



**GENERAL ASSEMBLY OF THE STATE OF TENNESSEE
FISCAL REVIEW COMMITTEE**

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M E M O R A N D U M

TO: Mike Perry, Chief Procurement Officer
 Department of General Services

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

DATE: June 11, 2014

SUBJECT: Contract Comments
 (Fiscal Review Committee Meeting 6/9/2014)

RFS# 332.05-002 (Edison # 29761)

Department: Tennessee Student Assistance Corporation (TSAC)

Vendor: Nelnet Guarantor Solutions (NGS)

Summary: The vendor is responsible for TSAC/s Federal Family Education Loan Program and loan portfolio; grants, scholarships, and loan forgiveness programs; and TSAC's General Ledger System. The proposed amendment decreases the maximum liability by \$11,143,683; revises the payment methodology to reflect the new commission rates pursuant to federal legislative changes to the rehabilitation loan program; and adds required standardized language.

Current maximum liability: \$136,300,000

Proposed maximum liability: \$125,156,137

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

cc: Dr. Richard Rhoda, Executive Director, TSAC