



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

320 Sixth Avenue, North – 8<sup>th</sup> Floor  
NASHVILLE, TENNESSEE 37243-0057  
615-741-2564

**Sen. Bill Ketron, Chairman  
Senators**

Douglas Henry           Reginald Tate  
Brian Kelsey             Ken Yager  
Steve Southerland  
Randy McNally, *ex officio*  
Lt. Governor Ron Ramsey, *ex officio*

**Rep. Mark White, Vice-Chairman  
Representatives**

Jeremy Faison            Joe Pitts  
Brenda Gilmore         Mark Pody  
Matthew Hill            David Shepard  
Pat Marsh                Tim Wirgau  
Charles Sargent, *ex officio*  
Speaker Beth Harwell, *ex officio*

**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

DATE:                October 22, 2014

SUBJECT:            Contract Comments  
                          (Fiscal Review Committee Meeting 10/20/2014)

**RFS# 332.05-01312 (Edison # 29787)**

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

**Vendor: Student Loan Counseling Service, Inc., a subsidiary of the  
CBE Group, Inc.**

**Summary: The vendor is responsible for Default Aversion Assistance  
services. The proposed amendment revises the scope of services;  
extends current contract an additional year; reduces the maximum  
liability by \$3,397,925; revises payment methodology; reduces the  
performance bond requirements to reflect the reduced maximum  
liability; and adds current model language to the contract.**

**Current maximum liability: \$11,298,125**

**Proposed maximum liability: \$7,900,200**

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

cc: The Honorable Richard Rhoda, Executive Director