



GENERAL ASSEMBLY OF THE STATE OF TENNESSEE  
FISCAL REVIEW COMMITTEE

320 Sixth Avenue, North – 8<sup>th</sup> Floor  
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Speaker Beth Harwell, *ex officio*

**M E M O R A N D U M**

TO:                                    Jessica Robertson, Chief Procurement Officer  
    Department of General Services

FROM:                                Senator Bill Ketron, Chairman      *BK*  
    Representative Mark White, Vice-Chairman      *MW*

DATE:                                February 5, 2013

SUBJECT:                            **Contract Comments**  
    (Fiscal Review Committee Meeting 2/4/13)

**RFS# 332.05-002 (Edison # 29761)**

**Department: Tennessee Student Assistance Corporation (TSAC)**

**Vendor: Nelnet Guarantor Solutions, LLC**

**Summary: The vendor is responsible for servicing TSAC's Federal Family Education Loan Program, grants, scholarships, and loan forgiveness programs. The proposed amendment revises the scope to include a Financial Literacy Website; increases maximum liability by \$68,863,725; revises payment methodology; sets minimum commissions for successful loan consolidation out of default, defaulted loan collections, and successful rehabilitated loans; and provides for a transition period if either party terminates for convenience.**

**Current maximum liability: \$67,436,275**

**Proposed maximum liability: \$136,300,000**

After review, the Fiscal Review Committee voted to recommend approval of the contract amendment.

cc: Dr. Richard Rhoda, Executive Director