



TSAC UPDATE



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A Pot of Gold

St. Patrick's Day has recently passed and we didn't find a pot of gold at the end of a rainbow, but we did have a "pot of gold" experience at one of Tennessee's community colleges recently.

Cathy Jones and Debby Nuchols spent several days in February on campuses sharing Financial Literacy information with students on topics including budgeting, spending less, saving money, repaying student loans, preventing identity theft, credit scores and credit cards. One spending less suggestion was to clip coupons, and scores of clipped coupons were on hand to share with students. Students stood in line to go through the coupons – as if they had found a pot of gold! They were also hungry for information on income-based repayment plans, loan forgiveness programs, and FI-ICO score calculation -- just to name a few. The point taken by TSAC Reps is that when we assume all college students are financially well educated, we may be naïve. In fact, analysis of loan defaulters of-

ten reveals that the defaulter was not just a bad manager of his/her loan, but also had no background experience in managing money!

If your campus doesn't have a financial literacy program for incoming students, TSAC can help. Contact Cathy Jones, Cherry Johnson, Debby Nuchols or Jill Vickers for more information.

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Reviewing Draft Cohort Default Reports

Why should your institution review the draft cohort default reports during such a busy time in your offices? Key reasons include:

1. Schools will not have a second opportunity to submit an incorrect data challenge (IDC).
2. The loan information used in the draft CDR will be used in the official CDR.
3. Any incorrect data challenge will allow the right to submit an uncorrected data adjustment and/or erroneous data appeal if schools are subject to sanction after the official CDR release. ... cont. on pg. 2

Campus Outreach Can be a Great Tool to Reduce Your CDR!

Over the past months, the TSAC Default Aversion Field Representatives have conducted several analyses for various Tennessee institutions. During the final summary meeting and presentation of prepared reports of the data collected & analyzed, there is a common concern that students don't fully understand the expectations of their borrowing habits. Through this conversation, we believe many students begin college with limited understanding of personal finance or borrowing educational loans. The reality is most students have never held a home mortgage or car loan so they have no experience concerning interest rates and little understanding of what monthly payments may entail. There also appears to be a large number of parents who have little or no history with college debt so there is a lack of guidance to help these students navigate borrowing and repayment decisions. Borrowers are required to complete online or personal entrance counseling before federal loans are received. We are suggesting institutions go a couple steps further to provide more financial literacy programs to all students on campus and the TSAC Default Aversion Field Representatives are here to help!



Do you know your most at risk defaulters? By analyzing your NSLDS Loan Record Detail Report (LRDR), you can determine trends and patterns of your defaulters and target those borrowers. It is a great idea to involve other student services professionals and faculty. These individuals have constant contact with your borrowers during enrollment. If your analysis finds your target group is those who live on campus, coordinate with the residence hall director and set up a time for financial literacy.

Does your institution offer a student success course? If all freshmen or transfer students are required to take such a course, this is the perfect venue to not only help students acquire skills for college success but develop plans for budgeting during their careers. Financial aid content can easily be added or you can lead one class session. This could show to be very beneficial in your future cohort default rates.

TSAC Default Aversion Field Representatives have developed a series of presentations which can be shared and used for these ideas listed above. Feel free to contact us today!

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Time for Reviewing Draft Cohort Default Reports (cont.)

Successful incorrect data challenges (IDC) will “fix” data that was used to calculate draft rates. The challenges must be submitted via the Electronic Cohort Default Rate Appeals System (eCDR Appeals). The timeframe for submitting challenges *begins the sixth business day after the draft CDR is released and ends in 45 calendar days*. Financial aid professionals must register for the ability to submit an eCDR Appeal unless already established as an e-Campus Based System user.

Incorrect Data Challenges are submitted to Data Managers for the Guaranty Agencies (GA) for FFEL loans held by the GA and to the Department’s servicers for FFEL Loans held by ED and for Direct Loans. The Loan Record Detail Report (LRDR), received with your rough draft cohort default letters, contains the Guarantor/Servicer for each loan’s code.

For information about individual Data Managers, go to <http://www.ifap.ed.gov/drmaterials/NumericalDataMgrContacts.html>. Data Managers review and respond to the allegations of incorrect data. If you need assistance reviewing your LRDR for Guarantor/Servicer codes, contact your TSAC Default Aversion Field Reps. The CDR Guide details the eCDR Appeals process. The most common fields cited in challenges and adjustments are outlined in the guide on page 2.3-6.

Updated TELS Consortium Agreement

TSAC has received periodic feedback on the TELS Consortium Agreement and the complexity of the form. After extensive consultation with the TASFAA Advisory Committee to TSAC, the form has been modified and is now being provided. While we have modified the agreement, postsecondary institutions are welcome to continue using their own consortium agreement for purposes of the TELS program.

The updated form will soon be available under the Help Link in e*GRandS and can be used immediately. If you have questions about the modified TELS Consortium Agreement, please contact Robert Biggers at 615.253.7453 or robert.biggers@tn.gov.



Tennessee Education Lottery Scholarship (TELS) Consortium Agreement Between Eligible Postsecondary Institutions

Please Print Clearly

Student's Last Name	Student's First Name	M.I.	XXX-XX- Social Security Number
()			
Student's Phone Number		Student's Email Address	

The Consortium Agreement applies to eligible postsecondary institutions that award TELS scholarships to students in pursuit of an associate or baccalaureate degree.

Home institution means an eligible postsecondary institution in which the student continues to be academically eligible for TELS and is in pursuit of an associate or baccalaureate degree.

Host institution means an eligible postsecondary institution in which the student is enrolled in at least six (6) semester hours in a transient study capacity and may or may not be enrolled as a degree seeking student. The host institution must contact the Director of Lottery Scholarship Programs at TSAC to request an institution transfer for the academic year and academic term associated with this agreement.

The student must execute this TELS Consortium Agreement in order to receive the HOPE Scholarship or HOPE Access Grant to attend the Host institution. A separate Consortium Agreement is required for each transient study semester. Upon completion of the courses, a copy of the student's transcript from the "host" institution must be requested by the student and forwarded to the "home" institution for determining continued eligibility.

The agreement is for the following Academic Year and Academic Term. List the Total Number of Attempted Hours and cumulative TELS GPA.

Academic Year: _____ Academic Term: _____

Total Number of Attempted Hours: _____ TELS GPA: _____

List the transient courses approved by the Home institution towards the student's degree program.

Course Number	Credit Hours	Course Title

Statement of Compliance: I acknowledge that it is my responsibility as a participant to ensure that this agreement is accurate and signed by the appropriate persons and returned to the Financial Aid Office at the "home" institution.

Student's Signature	Date
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Statement of Verification: By signing below, all parties attest that the student is enrolled in a transient study program and continues to meet the TELS eligibility requirements as described in TCA §49-4-911 in pursuit of an associate degree or baccalaureate degree as defined in TCA §49-4-902(35)(36).

Home Institution Financial Aid Administrator's Signature	Date
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Host Institution Financial Aid Administrator's Signature	Date
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