

TENNESSEE STUDENT ASSISTANCE CORPORATION

Thursday, September 17, 2009

DECISION ITEM A: Adoption of 2010-11 TSAA Over-commitment Ratio

- Staff Recommendation**
- (1) That the Tennessee Student Assistance Corporation adopts 145% as the over-commitment ratio for the 2010-11 Tennessee Student Assistance Award (TSAA) program.
 - (2) That \$1,000,000 from the Tennessee Student Loan Program (TSLP) reserve be made as an additional resource for 2010-11 TSAA awards.

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, TSAC staff recommends a 145% over-commitment ratio for 2010-11. This is the same ratio the board adopted for the three previous academic years.

For the 2007-08 academic year, 97.7% of TSAA funding was disbursed. For the 2008-09 academic year 95.8% of funding was paid.

Funding levels have not been determined for the 2010-11 academic year. Staff is requesting this action be taken now so that when the awarding process begins in January the over commitment ratio will already be established for available funding. This ensures there is no delay in making awards to students.

Supporting Document

Tennessee Student Assistance Award Program History, August 31, 2009.