

MINUTES

TENNESSEE STUDENT ASSISTANCE CORPORATION

THURSDAY, MAY 3, 2018, 1:00PM CDT

The meeting was called to order by Chairlady Jayme Simmons at 1:00PM.

Commission members present:

Jayme Simmons	Heidi Leming
Mike Krause	Linda Martin
Claude Pressnell	Cyrus Vatandoost
Courtney Hess	John Smarrelli
Josh Testa	Charles Harper
Greg Turner	Sharon Hayes
Candice McQueen	Keri McInnis *not present at roll call

Commission Members Absent:

Tom Hughes	Charles Layne
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ADOPTION OF AGENDA

Chairlady Simmons asked for a motion to adopt the agenda. Claude Pressnell made a motion and Sharon Hayes seconded it. A roll call was taken and the motion passed unanimously.

Jayme Simmons-aye	Heidi Leming-aye
Mike Krause	Linda Martin-aye
Claude Pressnell -aye	Cyrus Vatandoost-aye
Courtney Hess-aye	John Smarrelli-aye
Josh Testa-aye	Charles Harper-aye
Greg Turner -aye	Sharon Hayes-aye
Candice McQueen -aye	Keri McInnis-not present at vote

APPROVAL OF MINUTES

Chairlady Simmons asked for a motion to approve both the September and April minutes. Greg Turner made a motion to approve both minutes and Charles Harper seconded the motion. A roll call was taken and the motion passed unanimously.

Jayme Simmons -aye	Heidi Leming-aye
Mike Krause	Linda Martin-aye

Claude Pressnell -aye	Cyrus Vatandoost-aye
Courtney Hess-aye	John Smarrelli-aye
Josh Testa-aye	Charles Harper-aye
Greg Turner -aye	Sharon Hayes-aye
Candice McQueen -aye	Keri McInnis- aye

CHAIRMAN'S REPORTS

Chairlady Simmons announced that a focus of Governor Haslam's for the remainder of his term would be on completion. She thanked the leadership of higher education and stated that the schools are graduating 1 of every 4 students on time at the two year institutions and that at the four year institutions are graduating 1 of every 3 on time. She stated that the governor's bill that had students complete 30 credit hours in 12 months did not pass. The goal was to raise the expectation of the students and the students would meet the expectations. She thanked the leadership at the table and asked them to continue to make efforts to push for better completion rates.

Executive Director Report

Chairlady Simmons introduced Mr. Krause who thanked his team for the legislative work they had been doing. Mr. Krause also thanked the staff for the TASFAA volunteers that helped with the financial aid advisors during the summit. Mr. Krause stated that the advisors have never had a shortage of initiatives and the financial aid advisors got the job done every time. Mr. Krause stated that although the governor's bill did not get passed, no one should ignore the effort that was put into the bill. Mr. Krause introduced Jessica Gibson who presented the application process and an update on Tennessee Reconnect grant.

TASFAA REPORT

Chairlady Simmons introduced Charles Harper who presented to the board the TASFAA report. His first goal was to continue their professional development for the training of their members across the state. Mr. Harper stated that the TASFFA regional training was held October 31-November 2, 2017 in West, Middle and East Tennessee. Mr. Harper stated that in collaboration with TSAC, they go to all three areas of Tennessee where 175 administrators attended training on federal and state updates, as well as NASFAA credentials. He then stated that the annual TASFFA conference and 50th anniversary was held April 22-25 where over 300 staff attended and Mr. Krause and TSAC staff presented. The second goal was to strengthen the working relationship with THEC/TSAC and support TSAC outreach efforts with the Drive to 55 and Governor Haslam's plans. He stated that October through January, there was a collective effort to help with FAFSA training. Mr. Harper stated that his last goal was to have a state hill visit, unfortunately with scheduling, he wasn't able to do it but did have representation there. He thanked everyone for allowing him to serve on the board this year.

OFFICE AND COMMITTEE MEMBERS REPORT

Chairlady Simmons introduced Peter Abernathy who gave an update on the selection of the 2018-19 officers and committee members. Chairlady Simmons opened the floor for questions and Dr. Pressnell stated that he was no longer the chair of the audit committee and asked to be removed from the list. Mr. Krause then stated that they will make that change in the minutes.

Officers:

Chairman-Bill Haslam, Governor

Vice Chairman-Flora Tydings, Board of Regents

Treasurer-David Lillard, Treasury

Secretary-Claude Pressnell, TICUA

Executive Committee:

Chairman-Bill Haslam, Governor

David Lillard, Treasury

Larry martin, Finance & Administration

Claude Pressnell, TICUA

Justin Wilson, Comptroller

Appeals Committee:

Flora Tydings, Board of Regents

Joe DiPietro, University of Tennessee

Justin Wilson, Comptroller

Audit committee:

Chairman-Sharon Hayes, Citizen Member

Larry Martin, Finance & Administration

Ms. McInnis made a motion to vote on the recommended members and also making the change to the name on the audit committee list. Courtney Hess seconded the motion.

Jayme Simmons - aye	Heidi Leming - aye
Mike Krause	Linda Martin - aye
Claude Pressnell - aye	Cyrus Vandoost- aye
Courtney Hess- aye	John Smarrelli- aye
Josh Testa - aye	Charles Harper-aye
Greg Turner –aye	Sharon Hayes - aye
Candice McQueen - aye	Keri McInnis- aye

TENNESSEE PROMISE UPDATE

Chairlady Simmons introduced James Snider who presented to the Board the Tennessee Promise update. Mr. Snider presented the cohort recap, reported average awards, retention and success rates, cohort four preliminary results, and reviewed the TN Promise revenues and expenditures. Ms. McInnis asked what happened to the 15,000 students that applied for the Promise but didn't enroll. Mr. Snider responded that some students choose other options than the Promise. Ms. McInnis also asked if there was a shortage of mentors and Mr. Snider responded that TN Achieves met their goal of mentors. Mr. Snider stated that Promise funding is in a great place and that concluded his report.

TSAA UPDATE

Chairlady Simmons introduced Tim Phelps who presented to the Board the TSAA update. Mr. Phelps stated that at the April Board meeting TSAC indicated they would spend \$105.6 million for the year and as of today they have spent \$ 103.5 million serving 63,000 students. The reserve will be \$500,000. An updated comparison of percentage of each sector was completed and there was a 2% reduction in the TICUA schools and a 1% increase in the community colleges and TCATS. He stated that they took a conservative approach and have stopped awarding for the 2018-19 academic year and are at 143% which is 10% below what the Board approved at the last meeting. He stated they have over \$100 million in allotment for the next year and will reevaluate in the fall. He stated that the next steps are finalizing certifications processes, exploring deadlines, and working with TAASFA. Mr. Krause stated that they will disperse more awards but want to give reserve options that will make everyone comfortable. Mr. Krause thanked Mr. Phelps, Mr. Abernathy and the research team for their work. Chairlady Simmons asked if this was the first year FAFSA allowed students to use their prior income and Mr. Phelps answered it was the second year. Dr. Pressnell asked if there would be a formal action on over reward policy in the fall. Mr. Phelps replied affirmative. He suggested a "phase in" option for funding. Chairlady Simmons asked if the student receives TSAA the first year, are they prioritized for the second year. Mr. Phelps answered that they are awarded.

COMMUNICATION SERVICES UPDATE

Chairlady Simmons introduced Diane LeJeune who presented to the Board the communication divisions report. Ms. LeJeune stated that there are 19 distressed counties and Mr. Krause asked her team to make an assertive effort to reach out to the high schools and adults in these counties. She stated a plan will be made that include courtesy visits, financial aid presentations, FAFSA frenzy events, speaking in the classes, and a spring college career summit with the 11th grade students and their parents. Mr. Krause stated that he has visited 3 of the 19 schools and that everybody in the schools knows Ms. LeJeune and her teams very well.

BUDGET AND LEGISLATIVE UPDATE

Chairlady Simmons asked Mr. Abernathy to provide the budget legislative update. Mr. Abernathy thanked Chairlady Simmons then stated that the recap of the \$10million increase to TSAA program was approved, but was offset by the 6.8 million that had been funding. He stated that the 6.8 will stay with the hope scholarship, and then to the promise reserve which will increase earnings and shorten the time frame to self-sufficiency. He stated that the net increase of \$3.2 million will be able to help 1,800 more students. He stated that the bill that they were watching closely was senate bill 1840, house bill 1969 which was clean up language needed to allow schools formerly accredited by ACICS to remain eligible for the TSAA removed satisfactory academic progress as a terminating event for Tennessee Reconnect.

SUNSET AUDIT UPDATE

Chairlady Simmons introduced Ann Collett who presented the audit update to the Board. Ms. Collette reiterated Mr. Abernathy's announcement that the Sunset performance audit came back with no findings. This audit included all higher education systems: THEC, TSAC, TBR and UT. Ms. Collett stated that the 2017 TSAC financial compliance audit has begun. Ms. Collett announced that the audit committee would meet later in the year. Mr. Krause thanked Ann and the staff for a clean performance audit and stated that it's about doing the right thing all the time.

Chairlady Simmons thanked the TSAC board and their leadership. Seeing no further business, she asked for a motion to adjourn the meeting. Ms. McInnis made the motion and Mr. Harper seconded the motion and the meeting was adjourned.