racial/ethnic backgrounds attended on a lottery scholarship.

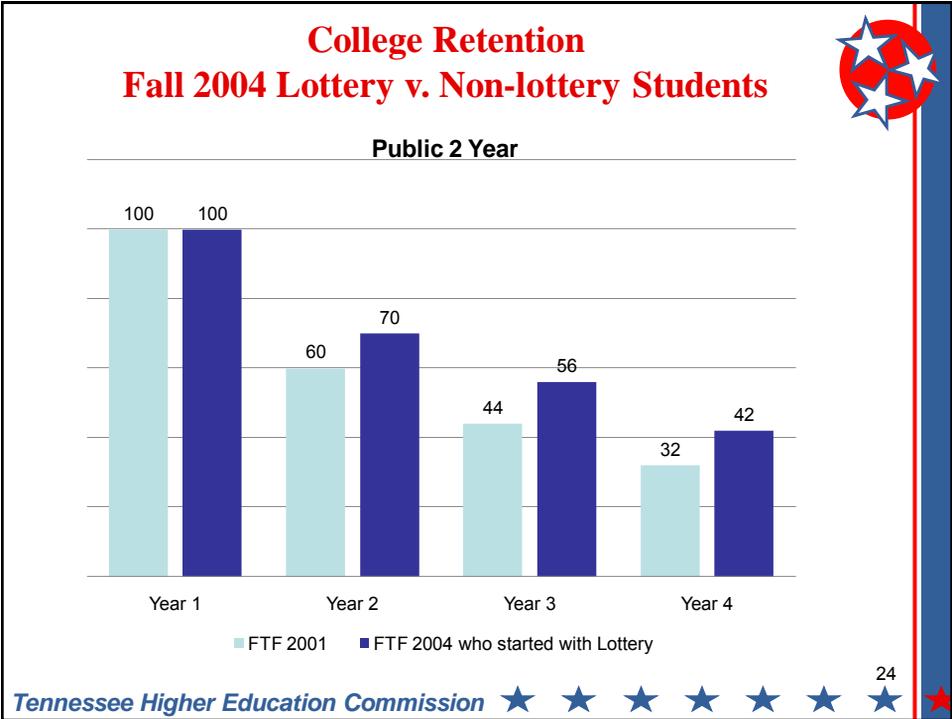
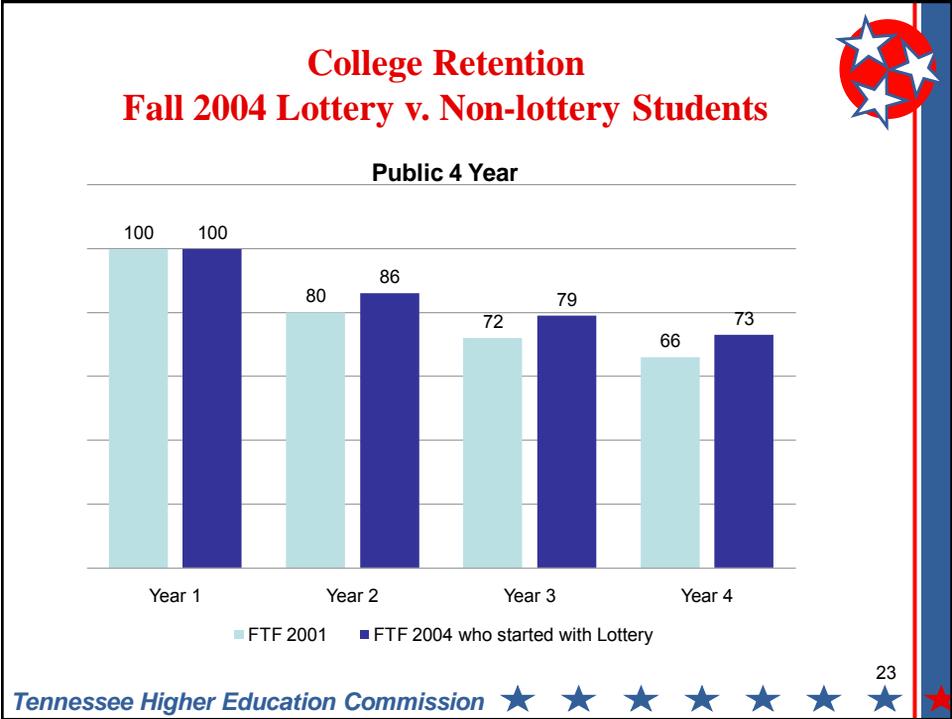
* Tennessee resident first-time freshmen who were 19 or younger; public institutions only. HOPE, GAMS, ASPIRE, and Access awards only.

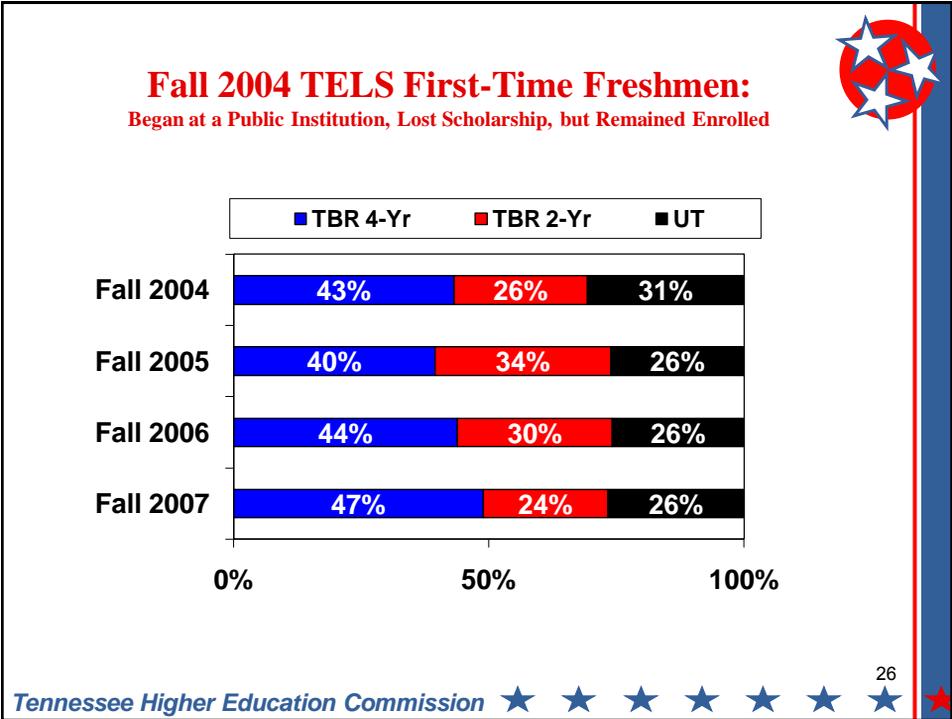
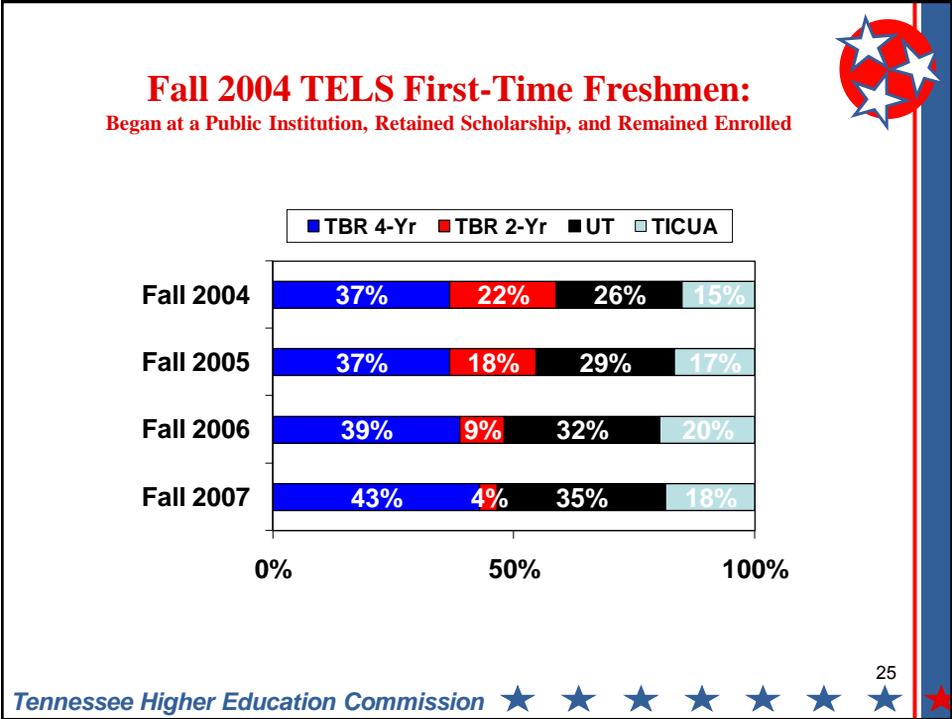


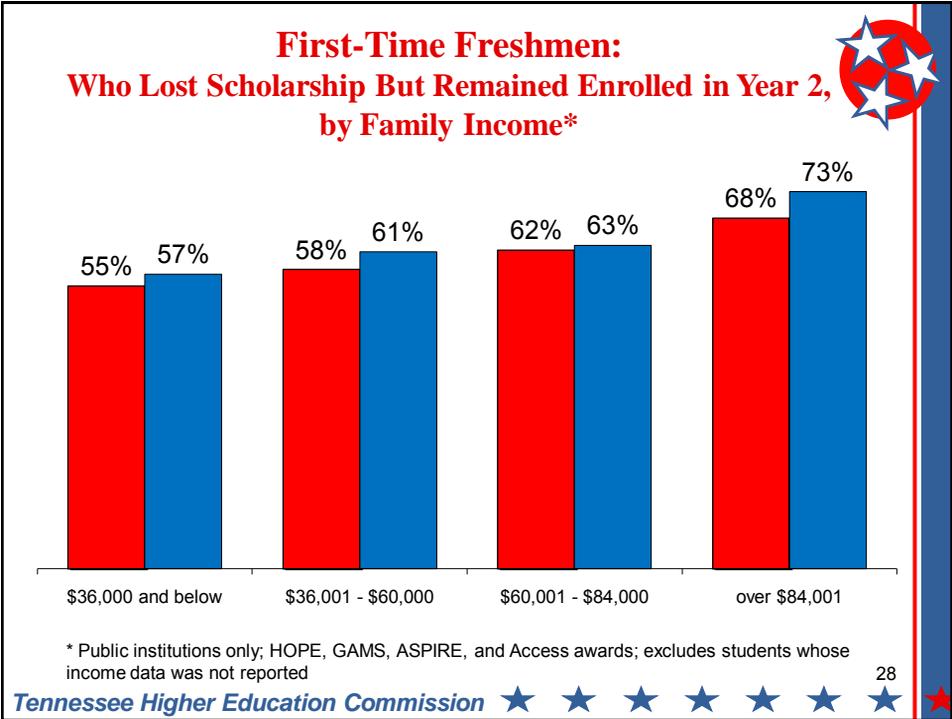
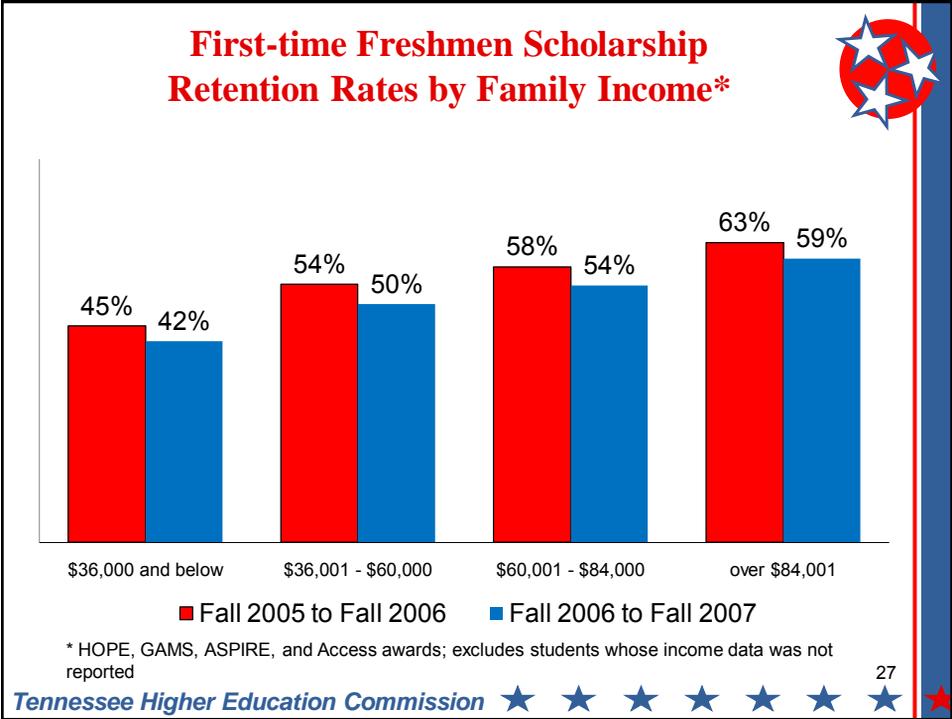












Part 1 Summary



- Program now fully populated; Fall 2007 represents the 3rd year with consistent academic criteria for eligibility and retention.
- Freshman-to-sophomore year scholarship retention rates were consistently at 50% across the first three freshman cohorts.
- Students meeting both the ACT and high school GPA qualification standards are more likely to retain scholarships than students who met one or the other.
- Half of the inaugural (Fall 2004) freshman cohort kept their award after one year in college; 36% after two years; 32% percent after three years. These rates are lower for Aspire and Access, much higher for GAMS.
- 82% of those Fall 2004 first-time freshmen returned for their second year of college, either with or without the scholarship; 73% after two years; 65% after three years.

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Part 1 Summary



- Among TELS forfeiters, 64% stayed in school anyway, though this varied by sector, family income, and the level of high school academic preparation.
- Students who forfeit the scholarship but stay enrolled are more likely to migrate to a community college.
- Students who keep the scholarship and stay enrolled transfer to four year institutions after two years.

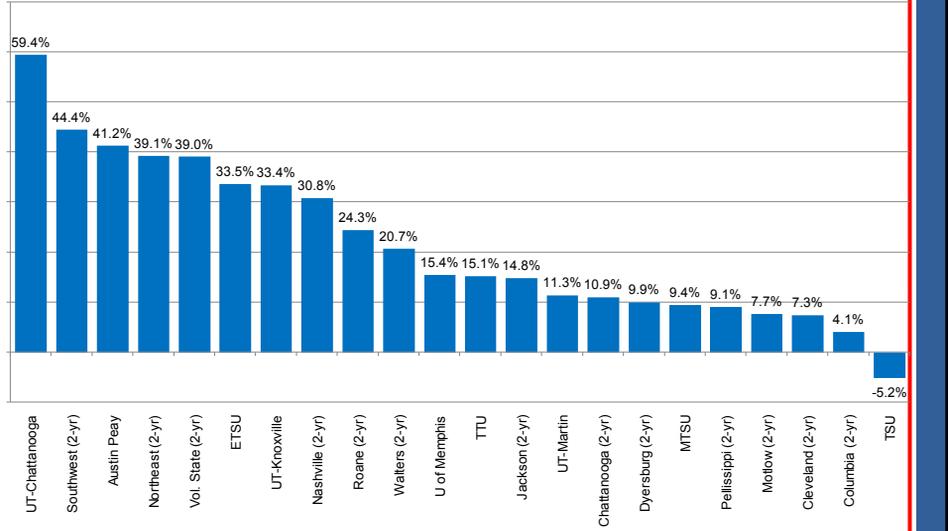
30



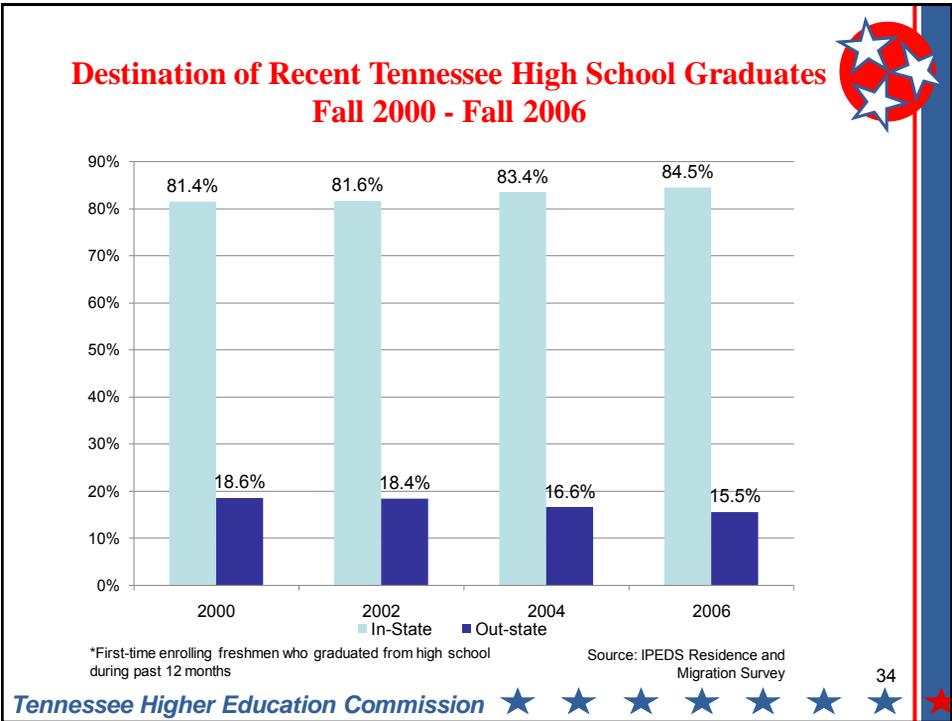
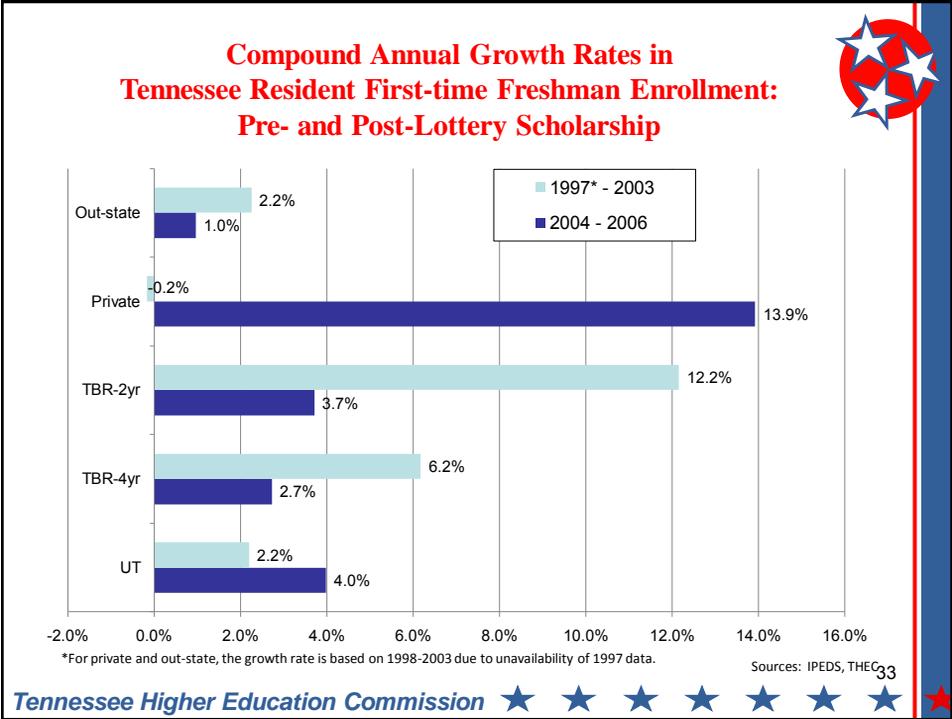
Best and Brightest:

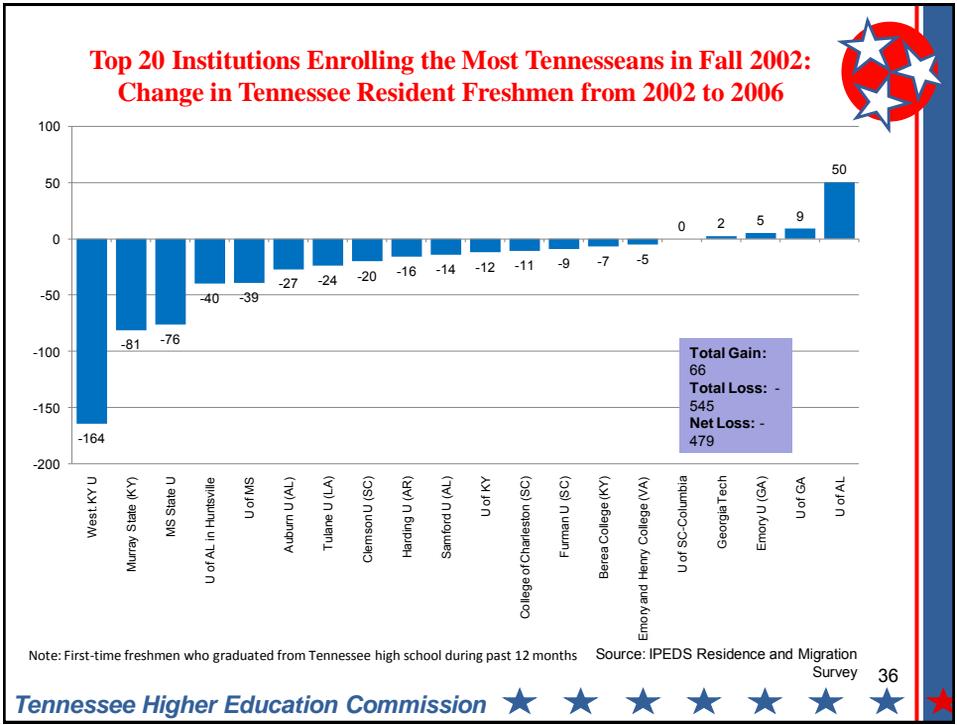
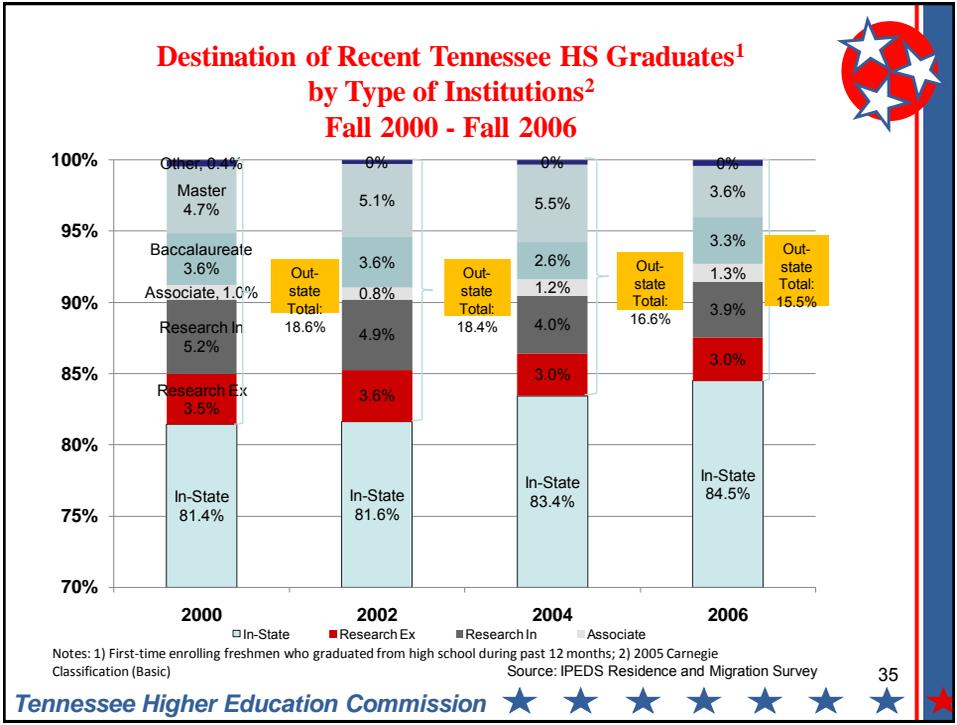
An examination of student enrollment patterns since the lottery scholarship

Growth Rate of Tennessee Resident Freshmen Fall 2002 - Fall 2006

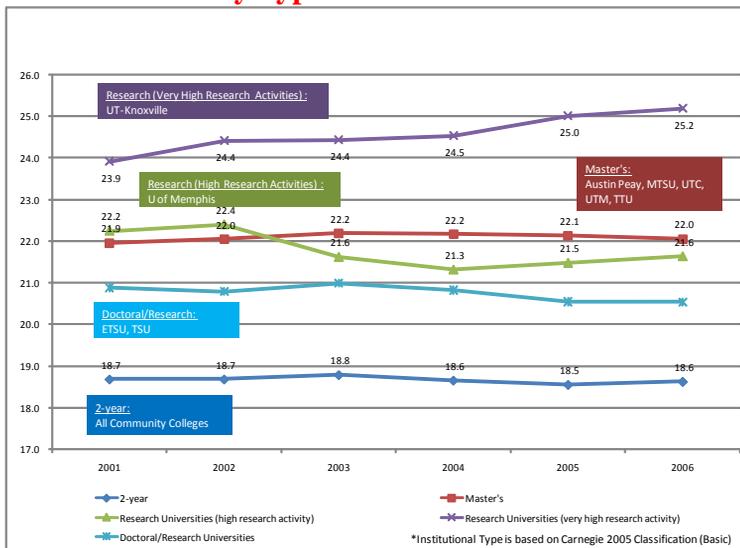


Source: IPEDS Residence and Migration Survey





Average ACT Composite Score of Tennessee Resident Freshmen by Type of Institutions: 2001 - 2006



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Part 2 Summary



- Since the scholarship, the annual rate of growth in enrollment among Tennessee resident freshmen has accelerated at independent institutions and UT campuses while decelerating at TBR universities, community colleges, and out of state institutions.
- Among recent Tennessee high school graduates who enroll in college, the percentage choosing Tennessee institutions has increased from 82% before the lottery scholarship to 85% currently. Out of state Research Intensive and Master's Level institutions have lost the greatest share of this population.
- ACT profile of entering freshman class has improved at UT Knoxville, the state's lone Research Extensive institution, but not at other types of public institutions.

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