# TENNESSE PROMISE ANNUAL REPORT 2022



**THEC** TSAC

This report is prepared pursuant to T.C.A. § 49-4-708(e), which instructs the Tennessee Higher Education Commission (THEC) and Tennessee Student Assistance Corporation (TSAC) to:

"...provide assistance to the general assembly by researching and analyzing data concerning [Tennessee Promise], including, but not limited to, student success and scholarship retention. TSAC and the Tennessee Higher Education Commission shall publish its findings annually in the report required by § 49-4-903(b)."

In pursuit of its mission to increase the number of Tennesseans with a postsecondary credential, THEC and TSAC have implemented various programs and initiatives to encourage Tennesseans to engage with higher education and support students through completion. Among the most prominent and highly publicized of these programs (and the focus of this report) is the Tennessee Promise, signed into law by the Tennessee General Assembly in 2014.

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#### **Executive Summary**

The 2022 Tennessee Promise Annual Report provides an update on the status and impact of the Tennessee Promise program. Eight cohorts of Tennessee Promise students have matriculated into eligible public and private institutions, with the most recent cohort enrolling in this current term (fall 2022).

The report presents descriptive data on Tennessee Promise applicants and students, student outcomes, student transfer behavior, and program finances. Key findings from the report are summarized below.

- Over 123,000 Tennessee Promise students (**Table 2**) have received \$181 million in scholarships (**Table 11**) to alleviate college costs.
- Tennessee Promise applicants file the Free Application for Federal Student Aid (FAFSA) and complete community service at high rates (86% and 45% respectively for Cohort 7). However, take-up of the program has declined in Cohort 7 with only 25% of applicants paid at an eligible institution and 22% enrolling at an eligible public institution (**Table 3**).
- The decline in Tennessee Promise student enrollment for cohort 7 is consistent with declines in college-going observed for the Class of 2021 overall, as found in THEC's College Going and the Class of 2021 Report, though cohort 6 did not experience a corresponding drop (Table 3).
- Community colleges have received a declining share of Tennessee Promise students over time, though this has rebounded some for cohort 7 (**Table 6**).
- There are disparities in who converts from Tennessee Promise applicant to student. Black students comprise approximately 20% of applicants but only 12-15% of Promise students, male students comprise 50% of applicants but 47% of students, and Promise students have higher average adjusted gross incomes (AGI) and expected family contributions (EFC) than applicants (Table 5).
- The average number of credit hours attempted by Tennessee Promise students in their first semester remains consistent over time, but cohort 7 students did not complete 3.8 of the credit hours attempted in the first semester, which is up over pre-pandemic cohorts (**Figure 3**).
- Over 15,000 Tennessee Promise students have transferred to a Tennessee public university to continue their education (**Table 8**). Transfer rates will continue to increase as students have more time in higher education.
- Over 31,000 Tennessee Promise students have earned a credential since the program began. This translates to 47.9% of cohort one, 45.3% of cohort two, 40.8% of cohort three, and 35.1% of cohort four earning a credential (**Table 10**). Like with transfer, the percentage of students earning a degree within a cohort will continue to increase with time.
- Tennessee Promise success is measured by continued enrollment or completion of a credential. **Figures 5-10** demonstrate semester-by-semester retention and degree completion, regardless of scholarship maintenance. The success rates of cohort 3 (45.4%) and cohort 4 (43.1%) fall enrollees are lower than previous cohorts. Fall-to-fall retention rates fell with cohort three but have remained consistent in more recent cohorts.

#### Introduction

The 2022 Tennessee Promise Annual Report comprises four sections:

- 1. The first section provides descriptive characteristics for Tennessee Promise applicants in the first seven cohorts.
- 2. The second section provides descriptive characteristics for students who enrolled with Tennessee Promise.
- 3. The third section examines the outcomes of Tennessee Promise, including credit accumulation, degree completion, and transfer.
- 4. The fourth section provides information about program finances, including the total annual cost of the program and the average cost per student.

#### Data

Data in this report come from the THEC Student Information System (THECSIS) and the TSAC Financial Aid System of Tennessee (FAST) database. The THECSIS is used to assess enrollment, transfer, and completion while the TSAC FAST database is used to assess payments and financial aid.

#### **New Methods**

Unlike previous Tennessee Promise reports, this year's report employs a new methodology for identifying Tennessee Promise recipients. To be eligible for Tennessee Promise, an applicant needs to complete all pre-enrollment milestones (apply for Tennessee Promise, file a FAFSA, attend a mandatory meeting, and complete 8 hours of community service) and enroll at an eligible institution on-time. This year's report matches Tennessee Promise eligible applicants to payment and enrollment data at an eligible institution. Previous reports relied on payment only. This report identifies Promise students paid at eligible private institutions but limits analysis to Promise students paid and enrolled at eligible public institutions due to data limitations. Due to this change in methods, this report is not comparable to previously published Tennessee Promise reports.

THEC/TSAC are committed to improving data matches through enhanced data collection to allow a comprehensive understanding of Tennessee Promise students' experiences.

#### **Privacy Notice**

Throughout this report, THEC complies with federal Family Educational Rights and Privacy Act (FERPA) requirements to protect students' personally identifiable information. When tables are presented, individual cells containing fewer than ten observations are suppressed. Adjacent cells may also be suppressed to prevent unmasking via subtraction (i.e., complementary suppression). The suppressed counts are included in the table totals.

#### **Effects of COVID-19 on Tennessee Promise**

Due to the COVID-19 pandemic, TSAC temporarily suspended rules created for receiving and/or maintaining Promise eligibility. These temporary changes included the following:

- Adjusting deadlines for Promise applications for the class of 2020 (cohort 6) and FAFSA filing for the classes of 2021 (cohort 7) and 2022 (cohort 8);
- Moving mandatory meetings online; these changes were implemented by each partnering organization:
- Waiving the community service requirements for current and prospective Promise students for enrollments in summer 2020, fall 2020, spring 2021, and summer 2021;
- Providing institutions flexibility in calculating a student's postsecondary cumulative grade point average (GPA) when determining continuing eligibility for the Tennessee Promise scholarship in spring and summer 2020;
- Allowing for changes to enrollment status and leaves of absence without impacting continuing eligibility for Tennessee Promise. This guidance applied to spring 2020, summer 2020, fall 2020, spring 2021, and summer 2021 and allowed Tennessee Promise students to enroll at the start of the semester less than full time; and
- Allowing students in the class of 2020 (cohort 6) who had applied for Promise and submitted the FAFSA according to eligibility deadlines in early 2020, but who did not enroll in fall 2020, to enroll in fall 2021 as Promise students, provided they completed the FAFSA and eight hours of community service by July 1, 2021. Due to new report methodologies, gap year students are not captured in this reporting. There are 533 students taking part in Tennessee Promise through the gap year provision.

More details on temporary rule deferrals for the Promise scholarship and other programs can be found at TSAC's COVID-19 Campus & Financial Aid webpage. Data presented in future iterations of this report may not be comparable to the current and to past reports.

# SECTION I: PROGRAM DESCRIPTION



#### **Program Description**

The Tennessee Promise is a last-dollar scholarship that provides recent high school graduates the opportunity to complete an associate degree or certificate program free of tuition and mandatory fees at a public community college, a Tennessee College of Applied Technology (TCAT), or a public or private university with an eligible associate degree program.<sup>1</sup>

As a last-dollar scholarship, Tennessee Promise funds the remaining balance of tuition and mandatory fees after all other gift aid<sup>2</sup> has been applied. The amount of the Tennessee Promise award is based on the other gift aid a student receives. First, the federal Pell grant is applied, followed by state gift aid (e.g., Tennessee Education Lottery Scholarship awards and the Tennessee Student Assistance Award). After all federal and state gift aid is applied to the student's total tuition and mandatory fees, the remaining balance is paid by Tennessee Promise. **Table1** displays three different funding scenarios. Individuals who have met all eligibility criteria for Tennessee Promise and who have all tuition and mandatory fee expenses covered by gift aid (i.e., have a balance of \$0) are still considered Tennessee Promise students.

**Table 1:** Tennessee Promise Award Scenarios

	Example A	Example B	Example C
Tuition/mandatory fees	\$4,000	\$4,000	\$4,000
Gift aid (HOPE, Pell, TSAA)	\$4,250	\$3,250	\$0
Gap between grant aid and tuition/mandatory fees	\$0	\$750	\$4,000
Tennessee Promise award amount	\$0	\$750	\$4,000
Tuition/Mandatory Fees Balance	\$0	\$0	\$0

<sup>&</sup>lt;sup>1</sup> Scholarships for students attending eligible four-year institutions are equal to the average cost of tuition and mandatory fees at the public two-year postsecondary institutions less all other gift aid.

<sup>&</sup>lt;sup>2</sup> Gift aid is money allotted to a student that does not need to be repaid, like scholarships and grants.

The 2021-22 application process and corresponding deadlines, applicable to Cohort 8, are detailed in the list below.

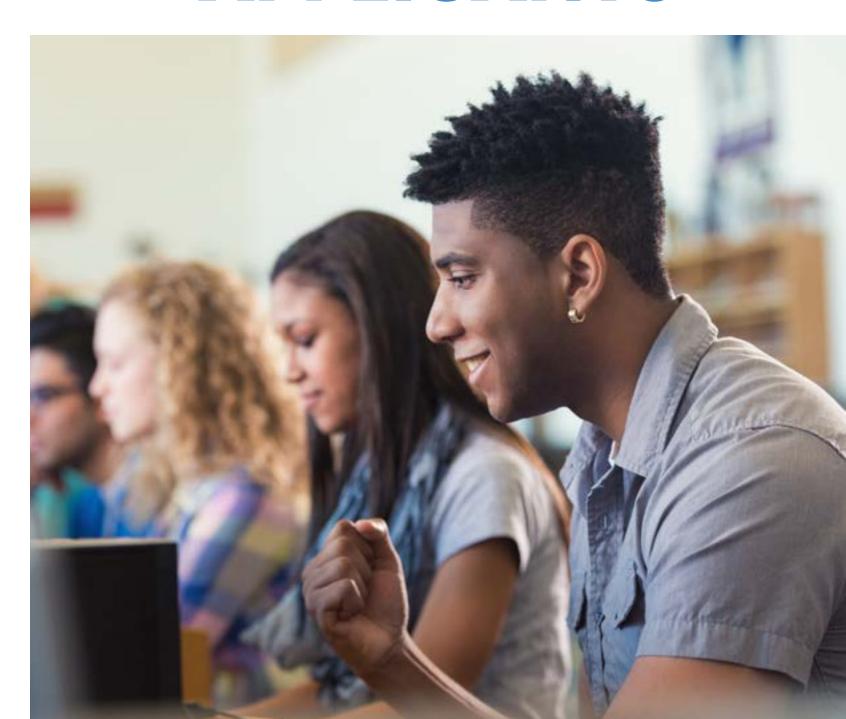
- 1. November 1st: Complete an online application for the Tennessee Promise program.
- 2. March 1st: File the FAFSA.
- 3. Fall and Spring: Attend a mandatory meeting coordinated by the partnering organization.
- 4. Spring: Apply to a Promise eligible postsecondary institution.
- 5. July 1st: Complete and report eight hours of community service.
- 6. Fall: Enroll full-time at a community college, TCAT, or other eligible institution.
- 7. Fall: If selected, provide requested documentation to complete FAFSA verification.

Tennessee Promise students are paired with a mentor to guide them through the postsecondary application and enrollment processes.<sup>3</sup> Once enrolled, Tennessee Promise students must complete the following steps to remain eligible for the scholarship:

- 1. Renew the FAFSA by the Promise deadline each year they plan to receive the scholarship.
- 2. Maintain a cumulative grade point average (GPA) of at least 2.0 for students enrolled at community colleges and universities.
- 3. Maintain satisfactory academic progress (as determined by the institution) for students enrolled at TCATs.
- 4. Complete eight hours of community service for each semester in which they enroll using Tennessee Promise.

Students may receive Tennessee Promise funds until they earn an associate degree or TCAT diploma or complete five semesters at an eligible postsecondary institution (whichever occurs first).

## SECTION II: TENNESSEE PROMISE APPLICANTS



<sup>&</sup>lt;sup>3</sup>The mentorship and community service components are coordinated by two privately funded partnering organizations across the state: tnAchieves and the Ayers Foundation.

#### **Tennessee Promise Applicants**

Applying for Tennessee Promise involves several steps. **Table 2** displays the total number of applicants for the first seven cohorts who maintained scholarship eligibility at each interval in the application process. The number of applicants at each stage increased steadily through the fifth cohort.

The application cycles for cohorts 6 and 7 span the onset and impact of the COVID-19 pandemic. Cohort 6 applied to Tennessee Promise prior to the onset of the pandemic, but experienced disruptions in their senior year of high school. Cohort 7 experienced disruptions in both the spring of their junior year and throughout their senior year of high school (2020-21) which may contribute to the decline in application and subsequent pre-enrollment requirements. These patterns are consistent with trends found in THEC's College Going and the Class of 2021 report released in May 2022.

**Table 2:** Tennessee Promise Application Process by Counts, Cohorts 1 through 7

	Cohort 1	Cohort 2	Cohort 3	Cohort 4	Cohort 5	Cohort 6	Cohort 7
Applied for Tennessee Promise	57,687	59,373	60,433	62,401	64,243	64,063	61,657
Filed the FAFSA	45,742	49,054	51,854	55,070	56,764	57,469	53,021
Completed Community Service	22,716	23,725	25,681	27,596	28,673		27,519
Paid at an Eligible Institution	16,164	17,164	17,847	18,284	18,943	19,495	15,370
Enrolled at an Eligible Public Institution	15,486	16,248	16,682	16,734	16,987	16,890	13,361

Notes: Community service requirements were waived for Cohort 6 due to COVID-19 pandemic. For more information about temporary rule suspensions see page 9. For quick reference: Cohort 1 = 2015-16, Cohort 2 = 2016-17, Cohort 3 = 2017-18, Cohort 4 = 2018-19, Cohort 5 = 2019-20, Cohort 6 = 2020-21, and Cohort 7 = 2021-22.

This year's report uses both payment data reported by TSAC's FAST and enrollment information from THECSIS to determine Tennessee Promise enrollment. To be considered Enrolled at an Eligible Public Institution, an applicant must have completed all Tennessee Promise pre-enrollment requirements, be paid at a Tennessee Promise eligible institution in the academic year corresponding to their application cycle and be found in enrollment data at an eligible public institution in the academic year corresponding to their application cycle. This change in identification improves reporting quality but makes year over year reports incomparable.

In fall 2022, THEC launched the Momentum Year, a state-level vision to increase the college-going rate and better align education and the workforce for the future. Cohort 9 began the TN Promise application process in November 2022. Preliminary data for the high school Class of 2023 (Cohort 9) show that 64,612 students applied for Tennessee Promise – the largest applicant class in program history.

**Table 3** below presents the proportion of applicants completing each step in the application process by cohort. On-time FAFSA filing and community service completion rates improved across cohorts over time. Up through Cohort 6, approximately 30% of applicants were paid \$0 or more in the following academic year. Cohort 7 represents the Class of 2021, which experienced disruptions in both their junior and senior year of high school. Nearly a quarter, 24.9%, of Tennessee Promise applicants from the class of 2021 were paid Promise, and the smallest share since the inception of the program (21.7%) were enrolled in a Tennessee public institution. See **Table 3** for more information on how this has changed over time.

**Table 3:** Tennessee Promise Application Process by Proportion, Cohorts 1 through 7

	Cohort 1	Cohort 2	Cohort 3	Cohort 4	Cohort 5	Cohort 6	Cohort 7
Applied for Tennessee Promise	57,687	59,373	60,433	62,401	64,243	64,063	61,657
Filed the FAFSA	79.3%	82.6%	85.8%	88.3%	88.4%	89.7%	86.0%
Completed Community Service	39.4%	40.0%	42.5%	44.2%	44.6%		44.6%
Paid at an Eligible Institution	28.0%	28.9%	29.5%	29.3%	29.5%	30.4%	24.9%
Enrolled at an Eligible Public Institution	26.8%	27.4%	27.6%	26.8%	26.4%	26.4%	21.7%

Notes: Community service requirements were waived for Cohort 6 due to COVID-19 pandemic. For more information about temporary rule suspensions see page 9. For quick reference: Cohort 1 = 2015-16, Cohort 2 = 2016-17, Cohort 3 = 2017-18, Cohort 4 = 2018-19, Cohort 5 = 2019-20, Cohort 6 = 2020-21, and Cohort 7 = 2021-22.

**Table 4** presents demographic information for all Tennessee Promise applicants in Cohorts 4 through 7, including gender, race, first generation status, ACT composite score, and financial elements. As evident in the table, median adjusted gross income (AGI) and expected family contribution (EFC) have both grown steadily over time, continuing a trend seen since Cohort 1, in which the compound annual growth rate (CAGR) for both AGI and EFC has grown 5.2% and 16.6%, respectively, compared to a CAGR of 2.4% in consumer price index over the same timeframe.<sup>4</sup>

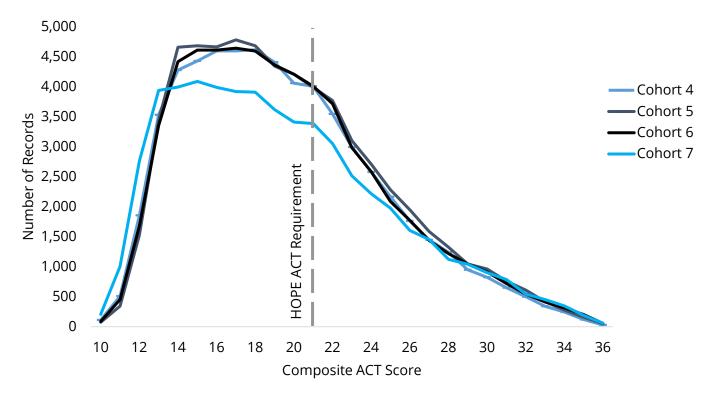
**Table 4**: Demographics for Tennessee Promise Applicants, Cohorts 4 through 7

	Cohort 4	Cohort 5	Cohort 6	Cohort 7
Gender				
Male	49.8%	50.4%	49.6%	49.1%
Female	50.2%	49.6%	50.4%	50.9%
Race				
White	64.5%	64.0%	64.6%	64.8%
Black	21.2%	20.6%	20.5%	19.7%
Hispanic	6.3%	7.4%	7.9%	7.9%
Asian/Pacific Islander	1.9%	2.0%	2.1%	2.4%
Other	1.4%	1.2%	1.3%	1.3%
Unknown	4.7%	4.6%	3.7%	4.0%
First Generation	36.6%	35.7%	35.5%	31.6%
Avg ACT Composite	19.5	19.8	19.7	19.4
Median AGI	\$51,782	\$54,416	\$58,000	\$63,005
Median EFC	\$2,304	\$2,583	\$3,063	\$4,316
Total	62,401	64,243	64,063	61,657

Notes: First Generation status, Adjusted Gross Income (AGI), and Expected Family Contribution (EFC) are derived from the FAFSA and only available for applicants with a FAFSA on record. Other includes American Indian, Alaskan Native, and Multiracial students.

**Figure 1** compares the distributions of ACT composite scores for the fourth, fifth, sixth, and seventh cohorts of Tennessee Promise applicants. The HOPE scholarship eligibility threshold is indicated below with a vertical dashed line (21 or above). The horizontal axis has been truncated to demonstrate the differences between groups more clearly. The decline in Promise applicants in Cohort 7 can be observed in this distribution. Looking at the peak of the distribution curve, falling to the left of the dashed line, most Promise students do not meet the HOPE scholarship ACT requirement.

**Figure 1:** Distribution of ACT Composite Scores, Cohorts 4 through 7



<sup>&</sup>lt;sup>4</sup>The Consumer Price Index inflation rate change is calculated from September 2015 to September 2021. More information can be found here.

# SECTION III: TENNESSEE PROMISE STUDENTS



#### **Tennessee Promise Students**

This report defines Tennessee Promise students as those who are paid \$0 or more and found in enrollment records in the academic year following their application. More information about the identification of Tennessee Promise students can be found on page 8.

**Figure 2** displays the average ACT composite scores for public high school graduates, Tennessee Promise applicants who did not ultimately enroll as a Promise student, Tennessee Promise students, and incoming freshmen at community colleges across the state.<sup>5</sup> The vertical axis has been truncated to demonstrate the differences between groups more clearly. ACT scores range from 0-36. This figure demonstrates that TN Promise students and community college students overall have lower average ACT scores than all high school seniors and TN Promise applicants.

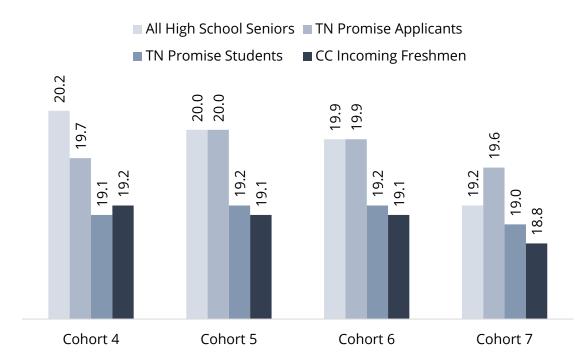


Figure 2: Distribution of ACT Composite Scores, Cohorts 4 through 7

Notes: Tennessee Promise applicants and Tennessee Promise students are exclusive groups. All public high school graduates and incoming freshmen at community colleges include Tennessee Promise applicants and students.

<sup>&</sup>lt;sup>5</sup>ACT Scores are reported differently across sources. The Tennessee Department of Education uses the highest score earned for students. THECSIS maintains the first ACT score recorded for the student. Tennessee Promise applicants' and students' ACT is recorded first from TSAC FAST but then THECSIS if unavailable in TSAC FAST.

**Table 5** presents the demographic characteristics of the Tennessee Promise students in Cohorts 5, 6, and 7 as compared to the demographic characteristics of the total applicant pool. In this comparison, Tennessee Promise applicants are all Tennessee Promise applicants, like in **Table 4**, while Tennessee Promise students are those who were paid \$0 or more and were found in enrollment records in the academic year corresponding to their application year. Black students make-up approximately 20% of non-participants but only 12-15% of Promise students (with larger declines in Cohort 7). Male students comprise 50% of applicants but 47% of students. Finally, Promise students have higher average AGIs and EFCs than applicants.

Table 5: Tennessee Promise Applicants and Tennessee Promise Students, Cohorts 5 through 7

	Cohort 5		Cohe	ort 6	Cohort 7		
	Applicants	Students	Applicants	Students	Applicants	Students	
Gender							
Male	50.4%	47.4%	49.6%	45.4%	49.1%	47.3%	
Female	49.6%	52.6%	50.4%	54.6%	50.9%	52.7%	
Race							
White	64.0%	73.7%	64.6%	73.0%	64.8%	75.2%	
Black	20.6%	14.7%	20.5%	15.0%	19.7%	12.2%	
Hispanic	7.4%	8.1%	7.9%	8.2%	7.9%	8.4%	
Asian/Pacific Islander	2.0%	1.7%	2.1%	1.8%	2.4%	2.0%	
Other	1.2%	1.4%	1.3%	1.6%	1.3%	1.7%	
Unknown	4.6%	0.4%	3.7%	0.4%	4.0%	0.5%	
First Generation	35.7%	38.1%	35.5%	36.7%	31.6%	34.8%	
Median AGI	\$ 54,416	\$ 59,505	\$ 58,000	\$ 63,020	\$ 63,005	\$ 69,515	
Median EFC	\$ 2,583	\$ 3,992	\$ 3,063	\$ 4,500	\$ 4,316	\$ 6,305	
Total	64,243	16,987	64,063	16,890	61,657	13,361	

**Table 6** displays the sector in which Tennessee Promise students first enrolled. The majority of Tennessee Promise students enroll first at a community college, but a growing proportion are matriculating to TCATs. **Appendix B** provides Tennessee Promise enrollment counts by institution.

Table 6: First Enrollment of Tennessee Promise Students by Sector, Cohorts 5 through 7

	Coh	ort 5	Coh	ort 6	Cohort 7		
	Count	Percent	Count	Percent	Count	Percent	
Community College	14,270	84.0%	13,559	80.3%	11,039	82.6%	
TCAT	2,097	12.3%	2,345	13.9%	1,734	13.0%	
Public University	620	3.6%	986	5.8%	588	4.4%	
Total	16,987		16,890		13,361		

Notes: Public University includes Austin Peay State University and Tennessee State University. University of Tennessee, Southern, a new public institution, is included in Cohort 7 figures. Previous versions of this table have included eligible private institutions. Due to changes in report methodology outlined on page 8 students paid at private institutions are not included.

**Table 7** provides financial aid information for Tennessee Promise students in cohorts 5 through 7. These data are reflective of a student's eligibility for financial aid through their entire enrollment history. For example, if a student ever received a Tennessee Student Assistance Award (TSAA) (regardless of when or even if only in one semester), the student is included in the percentage of students receiving TSAA. The proportion of students who are eligible for the Pell grant at any amount has declined over time, while the proportion of students receiving the TSAA has increased. Since 2015, appropriations for TSAA have increased year-over-year allowing more students to receive need-based grant monies and the EFC threshold to increase over time.

**Table 7:** Financial Aid for Tennessee Promise Students, Cohorts 5 through 7

	Cohort 5	Cohort 6	Cohort 7
Eligible for Pell Grant (any amount)	62.6%	60.2%	53.3%
Eligible for maximum Pell Grant (\$0 EFC)	30.2%	29.7%	25.4%
Received TSAA <sup>1</sup>	30.1%	32.4%	37.1%
Received HOPE, GAMS, Aspire, or Access <sup>2</sup>	45.3%	45.7%	47.9%
Received Wilder-Naifeh Technical Skills			
Grant	10.5%	10.9%	12.8%
Total	16,987	16,890	13,361

<sup>&</sup>lt;sup>6</sup> TSAA is a first-come, first-serve, need-based grant.

 $<sup>^{\</sup>rm 7}$  For more information about the TELS program, please see the Glossary in Appendix A.

# SECTION IV: TENNESSEE PROMISE OUTCOMES

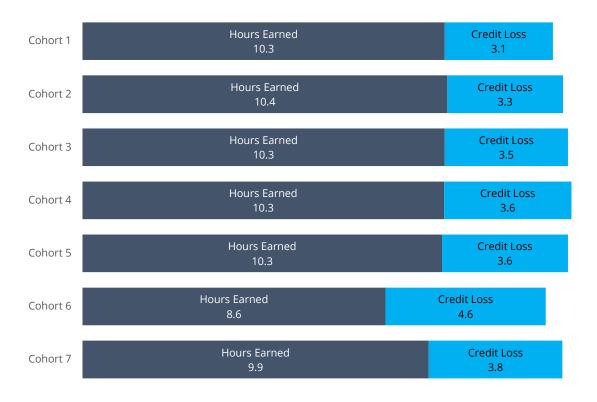


#### **Tennessee Promise Outcomes**

#### **Credit Hour Accumulation**

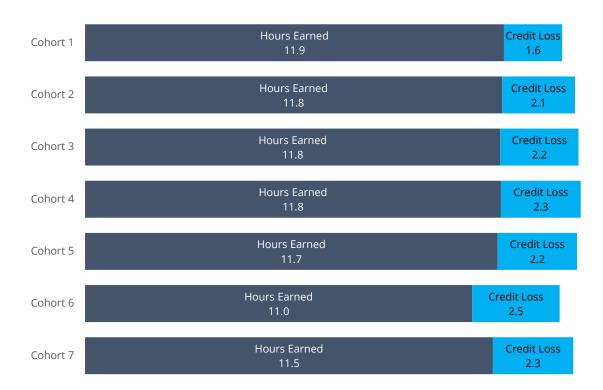
**Figure 3** displays the credit hours attempted and earned by each cohort in the first semester they enrolled. Tennessee Promise students are required to enroll in at least 12 hours to maintain scholarship eligibility. Enrollment status requirements were relaxed due to COVID-19 for semesters impacting cohorts 6 and 7, which may explain the decline in hours earned. For more information see page 9.

**Figure 3:** Hours Attempted and Earned (Including 0 Hours Earned) in First Semester, by Cohort



**Figure 4** below shows the same figure as above, excluding observations where the hours earned in the first semester were zero. Zero credit hour earners in the first semester may have been enrolled at the census date but did not successfully complete any credit hours that semester, potentially indicating a student who withdrew completely prior to the end of the semester. This represents over 13,000 students across the seven cohorts. This figure depicts what credit loss looks like for those Promise students who earned at least one credit hour in their first semester. Excluding zero credit hour earners, the average Promise student loses about two hours of credit in their first semester.

**Figure 4:** Hours Attempted and Earned (Excluding 0 Hours Earned) in First Semester, by Cohort



#### **Retention and Completion**

The figures below depict the success rates of Tennessee Promise students through their first three years of the program, limited to fall and spring semesters. The success rate comprises students who are still enrolled with no award, students who earned a credential and remain enrolled, and those who have graduated.<sup>8</sup> These data restrict the cohort provided in **Table 2** to those who first enrolled in the fall semester. These data are inclusive of all Tennessee public community colleges, universities, and TCATs. Awards data include certificates, diplomas, associates, and bachelor's degrees.

Each figure begins with the fall semester. Each cohort shows similar trends in outcomes by semester. The biggest loss of students to dropout occurs within the first year of enrollment. Completions begin as early as semester one, with students earning certificates. Large jumps in credential attainment occur at the end of the second year (semester 4).

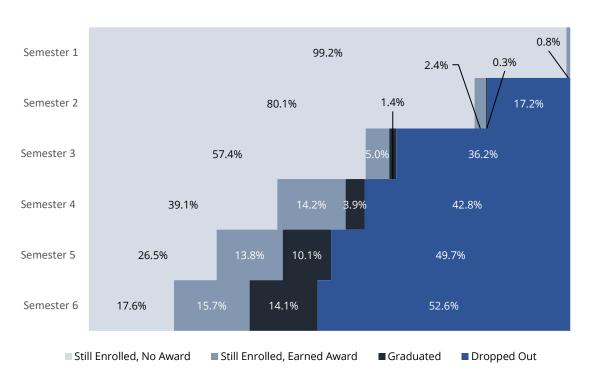


Figure 5: Success Rates by Semester, Cohort 1

**Notes:** Semester 1 shows fall 2015 results, semester 2 shows spring 2016, semester 3 shows fall 2016 and so on. Data are limited to students who enrolled in the fall of their cohort year. Awards are noted as of the end of that semester.

<sup>&</sup>lt;sup>8</sup> Figures 5 through 10 capture students' movement through Tennessee public higher education. Due to the varying nature of student pathways, this analysis does not permanently drop students. For example, a student could appear as a drop-out in semester two but re-appear as still enrolled in semester three. If a student completed a credential, they will never be classified as a drop-out; they can only be classified as still enrolled, earned a degree, or graduated.

99.3% Semester 1 2.0% Semester 2 80.7% 35.2% Semester 3 59.3% 42.8% Semester 4 40.0% 26.8% 9.9% 50.3% Semester 5 Semester 6 17.5% 14.1% 53.4%

Figure 6: Success Rates by Semester, Cohort 2

**Notes:** Semester 1 shows fall 2016 results, semester 2 shows spring 2017, semester 3 shows fall 2017 and so on. Data are limited to students who enrolled in the fall of their cohort year. Awards are noted as of the end of that semester.

■ Still Enrolled, No Award

■ Still Enrolled, Earned Award ■ Graduated ■ Dropped Out

**Figure 7** and **Figure 8** show cohort 3 and cohort 4, respectively. The success rate of cohort 3 and cohort 4 is lower than previous cohorts. Fall-to-fall retention rates fell with cohort three but remain consistent in subsequent cohorts.

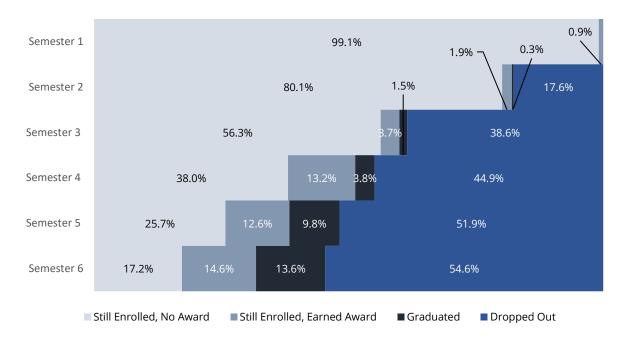


Figure 7: Success Rates by Semester, Cohort 3

**Notes:** Semester 1 shows fall 2017 results, semester 2 shows spring 2018, semester 3 shows fall 2018 and so on. Data are limited to students who enrolled in the fall of their cohort year. Awards are noted as of the end of that semester.

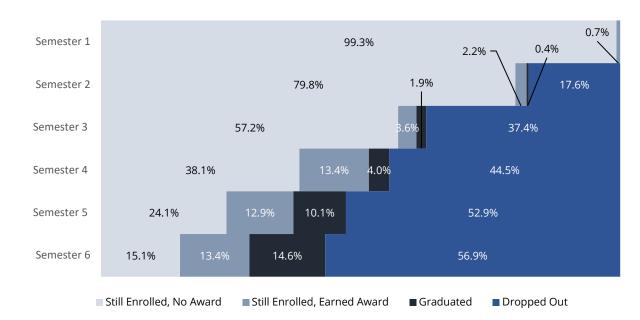
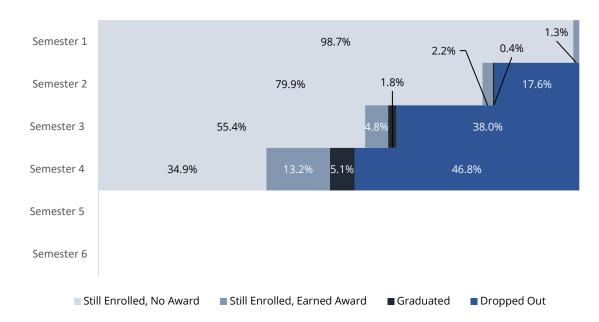


Figure 8: Success Rates by Semester, Cohort 4

**Notes:** Semester 1 shows fall 2018 results, semester 2 shows spring 2019, semester 3 shows fall 2019 and so on. Data are limited to students who enrolled in the fall of their cohort year. Awards are noted as of the end of that semester.

**Figure 9** shows the success rates for Cohort 5, by semester. Cohort 5 remains eligible for Tennessee Promise as of this report and data reported are limited to the first four fall and spring semesters.

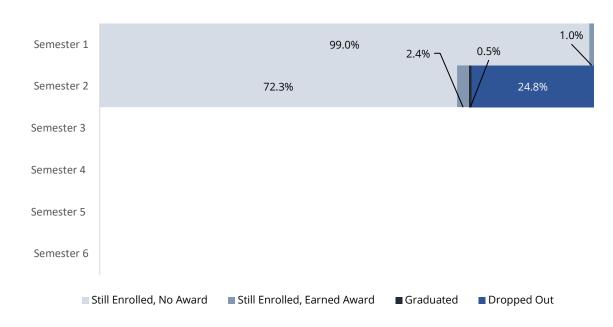
**Figure 9:** Success Rates by Semester, Cohort 5



**Notes:** Semester 1 shows fall 2019 results, semester 2 shows spring 2020, semester 3 shows fall 2020 and so on. Data are limited to students who enrolled in the fall of their cohort year. Awards are noted as of the end of that semester.

**Figure 10** shows the success rates for Cohort 6, by semester. Cohort 6 remains eligible for Tennessee Promise as of this report and data reported are limited to the first fall and spring semester.

Figure 10: Success Rates by Semester, Cohort 6



**Notes:** Semester 1 shows fall 2020 results, semester 2 shows spring 2020 and so on. Data are limited to students who enrolled in the fall of their cohort year. Awards are noted as of the end of that semester.

**Table 8** shows the proportion of students from each community college that have transferred to a four-year institution, by cohort. Motlow State leads among cohort 3 and 4 transfers to four-year institutions. Cohorts 3 and 4 have had more time to transfer than cohort 5. Transfer rates for cohort 5 will continue to increase as students have more time in higher education.

For more detail about transfer patterns of the fall 2015 cohort, which includes cohort 1 of Tennessee Promise students, see the <u>Articulation and Transfer in Tennessee Higher Education 2022 Report</u>.

**Table 8:** Tennessee Promise Transfer to University by Community College and Cohort

	Coh	nort 3	Coho	ort 4	Cohort 5		
	Total Enrollment	% with University Enrollment	Total Enrollment	% with University Enrollment	Total Enrollment	% with University Enrollment	
Chattanooga State	1,051	17.9%	1,153	15.7%	1,084	12.5%	
Cleveland State	512	17.2%	487	14.0%	643	12.3%	
Columbia State	1,200	24.8%	1,242	24.2%	1,320	15.7%	
Dyersburg State	329	25.5%	344	27.3%	374	12.6%	
Jackson State	723	21.3%	707	15.1%	792	15.0%	
Motlow State	1,397	28.8%	1,225	26.6%	1,435	19.4%	
Nashville State	848	17.1%	847	19.4%	840	12.0%	
Northeast State	1,160	25.7%	1,038	20.3%	1,017	14.7%	
Pellissippi State	1,822	24.1%	1,895	24.1%	1,860	16.3%	
Roane State	1,064	21.1%	985	17.4%	965	16.4%	
Southwest TN	1,225	18.6%	1,250	16.0%	1,136	9.9%	
Volunteer State	1,622	21.3%	1,572	16.3%	1,580	12.2%	
Walters State	1,272	21.1%	1,175	20.0%	1,224	12.7%	
Total	14,225	22.2%	13,920	19.9%	14,270	14.3%	

**Table 9** provides a matrix with the number of Tennessee Promise students from cohorts 1 through 7 that each community college sent to each Tennessee public university as of fall 2021.9 Pellissippi State has sent the largest number of students onto public universities (N=2,471), followed by Motlow State (N=1,958). Middle Tennessee State University, East Tennessee State University, Tennessee Tech University, and the University of Tennessee, Knoxville lead among recipients of Tennessee Promise students, with each enrolling well over two thousand Tennessee Promise students.

Table 9: Tennessee Promise Transfer to Universities by Sending Community College, Cohorts 1-7

Sending Institution	APSU	ETSU	MTSU	TSU	TTU	UofM	UTC	UTK	υтм	UTHSC	Total
Chattanooga State	11	34	110	13	78	*	662	62	*		982
Cleveland State	*	46	39	*	45	*	225	96	*		458
Columbia State	60	13	705	37	167	11	186	129	101		1,409
Dyersburg State	17	*	26	*	*	138	*	13	182	13	417
Jackson State	35	*	87	21	14	255	33	19	295	*	767
Motlow State	33	*	1,305	58	351	*	94	58	26		1,958
Nashville State	204	18	309	141	125	*	32	36	48	*	928
Northeast State	*	1,169	31		46	*	*	53	*		1,316
Pellissippi State	25	217	156	*	170	14	97	1,774	*		2,471
Roane State	*	158	82	*	496	*	47	251	*		1,054
Southwest TN	27	*	69	47	*	800	12	25	33	*	1,029
Volunteer State	181	34	407	92	486	*	119	116	*		1,462
Walters State	14	695	44	*	56	*	31	309	13		1,167
Total	616	2,421	3,370	423	2,051	1,265	1,558	2,941	747	26	15,418

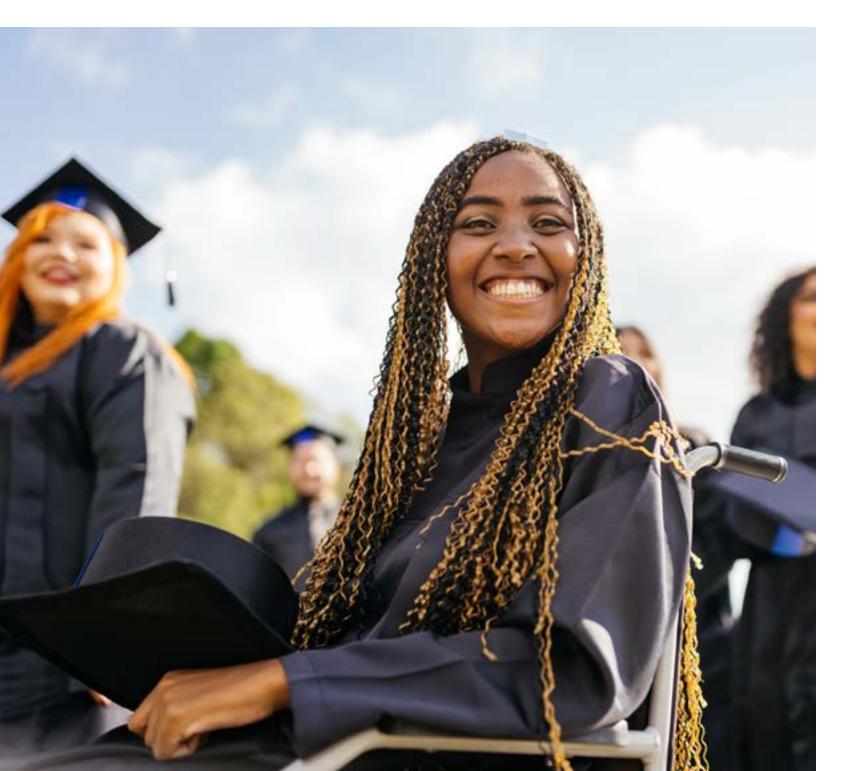
**Table 10** displays the awards earned by spring of 2021 by each of the Promise cohorts. Approximately half (47.9%) of Promise students in cohort 1 earned an award. This cohort has earned an array of different awards and award combinations, with the majority being associate degrees. Successive cohorts have had less time to complete a degree and this report will continue to monitor cohorts beyond the five semesters of Promise eligibility.

**Table 10:** Awards Earned as of Spring 2021, by Promise Cohort

Degrees Earned	Cohort 1	Cohort 2	Cohort 3	Cohort 4	Cohort 5	Cohort 6	Cohort 7
With Award	7,419	7,360	6,811	5,880	3,629	559	21
No Award	8,067	8,888	9,871	10,854	13,358	16,331	13,340
% with Award	47.9%	45.3%	40.8%	35.1%	21.4%	3.3%	0.2%
Certificate Only	741	675	633	663	643	368	*
Diploma Only	1,256	1,224	1,189	1,034	954	137	*
Associate Only	2,145	2,716	3,489	3,486	1,668	33	
Bachelor's Only	498	417	136	*		*	
Certificate and Diploma	101	87	101	104	*	*	
Certificate and Associate	773	676	532	547	248	10	
Diploma and Associate	41	35	*	*	*		
Associate and Bachelor's	1,436	1,285	649	36			
Certificate, Diploma, and Associate	*	10	*				
Cert., Diploma, Associate, & Bachelor's	*		*				
Other Combination	414	235	49	*	*	*	*
Total	15,486	16,248	16,682	16,734	16,987	16,890	13,361

<sup>&</sup>lt;sup>9</sup> Transfer counts reflect community college students who transferred to a four-year as of end of term fall 2021.

## SECTION V: PROGRAM FINANCES



#### **Program Finances**

Tennessee Promise scholarships are funded by the interest generated from the Tennessee Promise scholarship endowment fund<sup>10</sup> and excess Tennessee Education Lottery funds.

**Table 11** and **Table 12** depict the average Tennessee Promise dollars awarded in each semester since program inception. Importantly, these tables reflect Tennessee Promise students paid at an eligible institution (**Table 2**), which differs from other tables in this report. Data for this report utilizes THEC's financial aid data warehouse. For full program expenditures see TSAC's Tennessee Education Lottery summary report.<sup>11</sup>

**Table 11** shows averages including students who were paid \$0, and **Table 12** shows averages without \$0 payments included. In each case, the average amount for the winter semester is substantially lower than other semesters because winter is a payment term only used for TCATs and select private colleges.

**Table 11:** Average Tennessee Promise Dollars Awarded Per Student, by Academic Year and Semester (\$0 Payments Included)

Academic Year	Fall	Spring	Summer	Winter	Total Cost
2015-16	\$521	\$556	\$908	\$209	\$14,842,510
2016-17	\$576	\$619	\$1,059	\$249	\$24,580,216
2017-18	\$580	\$607	\$667	\$244	\$27,535,302
2018-19	\$580	\$605	\$423	\$251	\$28,085,784
2019-20	\$595	\$620	\$751	\$259	\$31,666,105
2020-21	\$531	\$549	\$612	\$243	\$29,423,186
2021-22	\$594	\$627	\$238	\$280	\$25,041,379

**Table 12:** Average Tennessee Promise Dollars Awarded Per Student, by Academic Year and Semester (\$0 Payments Excluded)

Academic Year	Fall	Spring	Summer	Winter	Total Cost
2015-16	\$985	\$927	\$1,072	\$504	\$14,842,510
2016-17	\$1,034	\$1,010	\$1,164	\$531	\$24,580,216
2017-18	\$1,071	\$1,032	\$1,062	\$569	\$27,535,302
2018-19	\$1,089	\$1,057	\$967	\$598	\$28,085,784
2019-20	\$1,128	\$1,094	\$877	\$621	\$31,666,105
2020-21	\$1,072	\$1,015	\$791	\$629	\$29,423,186
2021-22	\$1,112	\$1,074	\$836	\$648	\$25,041,379

<sup>&</sup>lt;sup>10</sup> The Tennessee Promise scholarship endowment fund was created by T.C.A. § 49-4-708(d).

<sup>&</sup>lt;sup>11</sup> Historical TSAC TELS Year-end summary reports are available <u>here</u>.

### **APPENDICES**



#### **Appendix A: Glossary**

#### Locally Governed Institution (LGI)

There are six public universities in Tennessee that have a local governing board. The six institutions are as follows: Austin Peay State University, East Tennessee State University, Middle Tennessee State University, Tennessee State University, and the University of Memphis.

#### Tennessee Board of Regents (TBR)

The Tennessee Board of Regents is one of the two public systems of higher education in Tennessee. The Tennessee Board of Regents governs 13 community colleges and 24 Colleges of Applied Technology across the state.

#### Tennessee Colleges of Applied Technology (TCATs)

There are 24 TCATs across the state which provide training for workers to obtain technical skills and professional training.

#### Tennessee Education Lottery Scholarship (TELS)

The Tennessee Education Lottery Scholarship program is a collection of scholarship and grant programs funded by state education lottery proceeds. These programs are intended to provide financial awards to offset costs associated with pursuing postsecondary education (HOPE, GAMS, Aspire, Access, and Wilder-Naifeh Technical Skills Grant, among others).

#### Tennessee Higher Education Commission (THEC)

The Tennessee Higher Education Commission was created in 1967 by the Tennessee General Assembly to coordinate and foster unity within higher education. The Commission coordinates two systems of public higher education (the University of Tennessee and the Tennessee Board of Regents) and the six locally governed institutions (Austin Peay State University, East Tennessee State University, Middle Tennessee State University, Tennessee State University, and the University of Memphis).

#### Tennessee Independent Colleges and Universities Association (TICUA)<sup>12</sup>

TICUA is a membership organization for Tennessee's private colleges and universities to work together in areas of public policy, cost containment, and professional development. There are currently 34 member institutions.

#### **Tennessee Promise Endowment**

As stated in T.C.A. § 4-51-111(b)(3), an amount equal to \$100 million must remain in a reserve account. These funds can be drawn upon when lottery revenues are insufficient to fund Tennessee Education Lottery Scholarships (e.g., HOPE Scholarships). The transfers to the Promise Endowment account took place in 2014-15 (July through Oct 2014) in the following amounts: \$312,542,000 from the lottery reserve, and \$48,839,300 from TSAC's operating fund for a total initial transfer of \$361,381,300.

#### **Tennessee Student Assistance Corporation (TSAC)**

The Tennessee Student Assistance Corporation (TSAC) was created in 1974 by the Tennessee General Assembly as a non-profit corporation with the merging of the Tennessee Educational Loan Corporation and the Tennessee Tuition Grant Program. TSAC administers over 20 different state student financial aid programs, including the HOPE scholarship, Tennessee Promise, Tennessee Reconnect, Tennessee Student Assistance Award, and the Dual Enrollment grant.

#### The University of Tennessee (UT)

The University of Tennessee is one of the two public systems of higher education in Tennessee. The University of Tennessee's Board of Trustees governs 4 universities (Knoxville, Chattanooga, Martin, and Southern), the Health Science Center, the Space Institute, the Institute for Agriculture, and the Institute for Public Service.

<sup>&</sup>lt;sup>12</sup> Tennessee Independent Colleges and Universities Association (TICUA). About TICUA. https://ticua.org/page/about

#### Appendix B<sup>13</sup>: Enrollment Counts by Cohort and Institution

Institution	Cohort 1	Cohort 2	Cohort 3	Cohort 4	Cohort 5	Cohort 6	Cohort 7		
Community Colleges									
CHATT STATE	1,089	1,036	1,056	1,156	1,093	997	759		
CLEVELAND STATE	438	506	513	487	643	591	524		
COLUMBIA STATE	1,001	1,124	1,202	1,246	1,323	1,260	1,065		
DYERSBURG STATE	299	368	329	344	375	417	357		
JACKSON STATE	690	757	724	712	800	740	522		
MOTLOW STATE	1,347	1,364	1,401	1,225	1,442	1,343	1,036		
NASHVILLE STATE	1,151	1,046	850	847	842	900	707		
NORTHEAST STATE	1,082	1,112	1,160	1,040	1,019	1,009	830		
PELLISSIPPI STATE	1,749	1,798	1,832	1,900	1,862	1,813	1,613		
ROANE STATE	996	1,004	1,064	988	969	973	798		
SOUTHWEST TN	963	1,106	1,232	1,255	1,140	1,129	730		
VOLUNTEER STATE	1,441	1,453	1,624	1,573	1,584	1,463	1,214		
WALTERS STATE	1,090	1,172	1,276	1,179	1,227	1,061	954		
Tennessee Colleges of Applied Technology									
TCAT-ATHENS	98	64	83	68	95	106	66		
TCAT-CHATTANOOGA	95	119	100	132	139	161	133		
TCAT-COVINGTON	21	23	29	40	56	69	58		
TCAT-CROSSVILLE	45	50	45	74	65	111	72		
TCAT-CRUMP	28	41	29	66	74	87	75		
TCAT-DICKSON	127	135	172	177	168	182	123		
TCAT-ELIZABETHTON	94	84	114	136	168	228	142		
TCAT-HARRIMAN	62	79	86	83	99	111	94		
TCAT-HARTSVILLE	75	89	101	108	78	86	84		
TCAT-HOHENWALD	100	62	74	87	93	105	73		
TCAT-JACKSBORO	38	35	33	66	90	71	67		
TCAT-JACKSON	57	57	47	58	82	96	88		
TCAT-KNOXVILLE	204	225	198	179	165	480	228		
TCAT-LIVINGSTON	97	90	94	98	97	94	121		
TCAT-MCKENZIE	33	39	25	27	34	47	24		
TCAT-MCMINNVILLE	51	32	35	41	57	76	86		
TCAT-MEMPHIS	141	98	93	84	149	109	136		
TCAT-MORRISTOWN	140	147	171	214	257	278	202		
TCAT-MURFREESBORO	105	101	106	124	178	189	120		
TCAT-NASHVILLE	100	118	141	191	175	222	149		
TCAT-NEWBERN	39	53	61	60	56	84	87		
TCAT-ONEIDA	27	*	31	60	49	42	55		
TCAT-PARIS	34	35	28	48	58	56	21		
TCAT-PULASKI	61	60	58	65	96	141	66		
TCAT-RIPLEY	13	*	*	*	16	20	18		

<sup>&</sup>lt;sup>13</sup> Appendix B reflects Tennessee Promise students paid at eligible institution as described in Table 2. This is reflective of payment data only.

TCAT-SHELBYVILLE	129	144	103	117	99	140	112
TCAT-WHITEVILLE	15	22	*	*	22	25	
Public Universities							
AUSTIN PEAY STATE UNIVER- SITY	320	583	616	817	588	953	581
TENNESSEE STATE UNIVERSITY	55	48	41	21	33	40	12
UT, SOUTHERN							120
	Pr	ivate Uni	versities				
ART INSTITUTE OF TN - NASH- VILLE	23						
BAPTIST HEALTH SCI. UNIVER- SITY							*
BETHEL UNIVERSITY	24	29	13	28	48	61	33
BRYAN COLLEGE	24	18	26	*	41	65	54
CARSON NEWMAN UNIVERSITY	28	53	47	86	99	45	46
CUMBERLAND UNIVERSITY	60	232	357	410	472	421	389
FREED-HARDEMAN UNIVERSITY							*
HIWASSEE COLLEGE	34	36	37	36			
JOHN A GUPTON COLLEGE	*	*	10	*	11	*	*
JOHNSON UNIVERSITY	*	*	*	13	*	27	28
LANE COLLEGE		*	*	*	85	78	55
LEMOYNE-OWEN COLLEGE		19	28	31	20	14	20
LINCOLN MEMORIAL UNIVER- SITY	11	14	24	11	16	17	*
MARTIN METHODIST COLLEGE	99	117	102	131	111	116	
SOUTH COLLEGE	69	77	129	175	207	228	229
SOUTHERN ADVENTIST UNI- VERSITY	14	20	13	22	29	32	48
TREVECCA NAZARENE UNIVER- SITY	22	19	26	25	23	91	11
TUSCULUM UNIVERSITY		*	10	52	94	138	80
WELCH COLLEGE	*	10	19	21	22	19	16
WM R MOORE COLLEGE OF TECH.	*				*	29	24

Notes: Individual cells containing fewer than ten observations are suppressed in accordance with FERPA requirements (indicated by a \*). Martin Methodist College, a private university, became University of TN, Southern in July 2021.

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