MEETING OF THE



TENNESSEE HIGHER EDUCATION COMMISSION

Summer Quarterly Meeting 18th Floor, Parkway Towers July 28, 2011

AGENDA

TENNESSEE HIGHER EDUCATION COMMISSION

Summer Quarterly Meeting

Commission Boardroom, Parkway Towers

July 28, 2011, 1:00 p.m. CDT

Adoption of Agenda

Approval of Minutes, April 28, 2011 Meeting

Chairman's Report

Executive Director's Report

Systems' Reports

Tennessee Board of Regents

University of Tennessee

Tennessee Student Assistance Corporation

I. Action Items

- A. Lambuth Campus Feasibility Study
- B. Policy Revision: A1.0 New Academic Programs: Approval Process and A1.1 New Academic Programs
- C. Approval of New Academic Degree Programs
 - 1. Chattanooga State Community College Technical Certificate (24 credit hours) in Process Technology
 - 2. All Community Colleges General Education Core Academic Certificate (41 credit hours) for the Associate of Arts and the Associate of Science degree programs
 - 3. East Tennessee State University M.S. in Geosciences with concentrations in Geospatial Analysis and Paleontology
 - 4. University of Tennessee, Knoxville Doctor of Social Work (DSW)
 - 5. University of Memphis Ph.D. in Epidemiology
- D. Postsecondary Education Authorization
 - 1. Authorization of New Institutions
 - 2. Approval of New Programs
 - 3. Conditional Approval of New Programs

- 4. Recommendations for Appointments to the Committee on Postsecondary Educational Institutions
- 5. Proposed Rule Revisions
- E. University of Tennessee Knoxville Master Plan
- F. July 1 2011-12 Operating Budgets
- G. Election of 2011-12 Officers and Audit Committee Appointments

II. Information Items

- A. Tennessee Education Lottery Scholarship Annual Report
- B. Special Report on Student Loan Default Rates in Tennessee Institutions
- C. Status of First to the Top
- D. STEM Professional Development
- E. Diversity in Teaching Grant Awards, 2011-2013
- F. GEAR UP and College Access Challenge Grant Status Report
- G. Fall Commission Meeting, November 17, 2011

MINUTES

TENNESSEE HIGHER EDUCATION COMMISSION April 28, 2011, 1:00 p.m. CDT

The meeting was called to order by Chairman Robert White at 1:00 p.m. Commission Members present:

Mr. Charles Bone	Mr. Charlie Mann
Mr. Tre Hargett	Dr. Gary Nixon
Ms. Sharon Hayes	Mr. Ross Rowland
Mr. Cato Johnson	Mr. Zack Walden
Mr. Jon Kinsey	Mr. Robert White
Mr. David Lillard	

Adoption of Agenda

Mr. White welcomed all and thanked them for their attendance. He then called for a motion to adopt the agenda. Mr. Cato Johnson made a motion to approve the agenda. Mr. Charlie Mann seconded the motion; the motion was duly adopted.

Approval of Minutes, January 28, 2011, Meeting

Mr. White called for a motion to approve the minutes of the January 28, 2011, Commission meeting. Mr. Charles Bone made a motion to approve the minutes as presented. Mr. Tre Hargett seconded the motion; the motion was duly adopted.

Chairman's Report

Mr. White began his report by commenting on the productive worksession earlier in the day. He then commented on the county profiles, depicting a range of demographic and educational attainment data, and improvements for each county that have been made. In closing, Mr. White noted the article which Dr. Rhoda wrote for the municipal league regarding the Complete College Tennessee Act.

Executive Director's Report/Tennessee Student Assistance Corporation

Dr. Rhoda began by thanking everyone for their attendance. He then introduced Brian Johnson from Austin Peay State University, the 2011 Maxine Smith Fellow, and welcomed him. Dr. Rhoda also noted that this meeting would be Ross Rowland's last meeting as a student member of THEC and thanked him for all his work, including the work on the development of the recent Master Plan as a steering committee member. Mr. Rowland thanked the Commission for the opportunity to serve his state and his institution. Dr. Rhoda then introduced a new staff member: Leslie Kreinburg, a graduate assistant in the GEAR UP division. He then noted changes in staff: Wesley Hall was promoted to higher education program coordinator in the Race to the Top division, Alex Gorbanuv was hired full time as a research and planning analyst

in the Policy and Planning division, and Mike Krause was promoted to director of Academic Programs.

Dr. Rhoda then briefed the Commission on Lambuth University and stated that the Lambuth Board met on April 14 and announced that the institution will close on June 30. He stated that the University of Memphis and other TICUA institutions will assist with a teach-out for the remaining students. Dr. Rhoda also discussed the feasibility of the campus becoming a satellite location for the University of Memphis, per discussions with legislators.

Dr. Rhoda then briefed the Commission on TSAC activities, noting the discussion and presentations at the worksession in regard to financial aid issues in the community profiles, as well as the lottery scholarship program. He also commented on the TASFAA annual conference, changes in the Pell program, the direct lending program, the Complete College Tennessee Act and the formula leadership focus groups.

Systems' Reports

Tennessee Board of Regents

Mr. John Morgan, Chancellor of the Tennessee Board of Regents, was recognized to present his report. Mr. Morgan began his report by noting the faculty research development conference held for faculty to discuss the many facets of research at the institutional level. He then discussed the board retreat, which served to review the Complete College Act and suggest changes to improve the function of the TBR to be more successful in conjunction with the CCTA. Mr. Morgan then commented on the budget hearings, highlights of the CCTA, and campus initiatives and activities in relation to the CCTA.

Mr. Morgan introduced President Timothy Hall and Provost Tristan Denley, of Austin Peay State University, to discuss and initiatives being taken at APSU. Dr. Hall discussed new practices APSU has implemented to personalize higher education to ensure student success, including new Smartphone apps written by students. He then introduced Dr. Denley to provide information regarding the new website improvements to assist students in finding courses. Dr. Denley also described the year-long initiative, beginning in the summer, for students to regain the HOPE scholarship by means of a small scholarship to improve their GPA. Dr. Denley then briefly discussed the NETFLIX effect, a program where the student is given suggestions on what courses the student would be well suited to take, using the student's grades and major as a guide.

University of Tennessee

Dr. Joe DiPietro, President of the University of Tennessee, was recognized to present his report. Dr. DiPietro began his report by commenting on the budget and market analysis on salary structure. He then commended the Complete College TN Act and the student success it encourages. Dr. DiPietro also discussed the Gap Analysis being performed by UT for each campus, the challenge for UT to become a top 25 research institution and the areas of focus to obtain that status and endowment growth.

Dr. DiPietro then introduced Dr. Sally McMillan. Dr. McMillan briefed the Commission on ways to improve enrollment, retention, and graduation, the dual admissions bridge program with Pellissippi State Community College, and other initiatives to increase summer school enrollment and keep students on track.

Dr. Phil Oldham from the University of Tennessee at Chattanooga was recognized. Dr. Oldham discussed the redesign for summer school which would fulfill a part of the CCTA and the student centered model, still in developmental stages, which would increase enrollment.

Action Items

Institutional Reauthorization

Dr. Stephanie Bellard-Chase, Assistant Executive Director for Postsecondary School Authorization, presented the recommendations of staff and the Postsecondary Education Authorization Advisory Committee to grant reauthorization of institutions. A listing of the institutions is included as Attachment A to the official copy of the minutes. A motion was made by Mr. David Lillard to adopt the recommendations as presented. The motion was seconded by Mr. Jon Kinsey. There being no further discussion, Mr. White called for a vote on the motion that was duly adopted.

Temporary Authorization of New Institutions, and Approval of New Programs Under the Postsecondary Authorization Act

Dr. Bellard-Chase then presented the recommendations of staff and the Postsecondary Education Authorization Advisory Committee to grant temporary authorization to proposed new institutions and new programs. A listing of the institutions and programs is included as Attachment B to the official copy of the minutes. A motion was made by Mr. Johnson to adopt the recommendations as presented. The motion was seconded by Mr. Bone. There being no further discussion, Mr. White called for a vote on the motion that was duly adopted.

Ms. Julie Woodruff was recognized to provide a presentation on the new Federal Program Integrity rules. Ms. Woodruff noted that these regulations were for student protection in regard to holding programs accountable, overly aggressive recruiting practices, and student, program, and institutional eligibility for federal aid.

Amendment to the FY 2011-12 Disclosed Capital Projects List

Dr. Russ Deaton, Associate Executive Director for Fiscal Affairs, was recognized. Dr. Deaton stated that the 61 projects on the amended capital projects list for FY2011-12 were thoroughly reviewed in the worksession earlier in the day. He then stated staff recommends these revenue funded projects, totaling \$245M, for approval to transfer to the Department of Finance and Administration and the Governor. Mr. White then called for a motion. Mr. Johnson made a motion to approve staff recommendations. Mr. Lillard seconded the motion; the motion was duly adopted.

Information Items

Performance of New Academic Programs

Dr. Linda Doran was recognized to provide the academic performance report. Dr. Doran stated that the analysis is a valuable tool to institutions when approving new academic programs. She then recognized Mr. Mike Krause to provide the Commission with a brief overview of the analysis.

Mr. Krause briefed the Commission on the academic program analysis. He reviewed key points like how this review evaluates the new program against benchmarks in enrollment and graduation, program cost, program progress toward accreditation, and other goals agreed upon by the governing boards and THEC through program authorization.

He stated that under recent academic policy revisions adopted earlier this year, institutions are expected to engage in a more rigorous feasibility study and financial projection. Mr. Krause noted that this information provides valuable insight into the accuracy of the benchmarks utilized in the development of past academic programs, as well as the potential market demand for specific types of programs across the state. He then briefly discussed the enrollment and graduation projections for baccalaureate degrees and above.

Governor's 2011-12 Budget Recommendations

Dr. Deaton stated that the governor's 2011-12 budget recommendations were discussed at length in the work session earlier in the day. He then summarized the budget recommendations which included a two percent operating reduction for higher education with salary improvements and other items. Also included are targeted initiatives such as removal of the hold-harmless provision. No capital funding was included; however, there is \$54 M for maintenance included in the budget.

GEAR UP and College Access Challenge Grant Status Reports

Ms. Katie Brock, Associate Executive Director for GEAR UP, was recognized to provide an updated report on the progress of GEAR UP TN and College Access Challenge Grant (CACG). Ms. Brock gave a brief overview of the annual performance report. She then reviewed the APR highlights and the statewide services provided by the GEAR UP grants. Ms. Brock also discussed the increase in ACT scores, increase in teacher and school counselor participation in workshops, and increase in parental participation in advising sessions and financial aid workshops. Ms. Brock then discussed the Bridge Incentive Award, GEAR UP scholarship, US DOE grant writing competition, College Access Challenge Grant, Mentor Core lunch, and the GEAR UP Tn sustainability summit.

Status of the Race to the Top Grant

Ms. Katrina Miller was recognized to provide a status report on the Race to the Top Grant. She began by stating that March 29, 2011, marked the one-year

anniversary of Tennessee's Race to the Top win. Ms. Miller then reviewed the notable successes in year one which are: the development of a new teacher and principal evaluation system and improved opportunities for professional development. She then discussed the STEM Innovation Network and its expansion, noted the increased funding through the Charter School Growth Fund, reported feedback from educators through the TELL Tennessee Survey, and described successful UTeach replication at four higher education institutions.

Mr. Wesley Hall was recognized to provide an update on current STEM activities, including progress on the STEM Innovation Network and STEM Professional Development, as well as information on recent TVAAS training sessions conducted statewide.

Legislative Report

Mr. Will Burns, Associate Executive Director for Legal and Regulatory Affairs, was recognized to provide the legislative report. Mr. Burns noted that both education committees are scheduled to finalize their work this week, other committees next week, and the legislature is expected to adjourn in May. He noted that most bills relating to higher education were regarding the Lottery Scholarship program and a bill requiring THEC/TSAC to provide an alternative application for the scholarship other than the FAFSA.

Conflict of Interest Disclosure Policy for Commission Members

Mr. Burns then briefed the Commission on the conflict of interest policy. He stated that the conflict of interest policy is requested from each member and return the form to him or Ms. Carter within 30 days following the spring meeting, as required by policy. He noted that although a Commission member's term may be nearing completion, we are still required to obtain a form from each member.

Summer Quarterly Meeting

Dr. Rhoda advised the Commission that the next meeting will be Thursday, July 28, 2011, in the THEC board room.

There being no further business, the meeting was adjourned at 2:50 p.m.

Approved:		
Robert White Chair		

O N

Agenda Item:	I.A.

DATE: July 28, 2011

SUBJECT: Lambuth Campus Feasibility Study

ACTION RECOMMENDED: Approval

Included in the 2011 Appropriations bill was a provision for THEC to conduct a study "to determine the feasibility of the state obtaining the facilities, property and assets of Lambuth University" (Public Chapter 473). Lambuth, which ceased operations on June 30, 2011, has been negotiating the sale of the campus in order to settle approximately \$10.4 million in debt owed to various creditors with the intention of delivering it debt-free to the State of Tennessee so that a public institution could begin operating on the campus. On June 30, 2011, Lambuth University tentatively accepted a purchase offer of \$7.9 million from a local stakeholder group consisting of the city of Jackson, the Madison County Commission, the Jackson Energy Authority and West Tennessee Healthcare. That same day, the Lambuth Board of Trustees filed for Chapter 11 bankruptcy protection.

THEC staff recommend that the State of Tennessee acquire the assets of Lambuth University for use by the Tennessee Board of Regents (TBR) and the University of Memphis (UM) subject to the conditions and additional approvals as outlined in the 2011 Appropriations bill. Furthermore, as a condition of the acquisition, TBR is to develop and biannually submit to THEC plans to address the near term facilities issues with any necessary funding to be derived from external or non-state sources.

Also, THEC staff recommend a series of metrics related to enrollment projections, accreditation requirements and maintenance projects that will provide evidence in order to evaluate the success of the state's efforts at the Lambuth campus. An annual evaluation of these metrics, coupled with the significant planning efforts that TBR and UM officials have already undertaken, provides confidence that the effort to bring public higher education to the Lambuth campus is feasible with a good likelihood of success. There are costs, however, for both operations and capital maintenance that require careful consideration by state policy makers, particularly considering the austere financial climate for public higher education and the significant existing capital maintenance needs across the University of Tennessee and TBR systems.

Lambuth Campus Feasibility Study

A Report Pursuant to Chapter 473 of the 2011 Public Acts



Tennessee Higher Education Commission Richard G. Rhoda, Executive Director July 28, 2011

Table of Contents

Executive Summary	3
Introduction	4
Background and Context	4
Lambuth University Overview	7
Educational and Demographic Profile of Madison and Other Counties	8
Programmatic Aspects of University of Memphis at Lambuth	12
Lambuth Campus Infrastructure	14
Financial Considerations	19
Observations and Recommendations	22
Acknowledgements	24

Tables	Page
Higher Education State Appropriations History	5
Higher Education Capital Project Funding History	6
Lambuth University Majors	7
Other Institutional Preferences of Lambuth Students	8
Educational Attainment	9
County Demographic Comparison	10
Characteristics of Selected Jackson Area Private Institution	10
Public Institution Enrollment of Madison County Residents (2010)	11
Largest Employers in Jackson, Madison County	11
University of Memphis Lambuth Location Enrollment Projections	13
University of Memphis Lambuth Faculty Projections	13
Lambuth Facilities Summary	15
Lambuth Buildings Condition Rating	16
Identified Deferred Maintenance Projects	17
Year One Deferred Maintenance Projects by Building	17
University of Memphis, Lambuth Campus Operational Cost Estimates	20
University of Memphis, Lambuth Campus Revenue Estimates	22
	Higher Education State Appropriations History

	Appendices	Page
A -	Public Chapter No. 473	25
B -	Five Year Deferred Capital Maintenance and Outlay Projects	27
C -	2011-12 THEC Capital Maintenance and Outlay Recommendations	28
D -	Tennessee Board of Regents Physical Facilities Survey Definitions	29
E -	Tennessee Board of Regents Fire Protection Consultant Capital Report	30
F -	Tennessee Board of Regents ADA Consultant Accessibility Review	39
G -	Lambuth Campus Funding Formula Impact Methodology	46
Н -	Tennessee Board of Regents Lambuth Facilities Review	47

Tennessee Higher Education Commission Lambuth Campus Feasibility Study

Executive Summary

The potential use of the Lambuth campus by the University of Memphis (UM) is consistent with the philosophical foundations and educational attainment goals of the Complete College Tennessee Act (CCTA) of 2010. Madison County, where the Lambuth campus is located, and the surrounding counties are currently well served by the various public, private and proprietary institutions located in the area, though the addition of a public university campus would increase the array of educational offerings for Tennesseans. The academic programs that the University of Memphis intends to offer on the Lambuth campus are well thought out and consistent with local workforce needs.

The Lambuth campus infrastructure has significant deferred maintenance issues throughout various buildings on the campus, ranging from minor improvements to make the campus more compliant with the Americans with Disabilities Act (ADA) to the renovations necessary at Hyde Science Hall. In the near-term, there are facilities issues primarily related to life/safety and ADA. Addressing some of these issues will require external or non-state funds while others can be addressed programmatically and operationally. The long-term deferred maintenance issues must be evaluated in light of the significant deferred maintenance and capital outlay needs across the existing public higher education system. For operating expenses, three main revenue sources exist: student tuition revenue, \$5 million in state appropriations in 2011-12 with diminishing amounts in the three years that follow, and a portion of recurring state appropriations that activities on the Lambuth campus would earn for UM through the outcomes funding formula. If revenues from these sources are insufficient, then the campus will require a subsidy from UM or increased investment from state government or other sources of funding.

The Tennessee Higher Education Commission (THEC) recommends that the State of Tennessee acquire the assets of Lambuth University for use by the Tennessee Board of Regents (TBR) and UM subject to the conditions and additional approvals as outlined in the Appropriations bill. As a condition of the acquisition TBR is to develop and biannually submit plans to address the near-term facilities issues with any necessary funding to be derived from external or non-state sources. THEC recommends a series of metrics related to enrollment projections, accreditation requirements and maintenance projects that will provide evidence in order to evaluate the success of the state's efforts at the Lambuth campus. An annual evaluation of these metrics, coupled with the thorough planning efforts that TBR and UM officials have already undergone, provides confidence that the effort to bring public higher education to the Lambuth campus is feasible with a good likelihood of success. There are costs, however, for both operations and capital maintenance that require careful consideration by state policy makers, particularly considering the austere financial climate for public higher education and the significant existing capital maintenance needs across the University of Tennessee (UT) and TBR systems.

Introduction

On April 14, 2011 the Lambuth University Board of Trustees approved a resolution that the Jackson, Tennessee institution would cease operations on June 30, 2011. The private Methodist college that was founded in 1843 had endured several years of declining enrollments and financial pressures that ultimately imperiled its viability. Its regional accrediting body, the Southern Association of Colleges and Schools, removed Lambuth's accreditation on February 23, 2011, though a Federal court enjoined the action pending appeal. Subsequently, the Tennessee General Assembly included language in the Appropriations bill calling for a study "to determine the feasibility of the state obtaining the facilities, property and assets of Lambuth University" (Public Chapter 473). Throughout 2011, Lambuth officials were negotiating the sale of the campus in order to settle approximately \$10.4 million in debt owed to various creditors with the intention of delivering it debt-free to the State of Tennessee so that a public institution could begin operating on the campus. On June 30, 2011, Lambuth University tentatively accepted a purchase offer of \$7.9 million from a local stakeholder group consisting of the city of Jackson, the Madison County Commission, the Jackson Energy Authority and West Tennessee Healthcare. That same day, the Lambuth Board of Trustees filed for chapter 11 bankruptcy protection.

The Appropriations bill requires the state's coordinating body for higher education, the Tennessee Higher Education Commission, to review the potential acquisition of the campus, including an assessment of the Lambuth facilities. Though the legislation calls for a review of how the campus could be utilized by "one or more public institutions of higher education," it is clear that the legislation envisions the University of Memphis ultimately operating a higher education enterprise on the Lambuth campus should the state obtain the property and facilities. To that end, this study seeks to fulfill the requirements of the legislation through consideration of the various fiscal, academic and programmatic aspects of UM operating on the Lambuth campus, as well as associated infrastructure issues. Crucial to the analysis is an examination of the socioeconomic and educational context of Madison and surrounding counties from which students attending the UM at Lambuth are likely to be drawn.

Components of the study reflect substantial information generated through the comprehensive planning efforts that officials from TBR and UM have already performed, as well as the extensive Lambuth campus facility survey conducted in June 2009 by officials from TBR, UM, THEC, Lambuth University and Tennessee state government.

Background and Context

Financial Environment

As with much of the nation, Tennessee continues to be affected by the economic crisis that began in 2008. As of April 2011, Tennessee's unemployment rate was 9.6 percent, nearly double the pre-recession rate of 4.9 percent. Comparatively, the Jackson Metropolitan Statistical Area's unemployment rate was 10.2 percent versus 5.2 percent in 2007. Despite

¹ See Appendix A.

recent growth, state tax revenues still lag pre-recession levels, though Tennessee has experienced several consecutive months of sales tax revenue growth.²

The economic downturn has resulted in several years of reductions across numerous areas of state government including higher education. From 2007-08, which represented the peak of state funding for higher education measured in total appropriations, to 2010-11, state appropriations to higher education were reduced from \$1.346 billion to \$1.069 billion, a reduction of \$277 million or 20.6 percent. During the same period, full time equivalent enrollment (FTE)³ grew by 15 percent at Tennessee public higher education institutions. Funding for capital projects has fared no better as no capital outlay projects have been funded since 2007-08, with the notable exception of a special \$120 million appropriation in 2011-12 for community college and technology center projects that was linked to the Complete College Tennessee Act (CCTA), and \$11 million in 2011-12 for projects at Columbia State Community College and the UT Health Science Center. Funding for capital maintenance has been more stable with annual appropriations over the last 10 years averaging \$42 million. However, actual funding has fallen well short of the THEC recommended levels, contributing to a backlog of over \$400 million in out-year capital maintenance projects.

Table 1 – Higher Education State Appropriations History⁴

Year	Recurring	ARRA Related	Total
2007-08	\$1,346,276,300	\$0	\$1,346,276,300
2008-09	\$1,255,833,500	\$82,334,800	\$1,338,168,300
2009-10	\$1,118,661,000	\$228,383,200	\$1,347,044,200
2010-11	\$1,066,399,800	\$286,170,900	\$1,352,570,700
2011-12	\$1,068,664,400	\$0	\$1,068,664,400
Summary	\$277M or 20.6%	\$597M Over Three	\$277M or 20.6%
	Reduction	Years	Reduction

² Tennessee Department of Revenue Comparative Statement of Collected Revenues (tn.gov/revenue).

³ FTE is defined as 15 student credit hours per semester for undergraduates and 12 for graduate students.

⁴ THEC finance data.

	Capital O	utlay	Capital Maint	enance
	THEC		THEC	
	Recommendation	Actual Funding	Recommendation	Actual Funding
2011-12	\$341,830,000	\$11,000,000	\$143,160,000	\$54,700,000
2010-11	\$359,850,000	\$120,000,000	\$141,690,000	\$50,870,000
2009-10	\$378,651,000	\$0	\$121,880,000	\$11,380,000
2008-09	\$329,725,000	\$0	\$109,974,000	\$18,694,000
2007-08	\$321,110,000	\$240,330,000	\$86,660,000	\$54,350,000
2006-07	\$351,845,000	\$203,885,000	\$87,625,000	\$51,883,000
2005-06	\$273,610,000	\$155,240,000	\$399,680,000	\$44,240,000
2004-05	\$232,810,000	\$148,410,000	\$101,425,000	\$76,955,000
2003-04	\$446,175,000	\$0	\$200,000,000	\$20,810,000
2002-03	\$460,280,000	\$13,100,000	\$200,000,000	\$37,410,000

Table 2 – Higher Education Capital Project Funding History⁵

Due to the severity of state funding reductions across the nation, the federal government took the unprecedented step in 2009 of providing general operating funds for public institutions of higher education. The American Recovery and Reinvestment Act (ARRA) helped temporarily offset state funding reductions, providing nearly \$600 million in nonrecurring funding to Tennessee public higher education institutions from 2008-09 to 2010-11. With the expiration of ARRA funds at the conclusion of the 2010-11 fiscal year, the full effect of the state funding reductions since 2008-09 will be felt beginning with the 2011-12 fiscal year.

Complete College Tennessee Act

In January 2010, the Tennessee General Assembly passed the Complete College Tennessee Act, a comprehensive reform agenda that seeks to transform public higher education through changes in academic, fiscal and administrative policies at the state and institutional level. At the center of these reforms is the need for more Tennesseans to be better educated and trained, coupled with the reality of the state's diminished fiscal capacity to support higher education.

At the heart of the CCTA is a new master plan or Public Agenda⁶ for higher education which establishes the direct link between the state's economic development and its educational system. The overarching goal of the Public Agenda is to double the current number of annual college graduates from all sectors – public, private and proprietary – to have Tennessee meet the projected national average in educational attainment by 2025. The primary state policy levers for addressing the state's educational needs are a new public higher education funding formula, which incorporates outcomes in lieu of enrollment; a new Performance Funding program, which focuses on quality assurance; and the establishment of institutional mission statements or profiles, which distinguish each institution by degree level, program offerings and student characteristics.

⁵ THEC finance data.

⁶ See www.tn.gov/thec/complete_college_tn/ccta_summary.html.

THEC has implemented the policy mechanisms that are called for in the CCTA reform legislation: the 2010-15 Public Agenda, the outcomes-based funding formula and the Performance Funding program for quality assurance. These policy reforms are integrated and mutually reinforce achievement of the major goal of increasing educational attainment levels of Tennesseans. Implementation of the other major components of the reform agenda are nearing completion including more efficient student transfer, a more integrated community college system, reforms to the delivery of student remediation programs and an enhanced research focus for the University of Tennessee Knoxville and the University of Memphis, the state's two public Carnegie Research universities.

The opportunity to acquire and utilize the Lambuth campus to increase the supply of educational opportunities in Jackson and West Tennessee is consistent with the spirit and intent of the CCTA. While the area is currently well served by the various public and private institutions located nearby, the addition of a significant public university presence in Jackson will enhance the educational offerings in the area.

Lambuth University Overview

At its peak in 1995, Lambuth University enrolled 1,227 students⁷ but by fall 2010 headcount enrollment had fallen to 456. Approximately 80 percent of students were Tennessee residents, the majority of whom were from either Madison County (where Lambuth is located) or Shelby County. Average composite ACT scores range from 18 to 25, similar to most public Tennessee universities. The most popular programs at Lambuth were Health and Physical Education, Psychology and Accounting, which represented 34 percent of all bachelors degrees conferred.

Table 3 – Lambuth University Majors⁹

Popular Lambuth Majors (2007-2009 Total)					
Majors	Graduates	Percent of All Grads			
Health and Physical Education	65	15%			
Psychology	42	10%			
Accounting	38	9%			
English Language and Literature	28	6%			
Sociology	25	6%			
Adult and Continuing Ed Teaching	22	5%			
Biology/Biological Sciences	22	5%			
All Other Majors	197	45%			
Grand Total 439 100					

7

⁷ Lambuth University DataBook 2008-2009.

⁸ IPEDS Federal higher education database (nces.ed.gov/ipeds).

⁹ IPEDS Data.

The Free Application for Federal Student Aid (FAFSA), which nearly all students submit as part of the college application, provides an opportunity to examine institutional choice preferences. Students indicate on the FAFSA their institutional preferences in priority order, information that might shed light on college choice preferences of students who were attracted to Lambuth. Among Lambuth students who named an alternate college choice, 17 percent listed Jackson State Community College as their second choice and 11 percent listed it as their third choice. About 23 percent of students considered attending Union University (as their second or third choice) had they not enrolled at Lambuth. The University of Memphis was named a second or third choice by 14 percent of Lambuth students. The University of Tennessee Martin, Lane College, and Middle Tennessee State University each were listed as alternate considerations by about 10 percent of students. In total, over 40 percent of Lambuth students indicated that their second college choice was an institution located in Madison County.

Lambuth Students Who Listed Preferences for Other Colleges Second Choice Third Choice Percent Students Institution Students Percent Jackson State Community College 24 17% 8 11% 8 **Union University** 17 12% 11% 2 University of Memphis 15 11% 3% Lane College 9 6% 4 6% 2 3% Middle Tennessee State University 8 6% 8 University of Tennessee - Martin 6% 10% 58 42% 40 Other Institutions 56%

Table 4 – Other Institutional Preferences of Lambuth Students¹⁰

Further analysis indicates that Lambuth students preferred colleges in or near Jackson. Of Lambuth students who filed a FAFSA, half lived within 30 miles of Jackson and 90 percent were within a 2-hour drive. These data suggest that the type of student who had enrolled at Lambuth would likely consider enrolling at a public institution located on the Lambuth campus.

Educational and Demographic Profile of Madison and Other Counties

As of 2009, Madison County had over 97,000 residents, 64,000 of whom live within the city limits of Jackson. Madison County residents have higher levels of educational attainment compared to most other West Tennessee counties and to the state as a whole. Nearly 85 percent of residents aged 25 or over have a high school degree or GED. One third of Madison County adults have at least an associate's degree, and one quarter of adults have at least a bachelor's degree. These figures outpace those of the counties bordering Madison County by several percentage points and are slightly higher than Tennessee's overall educational attainment levels. Moreover, this gap is widening. Madison County's older workers (45-64 years of age) are only one percent more likely than Tennessee's older workers to have a bachelor's

¹⁰ THEC Analysis of FAFSA Data.

degree. Madison County's younger workers (25-34 years of age) are four percent more likely than their Tennessee counterparts to hold a bachelor's degree. As a region West Tennessee's educational attainment levels are comparable to Middle and East Tennessee. Of the adult population (age 25 and up), 22.1 percent of West Tennessee residents have a bachelor's degree, compared to 24.4 percent of Middle Tennessee residents and 20.6 percent of East Tennessee residents. ¹¹

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Tabla E	Educational	1++2inm2n+12
Table 5 -	Euucationai	Attainment ¹²

Educational Attainment of Madison County							
Po	Population 25 Years or Older with at Least						
				Age 25-34	Age 45-64		
	High School	Associates	Bachelors	Bachelors	Bachelors		
Tennessee	82%	29%	23%	26%	23%		
Madison County	85%	32%	25%	30%	24%		
*Carroll County	77%	19%	15%	17%	15%		
*Chester County	84%	30%	24%	n/a	n/a		
*Crockett County	79%	19%	15%	n/a	n/a		
*Gibson County	79%	19%	14%	16%	14%		
*Hardeman County	70%	15%	12%	12%	12%		
*Haywood County	74%	16%	11%	n/a	n/a		
*Henderson County	78%	17%	11%	10%	12%		
Shelby County	85%	33%	28%	28%	29%		

^{*}County is contiguous to Madison County; some statistics for Chester, Crockett, and Haywood Counties were not available from the Census Bureau.

Madison County's college going rate (high school graduates who immediately enroll in college) is 50 percent, which is lower than most nearby counties and the overall state rate. However, Madison County has the highest median family income and second-lowest unemployment rate among surrounding counties. Though significantly lower than the state's overall growth rate, Madison County is one of the faster-growing counties in West Tennessee. Madison County grew by nearly six percent since 2000, while Tennessee grew by over 10 percent. Over the same time period, Jackson grew by 6.4 percent.

¹¹ US Census, American Community Survey 2005-2009 data.

¹² US Census.

¹³ See THEC County Reports at

http://www.tn.gov/thec/Legislative/Reports/2011/2011%20County%20Profiles%20-%20full%20report.pdf.

Demographic Characteristics of Tennessee, Madison & Other Counties							
	College	Мє	edian Family	Unemployment	Population		
	Going Rate		Income	Rate	Growth Rate		
Tennessee	56%	\$	52,638	9.4%	10.4%		
Madison County	50%	\$	51,444	9.4%	5.8%		
*Carroll County	48%	\$	43,937	13.7%	-3.3%		
*Chester County	56%	\$	50,880	9.3%	4.8%		
*Crockett County	43%	\$	45,087	11.5%	-0.4%		
*Gibson County	56%	\$	45,799	12.4%	2.7%		
*Hardeman County	52%	\$	41,250	11.9%	-1.8%		
*Haywood County	55%	\$	41,163	13.4%	-4.7%		
*Henderson County	56%	\$	43,009	14.0%	5.7%		
Shelby County	56%	\$	55,675	9.8%	2.4%		

Table 6 – County Demographic Comparison¹⁴

Madison County is home to several higher education institutions. Jackson State Community College and Union University are the county's largest by enrollment and together comprise two-thirds of all students who attend college within Madison County. There are also four private institutions in Madison County and in the immediate area: Bethel University in Carroll County, Lane College and Union University in Madison County and Freed-Hardeman University in Chester County.

	15
Table 7 – Characteristics of Selected	Jackson Aroa Drivato Institutions 13
	Jackson Area Privare Institutions

Characteristic	Bethel	Freed-Hardeman Lane		Union
Full-Time Students	2,094	1,504	2,210	2,431
Part-Time Students	1,301	488	12	1,660
Total Headcount	3,395	1,992	2,222	4,091
Bachelor Degrees	456	245	258	564
Masters Degrees	187	119	0	436
Doctoral Degrees	0	0	0	13
Tuition and Fees	\$12,878	\$15,922	\$8,000	\$22,390

Among public institutions, Jackson State Community College (JSCC) enrolls the most Madison County residents, 1,715 in fall 2010, while the next-largest public institution, the Tennessee Technology Center at Jackson, enrolled 895 Madison County residents. Large numbers of Madison County residents also attended the University of Tennessee Martin (392), the University of Memphis (374), and Middle Tennessee State University (303). Lambuth enrolled 251 students in fall 2010 from Madison County.

15 TN Independent Colleges and Universities Association (TICUA) Characteristics Fall 2010.

^{*}County is contiguous to Madison County

¹⁴ US Census.

Table 8 – Public Institution Enrollment of Madison County Residents (2010)¹⁶

Institution	Headcount	Percent
Jackson State CC	1,715	37.5%
Jackson TTC	895	19.6%
UTM	392	8.6%
UM	374	8.2%
MTSU	303	6.6%
All Other Public	889	19.5%
Total	4,568	100.0%

Employment and Labor Force Trends

Similar to other areas of the country, economic changes are altering the makeup of the Jackson area workforce. According to the US Bureau of Labor Statistics, the Jackson metropolitan statistical area has a workforce of approximately 58,000 people. The largest major employment sector is government followed next by trade, transportation and utilities and then by the manufacturing sector. However, over the last ten years, the manufacturing sector workforce has declined from 14,300 to 9,000 while education and health services employment has grown from 6,600 to 8,700.¹⁷

According to the Jackson Area Chamber of Commerce, the largest employer in Madison County is West Tennessee Healthcare whose Jackson-Madison County General Hospital is located less than two miles from the Lambuth campus. Several large companies have manufacturing plants in the Jackson area employing significant numbers of workers including Proctor and Gamble and Delta Faucet.

Table 9 – Largest Employers in Jackson, Madison County¹⁸

Employer	Employees
West Tennessee Healthcare	4,362
Jackson-Madison County School System	1,582
Procter & Gamble	824
City of Jackson	786
Stanley Black & Decker - South	650
Union University	637
Madison County	632
Delta Faucet	600
Pinnacle Foods	592
Regional Hospital of Jackson	574

¹⁶ Fall 2010 data obtained from the THEC Student Information System.

11

¹⁷ Bureau of Labor Statistics data retrieved via the website of the Center for Business & Economic Research at the University of Tennessee Knoxville, cber.bus.utk.edu.

¹⁸ Jackson Area Chamber of Commerce.

As the Madison County area economy shifts from manufacturing towards other sectors such as health care, area higher education institutions must adapt and shift programmatic focus to reflect employment needs and trends. In recognition of the critical link between the region's economic health and educational attainment, local officials recently announced the Madison CAN (College Access Network) initiative, which provides up to \$2,000 in "last dollar" scholarships to local high school graduates who attend Jackson State Community College or the Tennessee Technology Center in Jackson. Efforts such as this, coupled with programs geared in part towards local workforce needs, link the educational attainment of the population with the region's economic strength and viability.

Programmatic Aspects of UM at Lambuth

The University of Memphis has done significant programmatic planning for the Lambuth campus, building on the current array of programs offered at UM's off campus location in Jackson (located on the Jackson State Community College campus). UM's commitment to serving the Jackson and Madison County area is longstanding, having had a presence in Jackson since 1955 and operating the JSCC center since the early 1970s. In 2010, UM enrolled 385 students at their Jackson location though a substantial portion of the enrollment was through TBR's Regents Online Degree Program (RODP) in which students identify with an institution even though they may not take classes at any physical location. Students at UM's Jackson location are primarily in business, education and nursing, mostly in upper division courses.

The University of Memphis plans to enroll students at the Lambuth location for fall 2011 with the intention of shifting all activities away from their current Jackson location. Lower division courses will be added to the current degree programs available at the JSCC location so complete undergraduate degrees can be offered in the following programs:

- Bachelor of Business Administration (Management)
- Bachelor of Science in Education (K-8 Teaching All Learners)
- Bachelor of Liberal Studies
- Bachelor of Professional Studies
- Bachelor of Science in Nursing (Currently mostly online, but UM will move to mostly campus based)

The University of Memphis plans to utilize non-traditional delivery methods, especially for programs geared towards adult learners, by employing 7-week terms, accelerated programs, and weekend courses, as well as traditional semester courses.

The Bachelor of Science in Nursing is of particular interest due to the proximity of the Lambuth campus to Jackson-Madison County General Hospital, located 1.2 miles from campus and Regional Hospital of Jackson, located five miles from campus. This program would compete with the BSN program at Union University. The University of Memphis plans to continue and initiate programs that coincide with the present interests of students at Lambuth and programs that meet evolving student demand. UM plans to eventually offer a Bachelor of Liberal Studies in Entertainment/Music Industry Studies, which was one of the most popular majors at

Lambuth University. Other degree programs will be added as needed in fine arts, humanities, social science and the sciences as the demand grows. UM plans to relocate its graduate program offerings currently at the JSCC location in the following areas:

- Master of Arts in Teaching in Secondary Education
- Master of Arts in Teaching in Special Education
- Master of Science in Education
- Doctor of Education in Higher Education
- Master of Arts in Liberal Studies

The University of Memphis has articulation agreements with JSCC in nursing, engineering technology, business, and education as well as a Dual Admission Program with JSCC enabling students to be simultaneously admitted to both JSCC and UM. Dually admitted students complete the Associate degree and then seamlessly transfer to UM. Over the next five years, UM projects total enrollment at Lambuth to increase from 250 FTE in 2011-12 to 1,000 FTE in 2015-16. Approximately 80 percent of the enrollment projections are undergraduate students.

Table 10 – UM Lambuth Location Enrollment Projections¹⁹

Enrollment Projections	2011-12	2012-13	2013-14	2014-15	2015-16
Total Projected FTE	250	460	685	775	1,000
Projected graduate FTE	50	90	135	155	200
Projected undergraduate FTE	200	370	550	620	800

For its current Jackson location, UM utilizes four full-time education professors and two business professors as well as adjuncts and full-time professors from the Memphis campus teaching in Jackson. Initially, UM projects a need for 29 faculty FTE, rising to 62 within the next five years, needs based in large part on enrollment projections and program accreditation requirements of student-to-faculty ratios. Adjunct professors as well as current UM faculty will also be utilized to teach courses on the Lambuth campus.

Table 11 – UM Lambuth Faculty Projections²⁰

Faculty Projections	2011-12	2012-13	2013-14	2014-15	2015-16
Projected Faculty FTE	29	41	52	54	62

¹⁹ Estimates provided by the University of Memphis.

²⁰ Estimates provided by the University of Memphis.

The University of Memphis has notified its regional accrediting body, the Southern Association of Colleges and Schools (SACS), about the possibility of establishing a location on the Lambuth campus. The University of Memphis is proceeding with the appropriate actions to satisfy SACS requirements and has entered into a teach-out agreement that will allow former Lambuth students to complete their studies as UM students. UM is considering the necessity of developing appropriate tenure and promotion guidelines for faculty whose duties will consist primarily in undergraduate teaching and service. On the main campus all faculty are also expected to contribute substantially to the research and graduate educational mission of those departments.

University of Memphis officials have engaged in significant planning efforts to transition programs at their existing Jackson location to the Lambuth campus. Over time, UM will complement those programs with an array of new programs designed to meet student and workforce demand. Enrollment projections contemplate a student body composed of an undergraduate population of traditional age students alongside an adult student population in both graduate and undergraduate programs, all served by a mixture of full-time and adjunct faculty. Because the traditional undergraduate student typically takes classes during the day and adult students during the evening, this model meets the local economic and workforce needs while also maximizing the utilization of the campus facilities.

Lambuth Campus Infrastructure

Covering approximately 50 acres, the Lambuth University campus is situated in an older residential area of south Jackson. There are 19 structures on campus, of which eight are dormitories, ranging from 11 to 88 years old in a classical Georgian architectural style. The infrastructure includes approximately 260,000 gross square feet of E&G space²¹, comparable in size to the smallest public institution in Tennessee, Dyersburg State Community College. The Lambuth University property was valued at \$38.3 million in a December 2009 appraisal.²² A summary of the Lambuth facilities is presented below.²³

²¹ Education and General; excludes auxiliaries, such as dormitories.

²² Appraisal performed by James P. Murdaugh, TN State Certified General Real Estate Appraiser.

²³ Derived from the Lambuth University Technical Memorandum No. 1 Inventory & Analysis prepared by Hawkins Partners, Inc., Binkley Garcia in association with Barge Cauthen & Associates, EMC Structural Engineers and I.C. Thomasson Associates; May 29, 2008.

Table 12 – Lambuth Facilities Summary²⁴

Facilities	Year Built	Gross Sq Ft						
Education and General Space								
Athletics Center	r 1969							
Student Union	1959/69	45,300						
Chapel	1957	10,700						
Arts Building	1950s	14,500						
Library	1961	24,600						
Administration/Classroom Building	1923	42,100						
Science Hall	1967	44,000						
Performing Arts Center	1948	11,800						
Christian Life Center	Unknown	900						
Maintenance Building	Unknown	7,300						
Epworth Hall	1929	Closed						
E&G Space Subtotal	260,200							
Dormitories (Auxil	iary Space)							
Carney-Johnston Hall	1967	37,800						
Harris Hall	1959	24,700						
Spangler Hall	1657	20,600						
Sprague Hall	1952	28,000						
Oxley Commons	2000	16,000						
Auxiliary Space Subtotal		127,100						
Grant Total								

In summer 2009 an extensive assessment of the facilities was performed by staff from TBR, THEC, UM and a group of consultants with expertise in areas such as engineering, fire safety and building codes. The assessment included a comprehensive examination of the various building systems (heating, ventilation and cooling systems or HVAC, electrical, etc.), the shell and substructure (foundation, basement), interior construction and general building components such as furnishings, safety standards and site conditions. At that time, TBR staff determined that the condition of facilities, including the level and quality of maintenance of the campus, was comparable to that of other TBR institutions. While the TBR staff has not assessed the campus since the initial 2009 visit, the UM facilities staff has visited the campus on multiple occasions during 2011. Based on their observations and discussion with maintenance staff at Lambuth, they conclude that the current condition of the Lambuth facilities is consistent with the conditions found during the initial 2009 visit.

The information obtained from the 2009 survey produced a Building Condition Rating²⁵ for most structures on the Lambuth campus. Buildings with condition ratings of around 90 generally require only minor repair work, while ratings of 80 require more extensive maintenance. Ratings of 70 indicate that upgrades are required and that some systems need

15

²⁴ Of the educational and residential buildings on campus, five were encumbered as collateral for outstanding loans as of June 2011: Varnell-Jones Administration building, the Performing Arts Center, the library, Epworth Hall and Oxley Commons.

²⁵ See Appendix D.

components to be replaced. If a building has a general condition rating of 60, then major upgrades or replacement of certain components are required in various systems throughout the building. While the campus presents well and is aesthetically in excellent shape, many of the buildings are in such condition where capital maintenance improvements and repairs are necessary.

Table 13 – Lambuth Buildings Condition Rating²⁶

Facilities	Condition Rating
Performing Arts Center	83.9
Library	79.4
Administration/Classroom Building	74.1
Athletics Center	70.5
Student Union	65.5
Science Hall	64.2

A particular area of concern for the Lambuth facilities is that Jackson is an area with significant seismic risk, sitting less than 100 miles from the New Madrid fault. The campus buildings, which were generally built prior to 1969, are considered to have poor seismic performance. Future seismic upgrades to campus buildings would be of an unknown cost and complexity.²⁷

Deferred Maintenance Issues

The comprehensive facilities assessment was also used to generate a projection of deferred maintenance projects that range from HVAC upgrades to asbestos removal to ADA upgrades. Of the \$20 million in total deferred maintenance projects that were identified throughout the Lambuth campus, \$5.8 million is required to address issues at what is generally considered to be the facility in most need of maintenance, Hyde Hall, which houses science classrooms and lab space.

The top priorities for deferred maintenance identified by the comprehensive facilities assessment totaled \$11.98 million for over 50 identifiable projects, of which 12 have an estimated project cost of over \$100,000. Of this total, however, over \$4 million is identified for auxiliary projects which are not funded from state sources. The \$5.8 million required for Hyde Hall, mentioned above, is included in the estimates, representing the bulk of the E&G cost estimate. For this analysis, the labels "year one" through "year five" essentially represent potential sequencing of projects rather than a chronology of when issues should be addressed. The data in Table 14, though derived from the 2009 comprehensive facilities assessment, is not rigid and it does not represent a recommended schedule of maintenance projects. Some

²⁶ Not all buildings were rated during the facilities assessment.

²⁷ According to the Lambuth University Technical Memorandum No. 1 Inventory & Analysis prepared by Hawkins Partners, Inc., Binkley Garcia in association with Barge Cauthen & Associates, EMC Structural Engineers and I.C. Thomasson Associates; May 29, 2008.

projects, such as the maintenance issues at Hyde Hall science building, can be delayed as UM does not intend to utilize Hyde Hall initially. While the projects are clearly identifiable, the timeline for addressing the deferred maintenance issues is flexible.

Table 14 – Identified Deferred Maintenance Projects²⁸

Timeframe	E&G	Auxiliary	Total
Year 1	\$7,967,000	\$4,016,000	\$11,983,000
Year 2	\$1,635,000	\$65,000	\$1,700,000
Year 3	\$4,718,000	\$413,000	\$5,131,000
Year 4	\$302,000	\$180,000	\$482,000
Year 5	\$420,000	\$560,000	\$980,000
Totals	\$15,042,000	\$5,234,000	\$20,276,000

Table 15 – Year One Deferred Maintenance Projects by Building²⁹

Facilities	Maintenance					
Education and General Space						
Athletics Center	\$348,000					
Student Union	\$745,000					
Chapel	\$12,000					
Arts Building	\$25,000					
Library	\$336,000					
Administration/Classroom Building	\$213,000					
Science Hall	\$5,810,000					
Performing Arts Center	\$78,000					
Campus Wide	\$400,000					
E&G Space Subtotal	\$7,967,000					
Auxiliary Space						
Carney-Johnston Hall	\$997,000					
Harris Hall	\$1,011,000					
Spangler Hall	\$1,019,000					
Sprague Hall	\$969,000					
Oxley Commons	\$20,000					
Auxiliary Space Subtotal	\$4,016,000					
Grand Total	\$11,983,000					

Life/Safety and ADA (Americans with Disabilities Act) Issues

In addition to the identified deferred maintenance needs, an assessment was made of improvements necessary for the Lambuth facilities to meet current code requirements for occupant safety. This assessment, included as part of the comprehensive facilities assessment in 2009, was performed by Bill Wamsley, a Fire Protection Consultant. In his written report, Mr.

²⁸ Data generated from the comprehensive facilities assessment performed in summer 2009.

²⁹ Data generated from the comprehensive facilities assessment performed in summer 2009.

Wamsley presents a list of issues that in his judgment must be addressed and resolved prior to occupancy. Acknowledging that the ultimate determination of compliance rests with the State Fire Marshal's office, the list of recommendations includes specific improvements to the administrative and educational buildings on campus. A similar list of recommendations for the residential facilities was provided in summer 2011. Among the improvements recommended are new fire rated doors at certain building exits, emergency lighting and exit upgrades and proper storage of combustible materials.

In June 2011, Barry Bonifay, an ADA consultant, conducted a walk-through of Lambuth University to assess campus ADA issues.³¹ His assessment identified ADA issues throughout the campus including parking, restrooms and building access. Based on his correspondence with the US Department of Justice, Mr. Bonifay concluded that a change in ownership of the Lambuth campus would not trigger additional minimum requirements for compliance with Title II (program accessibility) and Title III (public accommodation). It is important to note that some of the identified issues can be addressed by programming, planning or operational procedures and that some of the identified issues require minimal or no financial resources to resolve.

Issues related to life/safety and ADA compliance are the primary near-term maintenance issues on the Lambuth campus. Along with any necessary environmental studies, the Fire Marshall will ultimately determine whether a building is able to be occupied and utilized. Undoubtedly, some of the life/safety and ADA issues identified by the preliminary assessments will require funding from some external or non-state source. Other potential issues could be addressed over a reasonable timeframe as enrollment expands and UM begins to utilize more of the space on the Lambuth campus. UM will also likely resolve some issues with routine maintenance work that does not rise to the level of a capital maintenance project.

TBR and UM, with assistance from consultants, developed preliminary cost estimates that provide a general sense of the potential magnitude of the tasks involved to resolve the life/safety and ADA issues identified by the consultants.³² The resolution of these near-term items identified by the consultants in non-auxiliary buildings would require approximately \$3.5 million, with an additional \$2.3 million to address issues in the residence halls. These preliminary estimates are not the result of a detailed cost estimation process and are subject to change due to several factors.

The cost estimates assume that every identified issue would need to be addressed through some modification to a facility. They do not take into consideration the consultant's opinion that a number of the identified ADA issues can be resolved if spaces are planned or programmed in ways that meet accessibility requirements. To the degree that ADA issues can be resolved programmatically, the cost estimates within this assessment overstate the potential requirement.

³⁰ See Appendix E.

³¹ See Appendix F.

³² See Appendix H.

- ADA issues are interrelated in that once sufficient ADA compliant classrooms have been provided in one building, then UM can schedule classes that require accessibility as necessary without the need to address classroom accessibility issues in other buildings. It should be noted that TBR institutions widely engage in the practice of scheduling classes and events to meet ADA accessibility requirements.
- The State Fire Marshall will make the final determination on what constitutes a life/safety/code item and how those items shall be addressed. Therefore, the consultant's report may over or under estimate the list of potential requirements, thus impacting the preliminary cost estimates.
- These estimates are based on TBR and UM staff knowledge of the costs for facilities renovations within the processes employed by TBR and the State Building Commission. Assuming that whatever facilities issues need to be addressed are managed through processes engaged in by the local stakeholder group or others, these estimates may overstate or understate the actual costs.

Finally, though there will possibly be some limited need for recreational facilities, TBR and UM will need to determine what to do with the athletics facilities and the fraternity and sorority houses that Lambuth owns.

Due to the condition of the buildings and the deferred maintenance needs, the campus infrastructure offers perhaps the most significant challenge to the establishment of a public presence at the Lambuth location. State investment in long-term capital maintenance projects for the UM Lambuth campus must be assessed with an acknowledgment of significant deferred maintenance and capital outlay needs throughout the Tennessee public higher education system. Also, there are issues related to life/safety and ADA that require resolution in the near-term, possible even before occupancy of certain buildings, throughout the campus.

Financial Considerations

Expenditures

Based on their enrollment projections, the University of Memphis estimated the operational costs of the Lambuth campus for the five year period 2011-12 through 2015-16. The total projected expenditures increase from \$7.3 million in 2011-12 to \$11.3 million in 2015-16. In projecting the operational costs, UM intends to leverage the capabilities and functions of the main campus, capitalizing on economies of scale, avoiding unnecessary duplication of services, and minimizing administrative overhead and operational costs. This principle will extend to all functions and services: business, facilities, academic, and student services. Currently, UM has a small administrative staff to operate the Jackson site. Once activities are shifted to the Lambuth campus, the staff will be supplemented over time as enrollment grows. Principally, administrative functions for the Lambuth campus will be performed from the Memphis campus, though there will be a need for facilities and operational staff at Lambuth. UM does not intend to implement a chargeback to the Lambuth campus.

Table 16 – University of Memphis, Lambuth Campus Operational Cost Estimates³³

	2011-12	2012-13	2013-14	2014-15	2015-16
Total Projected FTE Enrollment	250	460	685	775	1000
Undergraduate	200	370	550	620	800
Graduate	50	90	135	155	200
Total Projected FTE Faculty	29	41	52	54	62
Instruction	\$ 3,199,800	\$ 3,635,600	\$ 4,548,100	\$ 5,006,200	\$ 6,464,100
Research	-	-	-	-	-
Public Service	22,900	28,000	30,000	34,000	38,000
Academic Support	464,100	483,000	525,000	588,000	625,000
Student Services	545,000	598,000	665,000	695,000	874,000
Institutional Support	332,000	355,000	378,000	390,000	432,000
Operations & Maintenance	2,450,000	2,200,000	2,266,000	2,300,000	2,404,000
Scholarship and Fellowships	303,000	340,000	350,000	357,000	427,000
Total Projected Expenditures	\$ 7,316,800	\$ 7,639,600	\$ 8,762,100	\$ 9,370,200	\$ 11,264,100

Revenues

The General Assembly appropriated \$5 million in non-recurring funding for 2011-12 for UM to support operations at the Lambuth campus subject to the following conditions:

The allotment of funds appropriated by this item shall be subject to approval of the Commissioner of Finance and Administration after the requirements of paragraph (a) of this item are fulfilled and upon certification by the Chancellor that: (a) an operating budget for activities on the Lambuth Campus has been developed by the University of Memphis and approved by the Board of Regents; (b) funds authorized by the State hereunder will not be used for capital purposes; (c) the facilities to be used are made available to the University of Memphis in good serviceable order, without the need for capital maintenance at the time made available, and free and clear from all liens and encumbrances; and, (d) all outstanding debt of Lambuth University has been paid off from non-state sources.

Over the subsequent three years, the legislation envisioned diminishing amounts of support: \$3 million in 2012-13; \$2 million in 2013-14 and \$1 million in 2014-15. Of course, these amounts are subject to appropriations decisions during future sessions of the General Assembly. The legislative intent of these funds is as follows:

The funds appropriated in this item shall be used to subsidize operational costs of the Lambuth campus, it being the legislative intent that these state funds be used as an initial sum to begin transitioning such campus from a separate funding unit of higher

³³ Estimates provided by the University of Memphis.

education under the leadership of the University of Memphis into a regular operating unit of the University of Memphis over a period of five (5) years.

In addition to the \$5 million in non-recurring state appropriations for 2011-12 that will supplement the operations of the campus, it is possible to analyze the level of state appropriations that is generated for UM by the outcomes and activities at the Lambuth campus. Because of the sophistication of the THEC Student Information System, a database of student enrollment and degree information generated by data supplied by TBR and UT, institutional outcome data can be analyzed by location. Therefore, THEC can isolate the outcomes produced at the current UM location in Jackson and potentially at Lambuth. These outcomes can then be analyzed through the outcome-based funding formula to determine what portion of the UM state allocation in any given year is attributable to activities at the Lambuth location. This has the practical application of allowing THEC, TBR and UM to understand the level of state appropriations received by UM that would be based on activities at Lambuth. This information, which THEC will report annually to TBR and UM, will allow UM to make budgetary and programmatic decisions regarding the Lambuth location, in fulfillment of the language cited above.

Based on the UM Lambuth enrollment projections, outcome estimates were generated for the Lambuth campus.³⁴ Along with infrastructure data (educational and general square feet), state operating appropriations were projected through the outcomes based funding formula. The 2012-13 funding formula will utilize outcomes generated in 2010-11, thus not including any outcome data for the Lambuth campus though it will include outcomes produced at UM's current Jackson location.³⁵ The UM Lambuth enrollment projections as well as the campus infrastructure data would generate outcomes that produce an estimated \$4.2 million in 2017-18 when UM projects the campus to reach 1,000 student FTE. To be clear, these estimates represent the portion of the UM state appropriation that is attributable to the Lambuth campus. These estimates, like all projections of future state appropriations, are contingent on productivity changes at other institutions as well as the overall level of state higher education appropriations.

The enrollment projections established by UM also provide a direct way to estimate tuition and fee revenues generated by enrollment at the Lambuth location. Student fee revenue estimates are based on actual 2010-11 tuition revenue at UM with a projected five percent tuition increase for subsequent years.

³⁴ See Appendix G. These estimates were based on UM outcomes per FTE and applied to projected Lambuth enrollment to generate outcomes for student progression, student transfers, bachelors degrees and masters degrees, including student subpopulations.

³⁵ Outcome data from 2010-11 would include information for summer and fall 2010 and spring 2011, obviously before UM's involvement at the Lambuth location.

Table 17 – University of Memphis, Lambuth Campus
Revenue Estimates³⁶

Revenues	2011-12*	2012-13**	2013-14***	2014-15	2015-16
Formula Impact	\$603,000	\$1,345,000	\$1,635,000	\$2,307,000	\$3,085,000
Student Fee Revenue	\$1,713,800	\$3,294,600	\$5,127,100	\$6,063,200	\$8,179,100
Non-Recurring State Appropriations	\$5,000,000	\$3,000,000	\$2,000,000	\$1,000,000	\$0
Total	\$7,316,800	\$7,639,600	\$8,762,100	\$9,370,200	\$11,264,100

NOTE: THEC estimates the formula impact to be \$3.4 million in 2016-17 and \$4.2 million in 2017-18

Observations and Recommendations

The chance to utilize the former Lambuth property provides the state with a unique opportunity to quickly ramp up a campus in an area of Tennessee without a public university presence. However, utilization of the Lambuth campus offers several financial and programmatic challenges.

- The University of Memphis and TBR have engaged in thorough planning and have done their due diligence in anticipating the various challenges that this opportunity presents. While there are no acute gaps in educational opportunities, given the presence of JSCC and the TTC-Jackson along with the private and for-profit institutions in that area of West Tennessee, the addition of the University of Memphis at Lambuth would certainly contribute to the range of higher education offerings in Madison County. The presence of a public university would add an affordable option to the array of educational offerings that has been lacking heretofore. Undoubtedly, this is consistent with the CCTA and its goal of increasing educational attainment of Tennesseans.
- For the Lambuth location, the University of Memphis contemplates the relocation of programs at its current Jackson location as well as an array of additional programs that fit the needs of the area, particularly considering the role that the health care industry plays in the local economy and the proximity of Lambuth to Jackson's largest hospital.
- The state's decision to utilize the Lambuth campus should consider the current backlog of capital outlay and maintenance needs across higher education. Specifically, there are both long-term deferred maintenance issues that must be addressed on the Lambuth campus, as well as near-term issues such as ADA and life/safety that require immediate attention (some possibly even before occupancy). Determining the priority that the long-term deferred maintenance projects warrant compared to the significant deferred capital needs across the UT and TBR systems represents a significant challenge.

^{*2011-12} Formula Impact number is due to the current UM Jackson location outcome data.

^{**2012-13} Formula Impact begins to include Lambuth facility data and UM Jackson location outcome data.

^{***2013-14} Formula Impact begins to account for outcomes generated from UM Lambuth enrollment projections.

³⁶ Student fee revenue estimates were provided by the University of Memphis; formula impact estimates were performed by THEC.

State appropriations through the outcomes formula are difficult to project and will be a function of overall state higher education appropriations as well as the productivity levels of the Lambuth campus and productivity changes across other universities and community colleges. Because that source of funding is competitive and therefore unknown, there may be additional pressure on tuition revenue as a source of funding or for the state to increase or prolong its non-recurring operating support. These considerations increase the cost either to the state, to the University of Memphis or to students.

Considering these factors, THEC recommends that the State of Tennessee acquire the assets of Lambuth University for use by TBR and UM subject to additional approvals as outlined in the Appropriations bill:

Should the report recommend that the assets of Lambuth University be obtained by the state, the appropriate governing board shall take action pursuant to its by-laws to adopt the report and commit to fulfilling any conditions outlined in the commission's recommendation. The transaction will not become final unless and until the conditions have been met by the appropriate governing board and/or institution, the state building commission approves the acquisition of any real property, and the speakers of both the Senate and House of Representatives approve a budget expansion acknowledging the funding sufficient to pay for the transaction.

Assessments of the Lambuth campus have generally identified two categories of facility issues, as discussed in this report. The state will have to consider the long-term deferred maintenance issues in the coming years in light of a backlog of deferred maintenance projects throughout the TBR and UT systems. The near-term facilities issues, primarily related to life/safety and ADA, are the principal factor in ensuring that the campus is in good serviceable order, as required by the legislation.

As a condition of the acquisition, TBR is to develop plans to address the near-term facilities issues, primarily related to life/safety and ADA, on the Lambuth campus. This plan, which is to be submitted biannually to THEC as part of the operating budget cycle, is to be based on final results and determinations of the Fire Marshall, environmental surveys and both current and any further assessments of the Lambuth facilities. The plan shall identify how and in what timeframe TBR and UM will address the facility issues, whether by programmatic or operational remedies, or the funding amounts required to resolve the facility issues. The funding source for these issues shall be identified and are to be derived from external or non-state sources, whether gifts, UM funds, contributions from local sources or others.

As an additional condition, THEC recommends several metrics to be reported on and analyzed annually by UM and TBR that will provide a measure of the success of the Lambuth campus.

- Have all institutional and program accreditation requirements been met?
- Have enrollment and faculty projections been met?

- Have all ADA, life/safety and necessary deferred maintenance projects been completed or are they scheduled to be completed?

Acknowledgements

The many members of the THEC staff who contributed to this report gratefully acknowledge those individuals who provided information, feedback and perspective necessary to its completion. In particular, various staff members at the Tennessee Board of Regents and the University of Memphis were very helpful and responsive, providing essential data and information. Any endeavor of this magnitude and on this timeframe requires many hands to bring it to fruition. We are thankful to all who provided assistance.

Appendix A

Public Chapter No. 473

SECTION 72

Item 11. To the Board of Regents for the purpose of allocating such sum to the University of Memphis to operate a higher education enterprise in Jackson, Tennessee, using the Lambuth campus, the sum of \$5,000,000 (non-recurring) from the Revenue Fluctuation Reserve (Rainy Day Fund) and intended as year one (1) of four (4) appropriations of declining amounts, to be available under the following conditions:

- (a) It is the legislative intent that the staff of the Tennessee Higher Education Commission shall, in coordination with the Board of Regents, the University of Memphis, and other relevant entities, and in accordance with § 49-7-202(c)(10), conduct a study to determine the feasibility of the state obtaining the facilities, property and assets of Lambuth University. The review shall include, but not be limited to, the condition and value of physical structures and real property, value of other assets and the debt obligations of Lambuth University. The review shall also include an evaluation of the extent that the campus could be utilized to provide postsecondary instruction by one (1) or more public institutions of higher education. No later than August 1, 2011, the Tennessee Higher Education Commission shall report its findings to the Governor, Commissioner of Finance and Administration, and the Chairs of the Senate and House Education and Finance, Ways and Means committees. Such findings shall include a recommendation as to the feasibility of obtaining the assets of Lambuth University, any preconditions that should be met prior to the state obtaining the campus, and specific recommendations on academic HA0613 programs or coursework that one or more public institutions of higher education would provide at the campus. Should the report recommend that the assets of Lambuth University be obtained by the state, the appropriate governing board shall take action pursuant to its by-laws to adopt the report and commit to fulfilling any conditions outlined in the commission's recommendation. The transaction will not become final unless and until the conditions have been met by the appropriate governing board and/or institution, the state building commission approves the acquisition of any real property, and the speakers of both the Senate and House of Representatives approve a budget expansion acknowledging the funding sufficient to pay for the transaction.
- (b) The funds appropriated in this item shall be used to subsidize operational costs of the Lambuth campus, it being the legislative intent that these state funds be used as an

initial sum to begin transitioning such campus from a separate funding unit of higher education under the leadership of the University of Memphis into a regular operating unit of the University of Memphis over a period of five (5) years. Funds appropriated within this item shall be used for operating rather than capital purposes. The allotment of funds appropriated by this item shall be subject to approval of the Commissioner of Finance and Administration after the requirements of paragraph (a) of this item are fulfilled and upon certification by the Chancellor that: (a) an operating budget for activities on the Lambuth Campus has been developed by the University of Memphis and approved by the Board of Regents; (b) funds authorized by the State hereunder will not be used for capital purposes; (c) the facilities to be used are made available to the University of Memphis in good serviceable order, without the need for capital maintenance at the time made available, and free and clear from all liens and encumbrances; and, (d) all outstanding debt of Lambuth University has been paid off from non-state sources. No later than January 15, 2012, the Chancellor and President of the University of Memphis shall submit a report to the Governor, Commissioner of Finance and Administration, and Chairs of the Senate and House Education and Finance, Ways, and Means committees summarizing activities, progress, and plans related to accomplishing the legislative intent of this item and accounting for the use of the funds appropriated hereunder and any remaining balance of such funds.

Appendix B

Five-Year Deferred Capital Maintenance and Outlay Projects

Capital Maintenance Proposed Projects

	UT	TBR	Higher Education
	Projects	Projects	Projects
2011-12	12	86	98
2012-13	14	25	39
2013-14	14	25	39
2014-15	12	25	37
2015-16	18	14	32

	UT	TBR	Higher Education
	Total	Total	Total
2011-12	\$34,320,000	\$86,610,000	\$120,930,000
2012-13	\$40,220,000	\$27,560,000	\$67,780,000
2013-14	\$29,980,000	\$58,710,000	\$88,690,000
2014-15	\$34,850,000	\$62,080,000	\$96,930,000
2015-16	\$36,310,000	\$14,700,000	\$51,010,000

Capital Outlay Proposed Projects

	UT	TBR	Higher Education
	Projects	Projects	Projects
2011-12	4	17	21
2012-13	4	10	14
2013-14	5	3	8
2014-15	3	n/a	3
2015-16	3	n/a	3

	UT	TBR	Higher Education
	Total	Total	Total
2011-12	\$159,600,000	\$236,650,000	\$396,250,000
2012-13	\$170,400,000	\$199,310,000	\$369,710,000
2013-14	\$105,900,000	\$153,210,000	\$259,110,000
2014-15	\$153,200,000	n/a	\$153,200,000
2015-16	\$76,000,000	n/a	\$76,000,000

Appendix C

2011-12 Capital Maintenance and Outlay Projects

2011-12 Capital Maintenance

UT	THEC Recommendation	Governor's Recommendation	Legislative Action
Projects	21	6	6
Total Amount	\$57,450,000	\$23,920,000	\$23,920,000

TBR	THEC	Governor's	Legislative
· on	Recommendation	Recommendation	Action
Projects	85	26	26
Total Amount	\$85,710,000	\$30,780,000	\$30,780,000

Total Higher	THEC	Governor's	Legislative
Education	Recommendation	Recommendation	Action
Projects	106	32	32
Total Amount	\$143,160,000	\$54,700,000	\$54,700,000

2011-12 Capital Outlay

UT	THEC Recommendation	Governor's Recommendation	Legislative Action
Projects	4	0	1
Total Amount	\$159,600,000	\$0	\$4,500,000

TBR	THEC Recommendation	Governor's Recommendation	Legislative Action
Projects	3	0	1
Total Amount	\$182,230,000	\$0	\$6,500,000

Total Higher	THEC	Governor's	Legislative
Education	Recommendation	Recommendation	Action
Projects	7	0	2
Total Amount	\$341,830,000	\$0	\$11,000,000

Appendix D

Tennessee Board of Regents Physical Facilities Survey Definitions

Tennessee Board of Regents
Physical Facilities Survey
http://pfs.tbr.edu/

The objective of the Physical Facilities Survey is to investigate and document the current condition of all TBR buildings in a uniform format and with a consistent rating system. The survey is based on the CSI UniFormat.

Each campus needs to maintain its PFS information, with appropriate updates when any significant work has been done on a building, there has been a change in the building condition or it during the annual Capital Budget request.

Summary of Scores:

100%	The "basis rating" if no deficiencies are identified - no funds required.
90%	Minor repair work is required – probably campus maintenance.
80%	Repair work required - possibly requiring engineering.
70%	Upgrade required - replacement of some components.
60%	System salvageable - major upgrade or significant replacement of components required.
50%	Partially functions, but ineffective/inappropriate - needs midterm (5 to 10 years)
	replacement.
40%	Limited function/reliability - replacement required.
30%	Low function - serious problems (code/safety) - replacement required.
20%	Barely functioning - causing other damage - replacement required in near term
10%	Failed system that needs immediate replacement.
0%	Does not exist-but is required - totally failed causing serious damage.

Appendix E

Tennessee Board of Regents Fire Protection Consultant Capital Report

BILL WAMSLEY, FIRE PROTECTION CONSULTANT

June 07, 2011

Mr. Carl Manka
Tennessee Board of Regents
Office of Facilities Development
1415 Murfreesboro Rd.
Suite 664
Nashville, TN 37217-2833

Re: Lambuth University
Jackson, Madison Co., TN

Dear Mr. Manka:

As a result of trying to narrow the specific code requirements for the buildings surveyed at Lambuth University in June of 2009, I present to you a list of code issues that in my opinion, must be addressed and resolved prior to occupancy of specific buildings. This list of code issues does not include any of the residential or dormitory buildings, only the administrative, academic and support buildings.

As a result of the narrowing of issues, the following are those that in my opinion as a minimum need to be addressed. However, the State Fire Marshal's Office will make the final determination as to which issues are mandatory for compliance. The data on which my opinions are based are the results of the tour and inspection conducted in June of 2009. Some of the conditions observed during that tour may have changed, been altered or deteriorated further since the report was written. Therefore, the following comments are limited to my findings at that time:

I. Varnell-Jones Building

- A. The ceiling tiles identified as being combustible ceiling tiles located in the stairwells and on the ceiling of the second floor should be completely removed and replaced with new ceiling tiles that are not as combustible in nature are those that are currently in place.
- B. New fire rated doors should replace the current doors used to enclose the exit stairwells in the building. The current doors are not fire rated and contain more glass than is allowed for an exit stair. The new doors should also include new hardware such as self-closing devices and latching hardware.
- C. The building's fire alarm system is currently not extended into the basement level. The fire alarm system should be expanded to include the entire basement.

II. Hyde Hall Science Building

- A. The ceiling tiles located on the walls of the Planetarium also appear to be combustible tiles and should be replaced with tiles that are not as combustible as those already in place.
- B. An additional remote egress door needs to be installed in the lecture hall to provide the required second egress door from the room since the number of seats in the room are currently at 91. Anything over 50 requires at least 2 ways out of that room.
- C. If the existing chemistry labs are going to continue in use, the rooms or spaces to be used as labs need to be separated completely from all other portions of the building by one hour construction. This includes the walls, ceilings and floors.
- D. All flammable and combustible liquids need to be stored in approved flammable liquids storage cabinets.
- E. Emergency lighting needs to be upgraded and or installed throughout the egress and exit systems.
- F. Any exhaust hoods located in any of the laboratory units that use flammable and combustible liquids should have the exhaust hoods replaced.

G. The enclosure of the exit stairwells is causing the doors opening onto the stairwell to encroach upon the distance to the stair treads and risers. In some instances, the distance between the door when opened to be within 1 ½ to 3 inches.

III. Theater Building

- A. Emergency lighting needs to be upgraded and new fixtures need to be installed throughout the auditorium and egress and exit systems.
- B. The workroom where stage scenery is made and painted and where the scenery and flammable liquids are stored needs to be completely enclosed with materials providing a one hour fire rating as well as being provided with a sprinkler system.

IV. Art Building

A. Provide properly enclosed storage cabinets or rooms for all flammable and combustible liquids and materials.

V. Wilder Student Union Building

- A. The kitchen hood and duct system should be replaced prior to any cooking.
- B. The exit stair from the second floor needs to be reconfigured so that the exit routes are clearly marked and provide a fire rated enclosure to the outside of the building.
- C. The fire alarm system needs to be upgraded or replaced so that it is in proper working condition.
- D. All dead bolt locks need to be removed from all exit and egress doors throughout the building.
- E. All penetrations through the walls and ceiling of the boiler room need to be sealed completely so there are no opening around the penetrations.

- F. Emergency lighting needs to be upgraded in the egress corridor and exit stairwell systems and in the cafeteria.
- G. The enclosure of the exit stairwells needs to be altered so that the doors into the stairwell, when fully opened does not encroach upon the first riser of the stair (when door is opened, it is too close to the edge of the stair).

VI. Gobbel Library

- A. The exit stair at the rear of the building needs to be reconfigured so that the stair enclosure is continuous to grade on all levels of the building.
- B. The penetrations through the boiler room walls need to be sealed tightly to maintain the fire rated separation.
- C. Stairwell doors need to be replaced with fire rated doors and hardware.

VII. Athletic Center Building

- A. The dead end corridor that leads back to the Dance Studio needs to be eliminated.
- B. Doors to the exit stairwells need to be installed or replaced so that the fire rated enclosures are maintained. Where new doors are being installed, they need to meet the proper minimum widths. Existing doors to stairwells are only 30 inches in width.
- C. The corridor systems serving the second floor need to be separated from the vertical opening created by the gymnasium.
- D. Handrails need to be provided on the exterior stairs of the building.
- E. The doors that are in the stairwells and where the door encroaches too closely to the stair treads and risers need to be altered so that the door does not open too close to the steps.
- F. A remote fire alarm control panel needs to be installed in the building so that it is visible to the occupants of the building.

VIII. Chapel Building

A. No work necessary at this time.

IX. Campus Wide Infrastructure

- A. Since the building will be changing from a privately owned university to a State owned university, ADA and accessible accommodations will be required to be made throughout the campus. This includes parking, accessible routes to buildings, restrooms within the buildings, etc.
- B. Ensure that all existing fire protection and life safety systems are working properly and in operating condition. These include any sprinkler systems, fire alarm systems, emergency lighting systems and smoke detection systems.

This concludes my opinions and recommendations of the work that should be addressed prior to occupancy of the above buildings. If you should have any questions or comments, please do not hesitate to ask.

BILL WAMSLEY, FIRE PROTECTION CONSULTANT

July 05, 2011

Mr. Carl Manka
Tennessee Board of Regents
Office of Facilities Development
1415 Murfreesboro Rd.
Suite 664
Nashville, TN 37217-2833

Re: Dormitory Issues
Lambuth University
Jackson, Madison Co., TN

Dear Mr. Manka:

On June 07, 2011 I sent you information regarding code conditions for the administrative, academic and other support buildings but with the exception of the residential buildings on the campus of Lambuth University. The code conditions were narrowed from the original conditions found during the June 2009 inspection and survey of the campus to include only the most important and severe conditions as it relates to fire and life safety issues.

This report is intended to address only fire and life safety conditions found in the residential buildings on campus. Since there was no report required for the residential buildings after the 2009 surveys were performed, this report is intended to identify those conditions. As presented in the June 2011 report, the conditions identified in this report are based upon the requirements for existing buildings as outlined in the Life Safety Code. The State Fire Marshal's Office may have a differing opinion than those I am listing in my report. However, it is my opinion that the conditions addressed in this report should the most critical of the conditions present in each building. There are other conditions present that do not present the concern that those listed in this report present, but for the purposes of this report they are not included. Therefore, the following conditions are those that I consider to be the most critical to address when attempting to determine which conditions should be addresses initially:

I. Oxly Square Apartments

A. The sprinkler system serving these apartments did not appear to have been maintained as well as it should have been. The sprinkler riser serving the building was located in a closet in one of the individual apartments. The sprinkler system should be completely re-evaluated by a licensed sprinkler contractor. If exceptions are being provided for other code requirements in the building, it is important to know that the system is performing as it was originally designed to do.

2. Spangler Dormitory

- A. The building is not sprinklered. Due to the number and type of code violations discovered in this dormitory building, it is my opinion that this building should be fully sprinklered.
- B. The doors to the individual sleeping rooms from the corridor have no selfclosing devices. Since the corridor walls are required to be fire rated for 30 minutes and smoke tight, all doors opening onto the corridor need to have self-closing devices installed on each door. The doors in the corridor walls need to be closed at all times when not in use.
- C. The door to the laundry room in the basement was missing at the time of the survey.
- D. There are also several piping and conduit penetrations located in the corridor walls. The annular spaces (space around the actual penetration) are not sealed tightly. The lack of being sealed will allow smoke, toxic fumes and other products of combustion to enter into the corridor systems in the event of a fire in one of the adjacent rooms. This will contaminate the corridor systems and could prevent their use when attempting to evacuate the building.
- E. At the time of the survey in 2009, the fire alarm control panel for the building was in the trouble mode. This means that some event caused the panel to show a problem in its circuitry. The fire alarm system should be completely inspected and evaluated by a licensed fire alarm contractor before reoccupying the building.

- F. The only fire alarm pull stations found in this building were located in the basement. Pull stations are required immediately adjacent to each exit stairwell door on each floor.
- G. The exit stairs serving all four stories of this building do not discharge to the outside of the building as required.
- H. The corridor systems in this building appear to be used as a return air plenum which is not permitted in a dormitory building that is not sprinklered.

3. Harris Hall Dormitory

- A. This building is not sprinklered and is 4 stories in height.
- B. The laundry room on the lowest level opens into one of the required exit stairwells. A laundry room is not permitted to open into an exit stairwell.
- C. The walls forming the corridors in this building do not extend tight to the floors above. Since the corridors are required to be smoke tight, the wall arrangement does not provide the required smoke tight separation between the corridor systems and the adjacent rooms and spaces.
- D. The corridor systems in this building appear to be used as a return air plenum which is not permitted in a dormitory building that is not sprinklered.
- E. Even though it is my opinion that this building should be sprinklered, the code issues in this building could be resolved without having to be sprinklered.

4. Sprague Hall Dormitory

A. This building is not sprinklered and is 4 stories in height. As with Harris Hall, it is my opinion that this building should be sprinklered but the code conditions could be resolved without having to install a sprinkler system.

- B. The corridor systems in this building are not fire rated and the walls do not extend up to the floor systems above. There are also penetrations through the walls in the corridors that are not sealed.
- C. The corridor systems in this building are being used as a return air plenum. Doors to sleeping rooms are equipped with ventilating louvers which does not provide for a smoke tight separation.
- D. The exit stairs from this building do discharge to the outside of the building.

5. Carney Johnston Dormitory

This building was unavailable to inspect at the time of the survey due to the building being occupied by a beauty pageant.

Please be aware that due to the time restraints encountered during the survey in June of 2009 neither Carney Johnston dormitory nor Sprague Hall could be revisited due to time restraints. However, in Sprague Hall most of the code conditions were identified and addressed. There were some areas I needed to revisit on the following day of the survey but could not due to the time restraints. Even though I have stated for some of the buildings that the identified code conditions could be resolved without the use of a sprinkler system, which is not mandated by the Life Safety Code for existing dormitory buildings, it is my opinion that each of the dormitory building should be sprinklered, at some point in the near future and at least in the long term plan. Residential buildings are the most critical to have sprinklered since the occupants are sleeping. In addition, most fire occur in residential buildings and are the source of greatest number of fire related deaths.

This concludes my comments on the dormitory buildings and the apartment building at Lambuth University. If you should have any questions or comments regarding the content of this report, please let me know.

Sincerely,

Bill Wamsley
Fire Protection Consultant

Appendix F

Tennessee Board of Regents ADA Consultant Accessibility Review



Lambuth University *ADA Assessment*

Barry Bonifay, ADA consultant at the request of the Tennessee Board of Regents – visited the Lambuth University Jackson, Tennessee campus on Wednesday, June 29, 2011.

Barry met with Gary Williams with physical plant at Lambuth who showed him around campus and through buildings there. The following observations were made regarding compliance with the Americans with Disability Act of 1994.

Initial contact with the Department of Justice regarding program accessibility revealed that change in ownership of the campus and change from private to public would not trigger any additional minimum requirements for compliance with Title II for program accessibility and Title III for public accommodation issues. The general rule of requiring one of each type of program or program element will apply to this campus - if purchased by TBR. This report will address what will need to be changed, altered, or added to meet minimum requirements in the building and site to offer programs on this campus.

The compliance is tied to programs and not necessarily buildings. For example, basement and 2nd floor at Student Center Building (3) are not accessible. Classrooms are located on these floors, but there is no elevator in this building. Under Title II, a state school can hold classes in their classrooms, as is. When an HC student (wheelchair) registers for a class held on these floors, the school is allowed to move the class to a classroom in an accessible building. This is the current strategy at most state colleges owned by TBR.

Site:

The campus generally scores well on accessible paths from the street and then to all campus buildings. Two long sidewalks that run east-west along north and south side of the campus commons are in fair condition with only one section at the Student Center, Building 3 needing repair. This walk generally maintains a 1:20 running slope to connect campus building along this path together. The criss-cross paths across the commons exceed allowable slopes. There is also no accessible connector to connect the main campus to the tennis courts, Burkett Softball Field(17), Hamilton Performing Arts Center (12), or Oxley Commons Housing, or Art Building 6. These buildings are served by site arrival points (parking lots) that are potentially compliant by installation of compliant HC parking at these existing parking lots.

Parking:

Lambuth University has 655 parking spaces on campus. There are currently 5 HC spaces with none marked 'van accessible'. The required number, if this was a publicly owned

university, would be thirteen HC with two van spaces. The existing parking lots are relatively flat which would make it easy to locate, stripe, and sign the required spaces, dispersed on the perimeter of the existing campus. Available accessible paths will need to be considered when locating these HC parking spaces.

Buildings:

A. General

- 1. Most buildings lack compliant door hardware. Only one floor of main Admin/Classroom Building (9) has had door hardware update.
- 2. Almost all drinking fountains on campus are very old and at non-compliant heights.
- 3. In many buildings, there are double-leaf doors where neither dial will meet minimum door widths. The most practical solution is to replace double leafs with compliant single leaf and smaller fixed leaf or side light. This is only required on room where accessible programs will be held. This would include common areas and conference rooms or meeting rooms.
- 4. Most toilet rooms that I report as needing minimal corrections involve lowering mirrors, relocating dispensers, or lowering sink or urinal.

B. Academic Buildings

Varner-Jones Hall (9)

- 1. Elevator will only need minor upgrades meets size requirements
- 2. Registrar desk will need HC section
- 3. HC toilet rooms on third floor only and one compliant unisex HC toilet on lower floor. Minor adjustments will be needed in the HC toilet rooms and directional signage located at non-HC toilets.
- 4. Only classrooms on third floor have accessible door hardware. Since this building is in pretty good shape, I recommend all classroom, office, and common room doors be refitted with HC door hardware.
- 5. First floor toilets are too small to make accessible.
- 6. Second floor toilet rooms have the space to be made accessible. Doors to rooms will need to be reversed(swing) to provide door maneuver space.
- 7. Recommend toilet rooms on third floor and unisex in basement be cleaned up to provide minimum one HC toilet of each sex for building and signs be posted, directing HC to these toilets via elevator. Also, sign in lobby on first floor stating CH toilet rooms on third floor.
- 8. Campus connector from this building to common area buildings is through two egress doors on basement level, via elevator. Both doors are accessed by small ramps with slopes that slightly exceed minimum requirement.
- 9. Stair handrails do not meet existing code, but ADAAG will not require those be brought into compliance.

Hyde Science Building (10)

- Entry ramp slope okay will need compliant handrails. The lower level has two
 entrances that are either accessible or could be made accessible with minimum
 upgrades.
- 2. Elevator is too small for compliance and will need to be replaced to use all floors of this building.
- 3. Doors throughout building are under-sized either single doors with less than 32" clear width or double-leaf doors where neither leaf has minimum width.
- 4. Toilet rooms can be made accessible with two on lower level being best cost choice to fix. All toilet rooms have under-sized doors. To use this building, wider doors will be needed at men and women toilets on lower level and a single HC stall installed where two toilets are now. Non-HC toilets and lobby will need directional signage directing HC to toilets on lower level.
- 5. One lab of each type offered will need to have doors addressed as well as lecture hall on second floor with fixed seating. The demo station counters are not at accessible heights and most labs do not have accessible student work stations. In some labs with lower tables, knee access can be easily obtained by a slight alteration to furniture.
 - Lambuth currently uses adjustable height rolling workstations as desks or lab tables. This may reasonable accommodation in most cases under Title II except where gas lines or water lines that are present in many lab tables must be used 5% or minimum one lab work station should be made accessible in each lab (minimum one lab of each type)
- 6. Greenhouse off of biology lab has door threshold-height issue which could be easily fixed if this room is to be used as HC program. A sink no more than 34" would be required in greenhouse.
- 7. Main issue to use Hyde Hall
 - a. Elevator needed
 - b. Toilet room doors too small
 - c. Double-leaf doors, too many classrooms or conference rooms will need single HC leaf installed.
 - d. HC workstations minimum 1 or 5%.

Note – The university could invest in one portable demonstration counter for HC instructors that could be moved to needed room, when HC instructor is hired.

Wilder College Union (3)

- 1. Three floors –the basement and second floor are not accessible (no elevator)
- 2. Ramp to building slope okay, HC handrails need to be installed.

- 3. Coffee-vending area lacks HC section
- 4. One HC unisex toilet allows this floor to be accessible
- 5. Other existing toilets on this floor have under-sized doors and lack HC stalls. The rooms are large enough to be made accessible in the future.
- 6. Single and double-leaf doors to many rooms on first floor are not compliant width.
- 7. To use building, add HC door hardware, first floor to all common areas, toilet rooms, or rooms where programs held. Classes on lower and second levels can be relocated to HC accessible building on an as-needed basis. Add signage to non-HC toilets on first floor only directing to unisex HC toilets

<u> Lambuth Theater – Hamilton Performing Arts Center (12)</u>

- 1. Building was updated approximately 5 years ago.
- 2. Toilet rooms generally in good shape with minor corrections needed at some point.
- 3. Accessible entrance and path from parking lot south of building. No HC parking for this building, which is also under public accommodation rules.
- 4. Ticket info desk, no HC section. A folding shelf can easily be added to make compliant.
- 5. Theater style fixed seating interior ramp to upper seating level to provide multiple views of stage. This ramp has a few design errors that may be correctable. Only one handrail, lower portion of ramp. Ramp run is a little over 30' before the intermediate landing. Less than 36" between handrails. I think we could make a case for leaving this ramp as-is after installing second handrail on lower run.
- 6. No HC access to stage for users or audience. Portable lift for this school may solve issue in more than one location.
- 7. HC wheelchair locations and companion seating provided lower and upper levels. May have very minor issues, but generally will pass muster for existing buildings.

Athletic Center (1)

- 1. Elevator in this building in under-sized.
- 2. No compliant HC ramp at east entrance to building.
- 3. Doors throughout, including toilet rooms, undersized.
- 4. Public toilet rooms on second level are easy to make accessible once compliant doors are installed and rise in elevator at entry doors is handled.
- 5. Swimming Pool not accessible, will need to provide ramp on left to be accessible per current law.
- 6. Bleach seating no HC bleacher seating area in gym.
- 7. Did not look at locker room areas.
- 8. All interior walls concrete block.
- 9. This building will be very costly to make accessible.
- 10. Building generally not on accessible path and has no HC parking available.

Gobbel Library (8)

- 1. Library has three floors.
- 2. Ramp slope okay, intermediate land size 60"x60" can be corrected when new handrails are installed (space is there for a compliant landing)
- 3. Public toilet rooms on lower and upper floor, second level toilet rooms can be made accessible with wider doors and minor corrections.
- 4. For library to be accessible, an elevator will need to be installed.

R.E. Womack Chapel (4)

- 1. Ramp installed over five years ago. Slope okay. Run exceeds 30' with no intermediate landing. Does not deny access to wheelchair person.
- 2. No access to rear portion of building or second floor. Rear portion includes stage level and toilet rooms. Toilet rooms lack compliant door width.
- 3. To make building accessible interior ramp and doors to toilet rooms, plus minor toilet room adjustments will be needed.
- 4. I think exterior ramp could be left as-is.

Dormitories – built 50s through 60s

- 1. Of the 4 dormitories located on the Lambuth commons, none are accessible. Only Carney-Johnston Hall (2) has an HC ramp to get into the lobby.
- 2. All rooms and toilet rooms, all floors, have under-sized doors. Concrete block with metal door frames are common throughout.
- Public toilet rooms in lobbies are too small to be made accessible.
- 4. To use any one of these dorms, the following would need to be provided:
 - a. HC Entrance
 - b. HC toilets in lobby area
 - c. Accessible common area some dorms have sunken common rooms
 - d. For 100 room dorms, minimum 5 HC rooms
 - e. For 50 room dorms, minimum 2 HC rooms
 - f. All elements offered- rec room, laundry, common area, and HC rooms must be on ground level if not elevator is installed in building.

Note: As a state-owned school, if you made one dorm accessible, then the others could be left as-is except for having an HC accessible lobby, which would mean ramps and HC toilets accessible to lobby. This of course would only apply to dorm actually opened for use.

Oxley Apartments (14)

 In addition to four dorms, Lambuth also owns some townhouse units used as dormitory rooms with no kitchens. They also own five fraternity/sorority houses. I did not look at the frat/sorority houses.

Oxley has four units with HC rooms and HC bath/toilet rooms. The toilet rooms need only minor corrections. The sidewalk leading to units constitute non-accessible ramps. This also can be easily corrected with a common sidewalk running along parallel to front of unit and hooked up to accessible path to HC parking which will need to be provided.

Conclusion:

TBR could operate Oxley with minimum investment of funds and not open other dormitories until funding was available to bring minimum one into compliance.

Overall Conclusion:

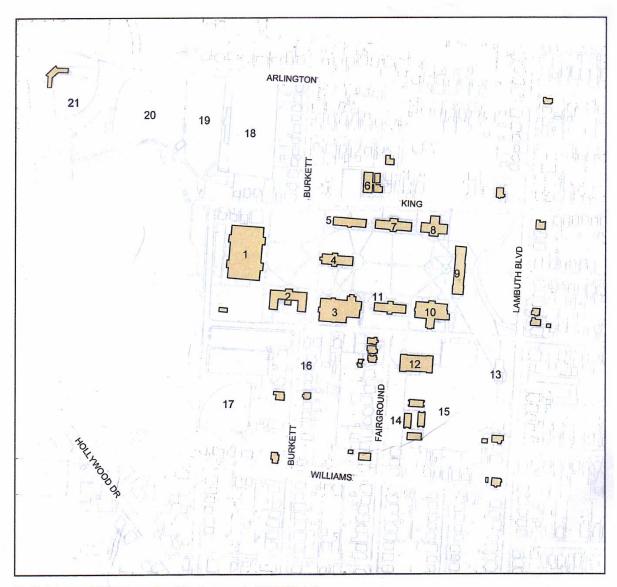
You could open up for programs at Lambuth using buildings 9, 10 and 3. Building 10 would need new elevators and door widened, Building 3 would need doors widened on first floor only. All 3 buildings would need new ramp handrails.

Building 12 can be used as large lecture hall if needed with no additional work.

Building 4 could also be used if interior ramp and toilet room doors are widened.

Hope this helps.

End of Review



Building and Outdoor Facility Legend (FIGURE 1.7)

Buildings

- 1 Athletic Center 2 Carney-Johnston Hall 3 Wilder Student Union
- 4 R.E.Womack Memorial Chapel
- 4 R.E.Worlack Meriorial 5 Mary Girven Harris Hall 6 Art Building 7 E.W. Sprague Hall 8 Gobbel Library 9 Varnell-Jones Hall

- 10 Joseph Reeves Hyde Hall
- 11 George Ellis Spangler Hall12 Hamilton Performing Arts Center
- 13 Epworth Hall
- 14 Oxley Commons 16 Christian Life Center

Outdoor Athletic Facilities

- 15 Soccer Field
- 17 Burkett Softball Field
- 18 LL Fonville Football Stadium
 19 Football Practice
- 20 Baseball Stadium
- 21 Arlington Softball Field



200ft 400ft SCALE: 1" = 400'-0"

Lambuth University Master Plan • Technical Memorandum No.1 • Inventory & Analysis • 5.29.08

Appendix G

Lambuth Campus Funding Formula Impact Methodology

THEC staff estimated the state appropriations projected to be attributable to a UM campus at Lambuth by adding projected outcomes and actual E&G square footage associated with Lambuth to the UM outcomes formula. This allows THEC to determine what portion of the UM state allocation in any given year is attributable to activities at the Lambuth location.

Assumptions

- Annual outcome data, rather than a three-year average, was utilized for Lambuth projections; the three-year average methodology will be utilized at a later time.
- All other University and Community College outcomes do not change.

Estimation of Outcomes

- Lambuth outcomes were estimated using FTE projections provided by TBR.
- The projections through 2012-13 include the outcomes produced through 2009-10 at the UM-Jackson location. Beginning with the 2013-14 formula, which utilizes 2011-12 data, UM Lambuth outcome data will be used.
- Outcome production was assumed to be equivalent to:

Outcome	Assumes Production is Equivalent To:
Student Progression	UM Production per Undergraduate FTE
Bachelors and Associates Degrees	UM Production per Upperclassman FTE
Masters Degrees	UM Production per Graduate FTE
Transfers	UM Production per Undergraduate FTE
Doctoral Degrees and Research	Projected to be Zero
Degrees/FTE and Grad Rate	Current UM Rates

Estimation of Fixed Costs

- M&O and Utilities were calculated using the same E&G square foot rate as UM.
- Equipment Replacement assumed the same equipment per FTE amount as UM.

Final Funding Projections						
FY	Data Year	Total UM Estimated Appropriations	Overall UM Change	Funding Due to		
		with Lambuth/Jackson		Lambuth/Jackson		
2011-12	2009-10	\$82,760,000	\$0	\$603,000		
2012-13	2010-11	83,502,000	742,000	1,345,000		
2013-14	2011-12	83,792,000	1,032,000	1,635,000		
2014-15	2012-13	84,464,000	1,704,000	2,307,000		
2015-16	2013-14	85,243,000	2,483,000	3,086,000		
2016-17	2014-15	85,552,000	2,792,000	3,395,000		
2017-18	2015-16	86,328,000	3,568,000	4,171,000		

Appendix H

Tennessee Board of Regents Lambuth Facilities Review

Lambuth University – Building Summary

In 2009, staff of THEC, TBR, and UoM as well as professional consultants completed a facilities assessment of the Lambuth campus. At that time, the staff's determined that the condition of facilities, including the level and quality of maintenance of the campus, was comparable to that of other TBR institutions. While the TBR staff has not assessed the campus since the initial 2009 visit, the UoM facilities staff has visited the campus on multiple occasions during 2011. Based on their observations and discussion with maintenance staff at Lambuth, they conclude that the maintenance and operation of the Lambuth facilities has been consistent since the initial 2009 visit.

This building condition assessment summary focuses on Life/Safety/Code and ADA issues and was developed from the following sources:

- Life/Safety/Code information was developed by Bill Wamsley, the TBR Code Consultant, based on his campus visit with the evaluation team in 2009. Mr. Wamsley has pointed out that he has identified items that would likely be of interest to the State Fire Marshal. The final determinations for life safety items lie with the State Fire Marshal's office. Mr. Wamsley's full report is attached;
- ADA information is based on a report from Mr. Barry Bonifay, the TBR Accessibility
 Consultant, who was contracted to perform a 2011 site assessment to identify possible
 barriers that would affect accessibility. Mr. Bonifay noted that providing accessible
 programs which include access to labs, classrooms, meeting rooms, offices, and other
 spaces may be accomplished by planning and programming of existing identified
 accessible spaces without requiring additional improvements to facilities. Mr. Bonifay's
 full report is attached;
- UoM facilities staff assessment of the need for various minor repairs.

At THEC's request, TBR and UoM staffs, with assistance from the consultants, have developed a cost estimate for each building based on the items outlined in the summary. These cost estimates should only be used to develop a general sense of the potential magnitude of the tasks involved and are subject to significant change. Specifically note that these estimates are not the result of a detailed cost estimation process. These estimates are qualified as follows:

• These costs do not take into consideration Mr. Bonifay's opinion that a number of ADA issues identified can be resolved if spaces are planned or programmed in a way that meet accessibility requirements, meaning these estimates assume that every issue identified would need to be addressed through some modification to a facility. To the

- degree that ADA issues can be met programmatically, the cost estimates within this assessment overstate the potential requirement;
- Many items noted are interrelated, particularly pertaining to ADA issues. For example, resolving an ADA issue in one building may address ADA issues in other buildings (if sufficient ADA compliant classrooms are made available in building A, then non-compliance in other buildings may be met programmatically by scheduling classes requiring accessibility to be held in building A). To the extent this is possible, the cost estimates within this assessment overstate the potential requirement. It should be noted that TBR institutions widely engage in the practice of scheduling classes and events to meet ADA accessibility requirements;
- Mr. Wamsley's report states that the final determination on what constitutes a
 Life/Safety/Code item and how those items are addressed rests with the State Fire
 Marshal. To the extent Mr. Wamsley's report includes items not considered essential by
 the State Fire Marshal, these estimates overstate the potential requirement; however,
 to the degree the State Fire Marshal identifies conditions requiring attention that were
 not identified by Mr. Wamsley, then these estimates may understate the potential
 requirement.
- These estimates are based on staff knowledge of the costs for facilities renovations
 within the processes employed by the TBR and State Building Commission. Assuming
 whatever facilities conditions need to be addressed are managed though processes
 engaged in by the Stakeholders or others, these estimates may overstate or understate
 the actual costs.

It is also noted that reports by Mr. Wamsley and Mr. Bonifay include an assessment of dormitories at Lambuth and that this summary includes cost estimates for those facilities. However, within both of Tennessee's public higher education systems, dormitories are considered auxiliaries enterprises. As such, the cost of construction, renovation, operation, maintenance must be fully recovered through fees and charges assessed by residents using the dormitories.

Site:

Projected value of all improvements if required

\$75,000

The criss-cross paths across the commons exceed allowable slopes. There is also no accessible connector to connect the main campus to the tennis courts, Burkett Softball Field (17), Hamilton Performing Arts Center (12), or Oxley Commons Housing, or Art Building (6).

Parking:

Projected value of all improvements if required

\$500

Lambuth University has 655 parking spaces on campus. There are currently 5 HC spaces with none marked 'van accessible'. The required number, if this was a publicly owned university, would be thirteen HC with two van spaces. Available accessible paths will need to be considered when locating these HC parking spaces.

Buildings:

Projected value of all improvements if required

\$237,000

C. General

- 5. Most buildings lack ADA compliant door hardware. Only one floor of main Admin/Classroom Building (9) has had door hardware update. (refer to buildings)
- 6. Almost all drinking fountains on campus are very old and at non-compliant heights. (refer to buildings)
- 7. In many buildings, there are double-leaf doors where neither door will meet minimum door widths. (refer to buildings)
- 8. Most toilet rooms that are reported as needing minimal corrections involve lowering mirrors, relocating dispensers, or lowering sink or urinal. (refer to buildings)
- 9. Ensure that all existing fire protection and life safety systems are working properly and in operating condition. These include any sprinkler systems, fire alarm systems, emergency lighting systems and smoke detection systems. (protection of assets and people occupied or unoccupied)
- 10. Campus wide: correct low Freon issues on chillers / compressors. (refer to buildings)
- 11. Eliminate sidewalk tripping hazards from unlevel joints or seriously deteriorated portions. (multiple locations)
- 12. Various Buildings on quad: Repair front façades, peeling paint. (refer to buildings)
- 13. Demolition of Epworth Hall needs to be accomplished, 3 story 17,225 square feet. (Abatement and demolition included at \$125,000 is dependent on risk assessment for safety/ security or need for additional parking)
- 14. Removal of hazardous waste, chemicals, e-waste, universal waste as well as numerous small radioactive sources. (Removal included at \$100,000 dependent on EPA report and necessary compliance action)
- 15. Resolve outstanding EPA violations and potential fine. (see above)

D. Academic Buildings (E&G)

<u>Varner-Jones Hall (9)</u> Projected value of all improvements if required \$146,600

- 10. Elevator will only need minor upgrades meets size requirements.
- 11. Registrar desk will need HC section.
- 12. HC toilet rooms on third floor only and one compliant unisex HC toilet on lower floor. Minor adjustments will be needed in the HC toilet rooms and directional signage located at non-HC toilets.

- Only classrooms on third floor have accessible door hardware. All classroom, office, and common room doors will need to be refitted with HC door hardware. (See item 12)
- 14. First floor toilets are too small to make accessible.
- 15. Second floor toilet rooms have the space to be made accessible.
- 16. The ceiling tiles identified as being combustible ceiling tiles located in the stairwells and on the ceiling of the second floor should be completely removed and replaced with new ceiling tiles that are not as combustible.
- 17. New fire rated doors should replace the current doors used to enclose the exit stairwells in the building. The current doors are not fire rated and contain more glass than is allowed for an exit stair. The new doors should also include new hardware such as self-closing devices and latching hardware.
- 18. The fire alarm system should be expanded to include the entire basement.
- 19. Replace deteriorated and missing exterior cornice, south portion has been removed.
- 20. HVAC system has no fresh air component and uses corridors for return air.
- 21. Update to ADA compliant door hardware and drinking fountains

Hyde Science Building (10) Projected value of all improvements if required \$754,700

- 8. Entry ramp will need compliant handrails.
- 9. Elevator is too small for compliance and will need to be replaced to use all floors of this building.
- 10. Doors throughout building are under-sized either single doors with less than 32" clear width or double-leaf doors where neither leaf has minimum width.
- 11. To use this building, wider doors will be needed at men and women toilets on lower level and a single HC stall installed where two toilets are now.
- 12. One lab of each type offered will need to have doors addressed as well as lecture hall on second floor with fixed seating. The demo station counters are not at accessible heights and most labs do not have accessible student work stations.
- 13. Greenhouse off of biology lab has door threshold-height issue. A sink no more than 34" would be required in greenhouse.
- 14. The ceiling tiles located on the walls of the Planetarium also appear to be combustible tiles and should be replaced with tiles that are not as combustible.
- 15. An additional remote egress door needs to be installed in the lecture hall to provide the required second egress door from the room since the number of seats in the room are currently at 91.
- 16. If the existing chemistry labs are going to continue in use, the rooms or spaces to be used as labs need to be separated completely from all other portions of the building by one hour construction. This includes the walls, ceilings and floors.

- 17. All flammable and combustible liquids need to be removed from the site or stored in approved flammable liquids storage cabinets.
- 18. Emergency lighting needs to be upgraded and or installed throughout the egress and exit systems.
- 19. Any exhaust hoods located in any of the laboratory units that use flammable and combustible liquids should have the exhaust hoods replaced.
- 22. The enclosure of the exit stairwells is causing the doors opening onto the stairwell to encroach upon the distance to the stair treads and risers. In some instances, the distance between the door when opened to be within 1 ½ to 3 inches.
- 23. Update to ADA compliant door hardware and drinking fountains
- 24. Correct low refrigerant issues on cooling equipment.
- 25. Repair front façades, peeling paint.

Wilder College Union (3) Projected value of all improvements if required \$801,000

- 8. Three floors –the basement and second floor are not accessible (no elevator)
- 9. Coffee-vending area lacks HC section
- 10. Single and double-leaf doors to many rooms on first floor are not compliant width.
- 11. To use building, add HC door hardware, first floor to all common areas, toilet rooms, or rooms where programs held
- 12. The kitchen hood and duct system should be replaced prior to any cooking.
- 13. The exit stair from the second floor needs to be reconfigured so that the exit routes are clearly marked and provide a fire rated enclosure to the outside of the building.
- 14. The fire alarm system needs to be upgraded or replaced so that it is in proper working condition.
- 15. All dead bolt locks need to be removed from all exit and egress doors throughout the building.
- 16. All penetrations through the walls and ceiling of the boiler room need to be sealed completely so there are no openings around the penetrations.
- 17. Emergency lighting needs to be upgraded in the egress corridor and exit stairwell systems and in the cafeteria.
- 18. The enclosure of the exit stairwells needs to be altered so that the doors into the stairwell, when fully opened does not encroach upon the first riser of the stair
- 19. Update to ADA compliant door hardware and drinking fountains.
- 20. Correct low refrigerant issues on cooling equipment.

Lambuth Theater – Hamilton Performing Arts Center (12)

Projected value of all improvements if required

\$37,250

- 8. Toilet rooms need minor corrections.
- 9. No HC parking for this building, which is also under public accommodation rules.
- 10. Ticket info desk, no HC section.
- 11. No HC access to stage for users or audience.
- 12. Emergency lighting needs to be upgraded and new fixtures need to be installed throughout the auditorium and egress and exit systems.
- 13. The workroom where stage scenery is made and painted and where the scenery and flammable liquids are stored needs to be completely enclosed with materials providing a one hour fire rating as well as being provided with a sprinkler system.
- 14. Provide properly enclosed storage cabinets or rooms for all flammable and combustible liquids and materials.
- 15. Replace 2 5-ton compressors.
- 16. Update to ADA compliant door hardware and drinking fountains

Athletic Center (1) \$570,600

Projected value of all improvements if required

- 11. Elevator in this building in under-sized.
- 12. No compliant HC ramp at east entrance to building.
- 13. Doors throughout, including toilet rooms, undersized.
- 14. Swimming Pool not accessible, will need to provide ramp on left to be accessible per current law.
- 15. There are no HC bleacher seating area in gym.
- 16. Building generally not on accessible path and has no HC parking available.
- 17. The dead end corridor that leads back to the Dance Studio needs to be eliminated.
- 18. Doors to the exit stairwells need to be installed or replaced so that the fire rated enclosures are maintained. Where new doors are being installed, they need to meet the proper minimum widths. Existing doors to stairwells are only 30 inches in width.
- 19. The corridor systems serving the second floor need to be separated from the vertical opening created by the gymnasium.
- 20. Handrails need to be provided on the exterior stairs of the building.
- 21. The doors that are in the stairwells and where the door encroaches too closely to the stair treads and risers need to be altered so that the door does not open too close to the steps.

- 22. A remote fire alarm control panel needs to be installed in the building so that it is visible to the occupants of the building.
- 23. Pool drain safety kit, pool filters, pumps to be made operational.
- 24. Update to ADA compliant door hardware and drinking fountains.
- 25. Repair front façades, peeling paint.

Gobbel Library (8) \$611,500

Projected value of all improvements if required

- 5. Public toilet rooms on lower and upper floor, second level toilet rooms can be made accessible with wider doors and minor corrections.
- 6. For library to be accessible, an elevator will need to be installed.
- 7. The exit stair at the rear of the building needs to be reconfigured so that the stair enclosure is continuous to grade on all levels of the building.
- 8. The penetrations through the boiler room walls need to be sealed tightly to maintain the fire rated separation.
- 9. Stairwell doors need to be replaced with fire rated doors and hardware.
- 10. Repair wood trim on front fascia.
- 11. Repair flat roof area.
- 12. Update to ADA compliant door hardware and drinking fountains.

R.E. Womack Chapel (4) Projected value of all improvements if required \$224,500

- 5. No access to rear portion of building or second floor. Rear portion includes stage level and toilet rooms. Toilet rooms lack compliant door width.
- 6. To make building accessible interior ramp and doors to toilet rooms, plus minor toilet room adjustments will be needed.
- 7. Repair ridge vent.
- 8. HVAC system has no fresh air component.
- 9. Update to ADA compliant door hardware and drinking fountains.

E. Residential Buildings (Auxiliary)

<u>Dormitories – built 50s through 60s</u>

Projected value of all improvements if required \$500,000

- 5. Of the 4 dormitories located on the Lambuth commons, none are accessible. Only Carney-Johnston Hall (2) has an HC ramp to get into the lobby.
- 6. All rooms and toilet rooms, all floors, have under-sized doors. Concrete block with metal door frames are common throughout.
- 7. Public toilet rooms in lobbies are too small to be made accessible.
- 8. To use any one of these dorms, the following would need to be provided:
 - a. HC Entrance
 - b. HC toilets in lobby area
 - c. Accessible common area some dorms have sunken common rooms
 - d. For 100 room dorms, minimum 5 HC rooms
 - e. For 50 room dorms, minimum 2 HC rooms
 - f. All elements offered- rec room, laundry, common area, and HC rooms must be on ground level if not elevator is installed in building.

Spangler Dormitory \$497,500

Projected value of all improvements if required

- 1. The building does not have a sprinkler system. Due to the number and type of code violations discovered in this dormitory building, this building should have a sprinkler system.
- 2. The doors to the individual sleeping rooms from the corridor have no self-closing devices. Since the corridor walls are required to be fire rated for 30 minutes and smoke tight, all doors opening onto the corridor need to have self-closing devices installed on each door. The doors in the corridor walls need to be closed at all times when not in use.
- 3. The door to the laundry room in the basement was missing at the time of the survey.
- 4. There are also several piping and conduit penetrations located in the corridor walls. The annular spaces (space around the actual penetration) are not sealed tightly. At the time of the survey in 2009, the fire alarm control panel for the building was in the trouble mode. The fire alarm system should be completely inspected and evaluated by a licensed fire alarm contractor before re-occupying the building.
- 5. The only fire alarm pull stations found in this building were located in the basement. Pull stations are required immediately adjacent to each exit stairwell door on each floor.

- 6. The exit stairs serving all four stories of this building do not discharge to the outside of the building as required.
- 7. The corridor systems in this building appear to be used as a return air plenum which is not permitted in a dormitory building that does not have a sprinkler system.
- 8. Update to ADA compliant door hardware and drinking fountains.
- 9. Repair front façades, peeling paint.

<u>Harris Hall Dormitory</u> Projected value of all improvements if required \$342,000

- 1. This building does not have a sprinkler system and is 4 stories in height.
- 2. The laundry room on the lowest level opens into one of the required exit stairwells. A laundry room is not permitted to open into an exit stairwell.
- 3. The walls forming the corridors in this building do not extend tight to the floors above. Since the corridors are required to be smoke tight, the wall arrangement does not provide the required smoke tight separation between the corridor systems and the adjacent rooms and spaces.
- 4. The corridor systems in this building appear to be used as a return air plenum which is not permitted in a dormitory building does not have a sprinkler system.
- 5. Update to ADA compliant door hardware and drinking fountains.

<u>Sprague Hall Dormitory</u> Projected value of all improvements if required \$444,000

- 1. This building does not have a sprinkler system and is 4 stories in height. As with Harris Hall, this building should have a sprinkler system.
- 2. The corridor systems in this building are not fire rated and the walls do not extend up to the floor systems above. There are also penetrations through the walls in the corridors that are not sealed.
- 3. The corridor systems in this building are being used as a return air plenum. Doors to sleeping rooms are equipped with ventilating louvers which does not provide for a smoke tight separation.
- 4. The exit stairs from this building do discharge to the outside of the building.
- 5. Update to ADA compliant door hardware and drinking fountains.
- 6. Repair front façades, peeling paint.

<u>Carney Johnston Dormitory</u> Projected value of all improvements if required \$500,000

This building was unavailable to inspect at the time of the survey due to the building being occupied.

Oxley Apartments (14) Projected value of all improvements if required \$5,500

2. The sprinkler system serving these apartments did not appear to have been maintained as well as it should have been. The sprinkler system should be completely re-evaluated by a licensed sprinkler contractor. If exceptions are being provided for other code requirements in the building, it is important to know that the system is performing as it was originally designed to do.

Fraternity Houses and Private Residences

These building were not reviewed.

The State will require an environmental survey and a property survey prior to acceptance of the property. This is usually completed with the assistance of the Real Property Administration department of Finance and Administration.

Summary of Estimates by Building

Overall					
Site	\$ 75,000				
Parking	\$ 500				
General	\$237,000				
Subtotal		\$ 312,500			
E&G Space					
Varner Jones Hall	\$146,600				
Hyde Science	\$754,700				
Wilder College Union	\$801,000				
Hamilton Performing Arts Ctr.	\$ 37,250				
Athletic Center	\$570,600				
Gobbel Library	\$611,500				
R.E. Womack Chapel	\$224,500				
Subtotal		\$3,146,150			
Subtotal - Non Auxiliaries		\$3,458,650			
Auxiliaries (residence halls)					
General	\$500,000				
Spangler Dormitory	\$497,500				
Harris Hall Dormitory	\$342,000				
Sprague Hall Dormitory	\$444,000				
Carney Johnston Dormitory	\$500,000				
Oxley Apartments	\$ 5,500				
Subtotal		\$2,289,000			
Grand Total	\$5,747,650				

N

Agenda Item:	I.B.
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DATE:July 28, 2011

SUBJECT: Revision of THEC Policy A1.0 (New Academic Programs: Approval

Process) and Policy A1.1 (New Academic Programs)

ACTION RECOMMENDED: Approval

BACKGROUND INFORMATION: Tennessee Code Annotated §49-8-101 as amended by Public Chapter 3, Acts of 2010 (1st Extraordinary Session) requires that "the board of regents, in consultation with the Tennessee Higher Education Commission, shall establish a comprehensive statewide community college system of coordinated programs and services to be known as the Tennessee community college system."

Delegation of Final Approval of New Community College Programs to the Tennessee Board of Regents. The proposed revisions to THEC Policy A1.0 (*New Academic Programs: Approval Process*) and Policy A1.1 (*New Academic Programs*) are designed to support the development of the "Tennessee community college system" as directed by the Complete College Tennessee Act of 2010.

The proposed revisions will delegate THEC's statutory authority for approving new community college certificates and associate degrees to the TBR. The proposed A0.1 and A1.1 policy modifications delegate, but do not abdicate, THEC responsibility for ensuring that programs meet documented need and evidence highest quality.

The THEC policy revisions require that TBR meet the quality standards of THEC A1.0 and A1.1 as a condition of the delegated authority for final approval of new programs. The proposed revisions will also allow a new program TBR approves for one community college to be approved for other TBR community colleges, should they wish to meet the same quality and resource standards. This universal approval and replication will apply only to those programs TBR approves after the Commission sanctions THEC A1.0 and A1.1 policy revisions.

The rationale for the proposed revisions is to create a unified community college system identity for the thirteen-member TBR community college sector as a coordinated service entity responding to work force training needs. A condition of the delegated authority is that the TBR will maintain the THEC practice of prompt evaluation and approval of new certificates and associate programs meeting A1.0 and A1.1 standards.

THEC Authority for Monitoring All Community College Programs. THEC expressly does not delegate to the TBR its authority for conducting post-approval review and evaluation of all community college academic degree programs and certificates, whether currently listed on the THEC Academic Program Inventory or those approved by TBR after approval of delegated

authority. All community college programs will be monitored and reviewed through the THEC Post-Approval Monitoring process, the annual evaluation of program productivity, and the program quality assurance requirements of the THEC Performance Funding program.

PROPOSED - EFFECTIVE AS OF: August 1, 2011

Section Title: Academic Policies

Policy Title: New Academic Programs: Approval Process

Policy Number: A1.0

- 1.0.10 **Scope and Purpose.** In accordance with Chapter 179 of the Legislative Act creating the Higher Education Commission in 1967, the Commission has the statutory responsibility to review and approve new academic programs, off-campus extensions of existing academic programs, new academic units (divisions, colleges, and schools) and new instructional locations for public institutions of higher education in the State of Tennessee. These responsibilities shall be exercised so as to:
 - promote academic quality
 - maximize cost effectiveness and efficiency to ensure that the benefits to the state outweigh the costs and that existing programs are adequately supported
 - fulfill student demand, employer need and societal requirements
 - avoid and eliminate unnecessary duplication to ensure that proposed programs cannot be delivered through collaboration or alternative arrangements
 - encourage cooperation among all institutions, both public and private

These expectations for program quality and viability are underscored by Tennessee Code Annotated §49-7-202 as amended by Chapter 3, Acts of 2010 (1st Extraordinary Session). This Act directs public higher education to:

- A. Address the state's economic development, workforce development and research needs;
- B. Ensure increased degree production within the state's capacity to support higher education; and
- C. Use institutional mission differentiation to realize statewide efficiencies through institutional collaboration and minimized redundancy in degree offerings, instructional locations, and competitive research.

Program Review Criteria -- In order to ensure that these responsibilities are optimized, the Commission strenuously considers the following criteria in order to maximize state resources:

Need – evidence of program need that justifies institutional allocation/reallocation of state resources (See A1.1.20I New Academic Programs).

Program Costs/Revenues – evidence should be provided that program costs will be met from internal reallocation or from other sources such as grants and gifts. Institutional commitment should be consistent with the centrality and level of priority as described in the program proposal and projected on THEC Fiscal Projection form (Attachment A).

Quality – evidence should be provided that assessment, evaluation, and accreditation criteria (A1.1.20M) are being met.

- 1.0.20 **Schedule**. The Commission will normally consider proposals for new programs, extensions of existing academic programs, academic units, and instructional locations at each regularly scheduled Commission meeting.
- 1.0.30 **Action**. Commission action on a given proposal must follow approval by the governing board and may take one of four forms:
 - approval
 - disapproval
 - conditional approval
 - deferral

Conditional approval may be granted in special cases. This type of approval is reserved for programs for which the need is temporary. Conditional approvals will identify a date that the program must be terminated.

- 1.0.40 **Funding**. Evidence must be provided on forms for approval of new academic programs relative to internal reallocation and other sources such as grants and gifts must be validated. The Commission will approve no special start-up funding (See 1.0.10, Program Costs/Revenue).
- 1.0.50 Early Consultation/Notification.

Upon consideration by an institution to develop a proposal for a new program, governing board staffs must provide the Commission staff with a copy of that institution's letter of intent to develop a program proposal. The letter of intent should be in the format provided as Attachment B, and the THEC Financial Form (referenced as Attachment A in A1.0.10) should accompany it. Programs that institutions intend to develop should be consistent with and reference institutional mission, the state master plan for higher education, and campus master plan or the academic plan. A thorough early assessment of program justification is necessary for programs requiring Commission approval in order to identify issues relative to the need for the program, program duplication, accessibility through collaboration or alternative means of delivery (distance education), source of start-up funds, and the need for reviews by external consultants.

Upon consultation and approval to proceed, governing board staffs must share all relevant documents in a timely fashion with the Commission staff leading up to the submission of the final proposal at least two weeks prior to notification of being placed on the agenda for consideration by a governing board (See also 1.1.20A in Policy A1.1 - New Academic Programs). THEC delegates the TBR the authority to approve community college Letters of Intent to Plan associate degrees and certificates.

- 1.0.60 **Articulation/Transfer.** Upon consideration of a new degree program, evidence must be provided to ensure adherence to the requirements of Tennessee Code Annotated § 49-7-202 as amended by Chapter 3, Acts of 2010 (1st Extraordinary Session) requires that "an associate of science or arts degree graduate from a Tennessee community college shall be deemed to have met all general education and university parallel core requirements for transfer to a Tennessee public university as a junior. . . ." Admission into a particular program, school, or college within the university, or into the University of Tennessee, Knoxville shall remain competitive in accordance with generally applicable policies.
 - (1) The forty-one (41) hour lower division general education core common to all state colleges and universities shall be fully transferrable as a block to, and satisfy the general education core of, any public community college or university. A completed subject category (for example, natural sciences or mathematics) within the forty-one (41) hour general education core shall also be fully transferrable and satisfy that subject category of the general education core at any public community college or university.
 - (2) The nineteen (19) hour lower division AA/AS area of emphasis articulated to a baccalaureate major shall be universally transferrable as a block satisfying lower division major requirements to any state university offering that degree program major.
- 1.0.60A **Credit Hours to Degree.** The Commission recommends that credit hour requirements for new and existing undergraduate academic programs shall not be substantially more than 120 hours for baccalaureate degrees or 60 hours for associate degrees without justification. The principle intent is to reduce the time and costs of earning a degree for individual students and taxpayers and, over time, improve graduation rates and increase the higher educational attainment levels of Tennesseans. This excludes programs with accreditation or licensure requirements.

- 1.0.60B **Announcements**. Announcements of plans for new academic programs, extensions of existing programs, new academic units, and/or new instructional locations must await Commission approval, prior to implementation.
- 1.0.70A

 Delegated Authority for Final Approval of New Community
 College Programs (Associates and Certificates) to the
 Tennessee Board of Regents. Tennessee Code Annotated §49-8101 as amended by Public Chapter 3, Acts of 2010 (1st
 Extraordinary Session) directs that "the board of regents, in
 consultation with the Tennessee Higher Education Commission,
 shall establish a comprehensive statewide community college
 system of coordinated programs and services to be known as the
 Tennessee community college system."

Notwithstanding anything in this policy to the contrary, the Tennessee Higher Education Commission, in accord with Chapter 3 and toward the establishment of the unified and comprehensive community college system, delegates authority to the Tennessee Board of Regents (TBR) for final approval of new community college associate degrees and certificates. THEC also delegates final approval authority to TBR for the replication of a certificate or associate program approved for one community college (after August 1, 2011) at other TBR community colleges. TBR final approval is subject to the following conditions:

- (1) The criteria for review and accountability (especially justification of need and documented sufficiency of resources and faculty to support the program) set forth in THEC Policies A1.0 (New Academic Programs Approval Process) and A1.1 (New Academic Programs) must be the basis for the TBR review and approval of new and replicated certificates and associate programs.
- (2) The TBR will provide a monthly summary report to THEC of all community college program actions approved by the TBR, including community college Letters of Intent to Plan associate degrees and certificates, community college associate degree program and certificate approvals, associate and certificate substantive curricular changes, community college associate degree major and concentration name changes, and associate, concentration, and certificate terminations.
- (3) The TBR will provide program proposals and financial projection forms for all TBR-approved associates and certificates as baseline data for THEC Post-Approval Monitoring.
- (4) THEC will list all TBR-approved community college
 associate and certificate programs and reported changes on
 the State Inventory of Academic Programs;

THEC Authority for Post-Approval Monitoring of All Community College Programs. THEC expressly does not delegate to the TBR the authority for the post-approval review of community college associate and certificate programs set forth in A1.1.30 and A1.1.30A-C (New Academic Programs). All TBR community college programs listed on the THEC Inventory of Academic Programs will be subject to the following THEC monitoring and evaluation:

- (1) Community college associate degree programs and certificates are subject to THEC annual reporting through Post Approval Monitoring of programs for the first three years after implementation and annual productivity evaluations of programs in operation more than three years;
- (2) Community colleges will participate in all components of the THEC Performance Funding Quality Assurance
 Program, and associate and certificate programs will be evaluated according to Performance Funding program review standards.

Approved: April 22, 1988
Revised: January 29, 1997
Revised: November 14, 2002
Revised: January 27, 2011

Section Title: Academic Policies

Policy Title: New Academic Programs

Policy Number: A1.1

- 1.1.10 **Programs Subject to Approval**. New academic programs requiring Commission approval are those that differ from currently approved programs in level of degree or major offered, as reflected in the institution's catalog and the Commission's academic inventory, subject to specified provisions. In the interest of minimizing duplication of effort and institutional document development, THEC will accept for review the program proposal in the program proposal formats required by University of Tennessee and Tennessee Board of Regents system policies, provided these formats address criteria named in 1.1.20A through 1.1.20P below. All program proposals must include THEC Financial Projections form (Attachment A).
- 1.1.10A **Non-degree and non-certificate programs**. Commission approval is not required for non-degree and non-certificate programs, such as those offered at Tennessee Technology Centers.
- 1.1.10B **Certificates.** The Commission approval for a TBR community college certificate program is not required. Commission approval is required for an undergraduate certificate at universities only when the program consists of at least 24 semester hours.
- 1.1.10C (**Reserved**)
- 1.1.10D **Name Changes**. Renaming an existing program without an essential change in the originally approved curriculum does not require Commission approval; planned large-scale curriculum change in a program without a name change does require Commission approval.
- 1.1.10E **Reconfigurations**. A reconfiguration of existing programs without an essential change in the originally approved curriculum and without a net gain in the number of programs (e.g., a consolidation of two programs into one) does not require Commission approval.
- 1.1.10F **Sub-majors**. Additions, deletions, and revisions of sub-majors (options, concentrations emphases, tracks, etc.) without an essential change in the originally approved major curriculum do not require Commission approval.

- 1.1.10G **Notice**. Before governing board consideration of the changes described in Provisions 1.1.10A 1.1.10F above, a two-week notice should be given to the Commission staff. In the event the staff interprets the proposed change as one requiring Commission approval, prompt arrangements will be made to discuss the proposed change with the institution and its governing board staff for a determination of applicable policy.
- 1.1.10H **Special Areas.** For programs at baccalaureate or higher level in program areas where annual THEC statewide and institutional degree production analyses indicate there is great potential for unnecessary program duplication, no additional programs may be submitted for approval without exceptional determination of need. Such need must be demonstrated to and approved by governing board and Commission staff before the proposal or development of any new programs in these three areas.
- 1.1.20 **Criteria for Review**. The criteria set out in Provisions 1.1.20A 1.1.20Q will generally be used in reviewing new program proposals. However, the stringency of individual criteria will depend on the specific program, and, in particular circumstances, other criteria may be added at the time of notification (See 1.0.050 New Academic Programs: Approval Process).

References to provisions of certain institutional policies, such as overall admissions standards, do not mean that such policies need to be approved by the Commission.

- 1.1.20A **Mission**. Proposed new programs must adhere to the role and scope as set forth in the approved mission of the institution.
- 1.1.20B **Curriculum**. The curriculum should be adequately structured to meet the stated objectives of the program, and reflect breadth, depth, theory, and practice appropriate to the discipline and the level of the degree. The undergraduate curriculum should ensure General Education core requirement commonality and transfer (where appropriate) of 19-hour pre-major paths. The curriculum should be compatible with accreditation, where applicable, and meet the criteria for articulation and transfer (See A1.0.60 (New Academic Programs: Approval Process).
- 1.1.20C **Academic Standards**. The admission, retention, and graduation standards should be clearly stated, be compatible with institutional and governing board policy, and encourage high quality.
- 1.1.20D **Faculty**. Current and/or anticipated faculty resources should ensure a program of high quality. The number and qualifications of faculty should meet existing institutional standards and should be consistent with external standards, where appropriate.

- 1.1.20E **Library Resources**. Current and/or anticipated library and information technology resources should be adequate to support a high quality program and should meet recognized standards for study at a particular level or in a particular field where such standards are available.
- 1.1.20F **Administration/Organization**. The organizational placement and the administrative responsibility for the program should be clearly defined and designed to promote success of the program.
- 1.1.20G **Support Resources**. All other support resources--existing and/or anticipated, should be adequate to support a high quality program. This would include clear statements of clerical personnel or equipment needs, student advising resources, and arrangements for clinical or other affiliations necessary for the program.
- 1.1.20H **Facilities**. Existing and/or anticipated facilities should be adequate to support a high quality program. New and/or renovated facilities required to implement the program should be clearly outlined by amount and type of space, costs identified and source of costs. (Facility Master Plans F4.1)
- 1.1.20I **Need and Demand**. Evidence should be provided that a proposed new program contributes to meeting the priorities/goals of the institution's academic or master plan, why the institution needs that program, and why the state needs graduates from that particular program.

Student Demand. Evidence of student demand, normally in the form of surveys of potential students and enrollment in related programs at the institution, should be adequate to expect a reasonable level of productivity.

Employer Need/Demand. Evidence of sufficient employer demand/need, normally in the form of anticipated openings in an appropriate service area (that may be national, regional, or local), in relation to existing production of graduates for that service area. Evidence may include the results of a need assessment, employer surveys, current labor market analyses, and future workforce projections. Where appropriate, evidence should also demonstrate societal need and employers' preference for graduates of the proposed program over persons having alternative existing credentials and employers' willingness to pay higher salaries to graduates of the proposed program.

1.1.20J **No Unnecessary Duplication**. Where other similar programs may serve the same potential student population, evidence should demonstrate that the proposed program is in accord with the

institution's THEC-approved distinct mission, is sufficiently different from the existing programs or that access to the existing programs is sufficiently limited to warrant initiation of a new program. The proposal should explain why it is more cost effective or otherwise in the best interests of the State to initiate a new program rather than meet the demand through other arrangements. (e.g., collaborative means with another institution distance education technologies, Academic Common Market, and consortia).

- 1.1.20K **Cooperating Institutions**. For programs needing the cooperation of other institutions (including government, education, health, and business), evidence of the willingness of these institutions to participate is required.
- 1.1.20L **Diversity and Access**. The proposed program will not impede the state's commitment to diversity and access in higher education (Post *Geier*). A statement should be provided as to how the proposed program would enhance racial diversity.
- 1.1.20M **Assessment/Evaluation and Accreditation**. Evidence should be provided to demonstrate that careful evaluation of the program being proposed would be undertaken periodically. Information must be provided to indicate the schedule for program assessments or evaluations, (including program evaluations associated with Performance Funding) those responsible for conducting them, and how the results are to be used. Where appropriate, professional organizations that accredit programs should be identified and any substantive change that may require a SACS review should be indicated.
- 1.1.20N **Graduate Programs**. New graduate programs will be evaluated according to criteria set forth in this policy, as these criteria are informed by the principles supported by the Tennessee Council of Graduate Schools and best practices in the disciplines.
- 1.1.200 **External Judgment**. The Commission staff may, in consultation with the governing board staffs, determine that review by an external authority is required before framing a recommendation to the Commission. Consultants will normally be required for new graduate programs. Consultants will not normally be required for new undergraduate and certificate programs, but there may be exceptions in cases of large cost or marked departure from existing programs at the institution.
- 1.1.20P **Cost/Benefit**. The benefit to the state should outweigh the cost of the program. Institutions should, in the program proposal, estimate the effect on funding caused by the implementation of the program. Detailed costs should be provided on forms required for consideration of new undergraduate and graduate programs

(See 1.0.10, Program Costs/Revenues). These details should include reallocation plans, grants, gifts or other external sources of funding/partnerships. The THEC Financial Projection form (Attachment A) must accompany the proposal.

- 1.1.30 Post Approval Monitoring. During the first five years (three years for pre-baccalaureate programs) following approval, performance of the program, based on goals established in the proposal, will be evaluated annually. At the end of this period, Commission staff will perform a summative evaluation and present the summary to the Commission annually. This summative evaluation will include, but not be limited to, enrollment and graduation numbers, program cost, progress toward accreditation, library acquisitions, student performance, and other goals set by the institution and agreed to by governing board and Commission staff. As a result of this evaluation, if the program is deficient, the Commission may recommend to the governing board that the program be terminated. Copies of such recommendation will be forwarded to the Education Committees of the General Assembly. The Commission may also choose to extend this period if additional time is needed and is requested by the governing board.
- 1.1.30A **Schedule**. At the January Commission meeting the Commission will review post approval reports on programs that have recently received approval.
- 1.1.30B **Unfulfilled Productivity**. Institutions with programs that fall markedly short of projected goals as approved in program proposals, must submit, through their governing boards, an explanation of the shortfall and a discussion of the future expectations to accompany annual program progress reports.
- 1.1.30C **Further Action**. The Commission may request the governing board to take action on any program that is performing significantly below projections.
- 1.1.40A Delegated Authority for Final Approval of Community College
 Programs (Certificates and Associates) to the Tennessee Board
 of Regents. Notwithstanding anything in this policy to the
 contrary, the Tennessee Higher Education Commission delegates
 authority for final approval of community college associate degrees
 and certificates of any credit-hour requirement to the TBR subject
 to the conditions outlined in Policy A1.0.70, New Academic
 Programs: Approval Process.
- 1.140B

 THEC Authority for Post-Approval Monitoring of All
 Community College Programs. Not withstanding anything in
 this policy to the contrary, the Tennessee Higher Education
 Commission expressly does not delegate to the TBR the authority
 for the post-approval monitoring and evaluation of community

<u>college associate and certificate programs as required in A1.0.70B, A1.1.30, A1.1.30A – C (New Academic Programs).</u>

Approved: April 22, 1988
Revised: April 19, 1996
Revised: January 29, 1997
Revised: November 14, 2002
Revised: April 26, 2007
Revised: January 27, 2011

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Agenda Item: I.C.1.

DATE:July 28, 2011

SUBJECT: Chattanooga State Community College. Technical Certificate

(24 credit hours) in Process Technology

ACTION RECOMMENDED: Approval

BACKGROUND INFORMATION: Wacker Polysilicon, North America, has requested that Chattanooga State establish a program in Process Technology to support workforce needs. This certificate will provide students training to be competitive for employment with Wacker and other local manufacturers. The certificate will be embedded in the existing A.A.S. degree in Engineering Chemical Engineering Technology concentration, Technology, constitute a new pathway toward associate degree completion.

PROPOSED START-UP DATE: Fall 2011

- **1.1.20A MISSION:** The proposed program furthers the workforce development mission of the institution.
- **1.1.20B CURRICULUM:** The certificate will require completion of a 24 credit hour curriculum, including 7 hours in general education and 17 hours in courses in the career field. Existing courses will support the credential.
- **1.1.20C ACADEMIC STANDARDS:** College admission requirements apply.

Projected Program Enrollment and Productivity: Enrollment and productivity projections are based on local demand and a workforce needs analysis provided by Wacker Polysilicon, North America. The certificate is projected to produce 70 completers in year 1, 120 in year 2, and 75 in year 3.

- **1.1.20D FACULTY:** No additional faculty are required.
- **1.1.20E LIBRARY RESOURCES:** Library resources exist for the A.A.S. in Engineering Technology.
- **1.1.20P COST/BENEFIT:** No start-up funds are required.
- 1.1.30 **POST APPROVAL MONITORING:** An annual performance review of the proposed program will be conducted for the first five years following approval. The review will be based on benchmarks established in the approved program proposal. At the end of this period, campus, governing board, and Commission staff will perform a summative evaluation. The benchmarks include, but are not limited to, enrollment and graduation, program cost, progress toward accreditation, library acquisitions, student performance, and others set by the institution and agreed upon by governing board and

Commission staff. As a result of this evaluation, if benchmarks are not met during the monitoring period, the Commission may recommend that the governing board terminate the program. The Commission may choose to extend the period, if additional time is needed and requested by the governing board.

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O N Agenda Item: I.C.2.

DATE:July 28, 2011

SUBJECT: TBR system-wide General Education Core Academic Certificate

(41 credit hours) for the Associate of Arts and the Associate of

Science

ACTION RECOMMENDED: Approval

BACKGROUND INFORMATION: The purpose of the certificate is to improve community college student success as measured through the completion of the 41-hour General Education Core common to all public colleges and universities. The 41-hour General Education Core certificate will be delivered by all community colleges through a variety of delivery methods, including cohort-based and block-scheduled programming, online, hybrid, and on-ground instruction. These strategies promote student success by compressing the time required for completion and maximizing the convenience for the student.

PROPOSED START-UP DATE: Fall 2011

- **1.1.20A MISSION:** The certificate is in accord with the student success and transfer mission of all thirteen community colleges.
- **1.1.20B CURRICULUM:** The certificate requires completion of the 41-hour General Education Core common to all community colleges and state universities. This common Core is fully transferrable to all TBR and UT universities. Courses designated to fulfill the Core are published in each community college's catalog. A complete listing of the courses fulfilling the Core requirements for all TBR institutions is posted on the TBR website. The creation of new courses is not required.

Students will be given a program completion plan including total program costs and date of completion prior to beginning their coursework in General Education. Through cohort-delivery, students should be able to complete the 41-hour core within three semesters.

- **1.1.20C PROGRAM PRODUCTIVITY:** The community colleges collectively project that close to 500 students will complete the certificate in the third year of implementation. Each community college has projected completion numbers based on its specific cohort size and delivery modes.
- **1.1.20D FACULTY:** No additional faculty are required.
- **1.1.20E LIBRARY RESOURCES:** No additional library resources are required.
- **1.1.20F ADMINISTRATION/ORGANIZATION** will vary by community college.

- **1.1.20G SUPPORT RESOURCES:** No additional resources required.
- **1.120H FACILITIES AND EQUIPMENT:** No additional expenditures required.
- **1.1.20I NEED AND DEMAND:** Increasing completion rates is a primary goal of the Complete College Tennessee Act, and the TBR community colleges are addressing this goal through efforts to establish the certificate as a recognized milestone toward associate degree completion or efficient transfer. This strategy is designed to yield more completers of a credential. The THEC 2010 Annual Report on Articulation and Transfer shows that, of the 5,271 community college students who transferred, about a third transferred with 35 or fewer hours and 19.4 percent transferred to a university with the AA/AS.
- **1.1.20J NO UNNECESSARY DUPLICATION:** The commonality of the Core with its universal transfer gives coherence to the 41-hour requirement of the 60-hour AA/AS degrees.
- **1.1.20K COOPERATING INSTITUTIONS:** All thirteen TBR community colleges will award the certificate. Certificate completion makes AA/AS completion more intentional and transfer more systematic.
- **1.1.20L DIVERSITY AND ACCESS:** The program as proposed is in accord with the common mission of community colleges to provide access, including ease of transfer to a four-year institution.
- **1.1.20M ASSESSMENT/EVALUATION AND ACCREDITATION:** All TBR institutions hold institutional accreditation through the Southern Association of Colleges and Schools. There is no specialized program accreditation for the certificate. The number of certificate completers will be collected annually and reported in the aggregate and by institution. Additionally, the number of completers in two subpopulations (adults and low-income) will be isolated, as these populations have particular significance in the THEC funding formula. From this database, TBR will track changes over time in completion numbers. Furthermore, each community college will report to the TBR annually on evaluation of student outcomes in reading, speech, math, and critical thinking. From this analysis, institutions will identify areas for improvement.
- 1.1.200 EXTERNAL JUDGMENT: N/A
- **1.1.20P COST/BENEFIT:** No new costs will be incurred.
- **1.1.30 POST APPROVAL MONITORING:** An annual performance review of the proposed program will be conducted for the first five years following approval. The review will be based on benchmarks established in the approved program proposal. At the end of this period, campus, governing board, and Commission staff will perform a summative evaluation. The benchmarks include, but are not limited to, enrollment and graduation, program cost, progress toward accreditation, library acquisitions, student performance, and others set by the institution and agreed upon by governing

board and Commission staff. As a result of this evaluation, if benchmarks are not met during the monitoring period, the Commission may recommend that the governing board terminate the program. The Commission may choose to extend the period, if additional time is needed and requested by the governing board.

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Agenda Item: I.C.3.

DATE:July 28, 2011

SUBJECT: East Tennessee State University. Establish a New Academic

Degree Program (M.S.) in Geosciences with concentrations in

1) Geospatial Analysis and 2) Paleontology

ACTION RECOMMENDED: Approval

BACKGROUND INFORMATION: The proposed M.S. in Geosciences builds on existing resources. East Tennessee State University is home to one of the largest groups of academic paleontologists in the United States: four in Geosciences and two in Biological Sciences. Additionally, the university has resources in the Gray Fossil Site, the expanding Natural History Museum, and the Sundquist Center for Excellence in Paleontology. These assets, coupled with expertise in geographic information systems (remote sensing, studies of land use, ground water, and natural hazards), will attract highly qualified graduate students from around the country and likely from around the world.

East Tennessee State University's groundwork for the proposed program was first established in creating a concentration in Geosciences within the M.S. in Technology and forming a new department through merging geology and geography disciplines. These actions created a department of 12 full-time faculty, funded graduate assistantships, and established teaching and research collections in geospatial analysis and paleontology.

PROPOSED START-UP DATE: Fall 2011

- **1.1.20A MISSION:** The proposed program supports the ETSU mission to provide programming in the basic sciences and interdisciplinary studies.
- **1.1.20B CURRICULUM:** The degree program will require completion of 30 semester credit hours, including a 9-hour major field core in geosciences and 9-11 hours in the elected concentration. A thesis will be required. Five new courses (15 credit hours) will be developed for the proposed program.

The first concentration, the Geospatial Analysis concentration, presents opportunity for study in related ETSU graduate fields, such as engineering technology, surveying and mapping, digital media, biological sciences, and public health. Likewise, graduate students in these disciplines may elect courses in the Geospatial Analysis concentration that center on specialized software tools. Graduates will be prepared for employment in higher education; local, state, and federal governments; non-profit organizations; and for-profit entities.

The second concentration, the Paleontology concentration, is also characterized by interdepartmental cooperation. Graduates will be prepared for employment in higher education and for fossil study and display preparation for museums and national parks.

1.1.20C ACADEMIC STANDARDS: Applicants must meet admission requirements of the School of Graduate Studies and the program. Program admission requires a bachelor's degree in geosciences (or related discipline); a minimum 3.0 overall undergraduate GPA; three letters of recommendation (from previous professors or employers); a two-page letter stating the applicant's career goals and specific academic and research interests; and a resume.

Projected Program Enrollment and Productivity:

Year	Full-Time Headcount	Part-Time Headcount	Total Year Headcount	FTE	Graduates
1	5	0	5	3.75	0
2	10	0	10	7.50	4
3	11	1	12	8.75	6
4	12	2	14	10.0	7
5	12	2	14	10.0	7

Enrollment and productivity projections are based on 5 full-time students being admitted annually. Because of the nature of the degree, the department does not project significant interest in part-time study but would consider part-time enrollment for qualified applicants. Students will generally graduate in 2 to 2.5 years.

- **1.1.20D FACULTY:** The 12 full-time faculty, and associated faculty from other disciplines, are adequate to support the program.
- **1.1.20E LIBRARY RESOURCES:** Library resources are adequate for program implementation.
- **1.1.20F ADMINISTRATION/ORGANIZATION:** The program will be housed in the Department of Geosciences within the College of Arts and Sciences.
- **1.1.20G SUPPORT RESOURCES:** The learning resources associated with the proposed program are:
 - 1) The Gray Fossil Site provides training in excavation of fossils for removal to the preparation laboratory in the Natural History Museum.
 - 2) The ETSU and General Shale Brick Natural History Museum, situated next to the Site, contains an archival collection of fossils from the Gray Site and the Saltville fossil site (Virginia) available for teaching about fossil preservation of plants, animals, and skeletal anatomy of extinct animals. The Museum contains a state-of-the-art preparation laboratory.
 - 3) The Vertebrate Paleontology Laboratory contains an extensive collection of peer- review journals subscriptions and reprints, and books and

monographs considered by the external reviewer as a unique and significant resource.

- **1.120H FACILITIES AND EQUIPMENT:** Facilities, equipment, and software (such as computer software systems for geographic mapping), are adequate to support the program. The Department of Geosciences will be physically housed in the renovated Ross Hall. The space will include classrooms, laboratories, and faculty offices. Additional assignment of space to the program at the ETSU Valleybrook facility increases laboratory and office space dedicated to the program. Substantial equipment, research, and library collections were earlier placed at the Gray Fossil Site in support of the Natural History Museum and the Center of Excellence in Paleontology.
- 1.1.20I NEED AND DEMAND: The US Bureau of Labor Statistics indicates that the number of jobs in the geosciences will grow by 22 percent in the decade ending in 2016. As an indication of need, the Geological Society of America and the American Association of Petroleum Geologists have issued position statements regarding the value and importance of geological and geographical mapping for natural-resource and land-use decision making and study of, global climate change, natural hazards, and water resources. The Paleontology specialization has drawn the attention of professionals in this field and interested students from around the US and world. Labor market analyses indicate a need for individuals prepared to collect appropriate geosciences data, analyze and interpret data, and record and present findings to academic, public, and governmental audiences.
- **1.1.20J NO UNNECESSARY DUPLICATION:** Because of the nature and scope of the proposed degree and its association with a major fossil site and museum, it is not duplicated at either public or private institutions in the state. While other institutions have offerings in geology, earth science, and land-use history from an archaeological perspective, the proposed degree is singular in its paleontology and geospatial analysis construction.
- **1.1.20K COOPERATING INSTITUTIONS:** N/A at this time.
- **1.1.20L DIVERSITY AND ACCESS:** Diversity is an objective in recruiting, mentoring, and graduating students.
- **1.1.20M ASSESSMENT/EVALUATION AND ACCREDITATION:** There are no specialized accrediting bodies for this program. Evaluations of the program will be based on quantitative data, including numbers of applicants to the program; graduates employed in the fields of the major; graduates accepted into doctoral programs; grant proposals; student-faculty publications and presentations at national and international meetings; and theses submitted and published per year in peer-review outlets. Qualitative judgments will include quality of accepted manuscripts for publication, thoroughness of theses, and the quality of granting agencies sponsoring grant awards.
- **1.1.200 EXTERNAL JUDGMENT:** Dr. Ray Bernor of Howard University evaluated the proposal and conducted a February 28-March 1, 2011, site visit. He endorsed the

approval of the program, stating: "The proposed MS Program . . . has the immediate possibility to become a premier program that marries contemporary research and education in Geosciences and Biological Sciences. . . . ETSU has positioned itself to have one of the nation's very best graduate programs in Geosciences with an emphasis in paleontology and geospatial sciences."

- **1.1.20P COST/BENEFIT:** Previous investments in the Gray Fossil Site, the Natural History Museum, and the Center of Excellence in Paleontology, with associated space and equipment, enable ETSU to establish the free-standing M.S. in Geosciences with no new costs. Faculty, support staff, and administrative costs associated with programming in geosciences previously existing at the concentration level are in place and are adequate for program operation. Ten graduate assistantships have been assigned in previous years to the geosciences and will be allocated to the department, and these positions along with two additional tuition waiver scholar positions will contribute to the program. In 2002, ETSU received an \$8 million federal grant for a paleontology facility (museum and visitor center) and for funding the first three years of research at the Gray Fossil Site. An additional \$2 million in private gifts and commitment of ETSU resources augmented this grant. Therefore, no new costs are associated with program implementation.
- 1.1.30 POST APPROVAL MONITORING: An annual performance review of the proposed program will be conducted for the first five years following approval. The review will be based on benchmarks established in the approved program proposal. At the end of this period, campus, governing board, and Commission staff will perform a summative evaluation. The benchmarks include, but are not limited to, enrollment and graduation, program cost, progress toward accreditation, library acquisitions, student performance, and others set by the institution and agreed upon by governing board and Commission staff. As a result of this evaluation, if benchmarks are not met during the monitoring period, the Commission may recommend that the governing board terminate the program. The Commission may choose to extend the period, if additional time is needed and requested by the governing board.

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Agenda Item: I.C.4.

DATE:July 28, 2011

SUBJECT: University of Tennessee, Knoxville. Establish a New Academic

Degree Program (DSW) in Social Work

ACTION RECOMMENDED: Approval

BACKGROUND INFORMATION: The proposed post-MSW/MSSW Doctor of Social Work (DSW) is a clinical practice program designed for individuals interested in advancing their clinical knowledge and becoming leaders in professional practice. Other professional doctorates include those in pharmacy (PharmD), physical therapy (DPT), and nursing (DNP).

The DSW differs from the existing UTK Ph.D. in Social Work. The Ph.D. prepares graduates for research and academic careers; the DSW prepares graduates for advanced professional practice. The proposed DSW is not, therefore, expected to compete with the Ph.D. for applicants or resources. The UTK Ph.D. social work program is well established, and the proposed DSW should not affect its productivity. Geared toward working professionals, the proposed DSW is an intensive accelerated program that enables students to satisfy all degree requirements in three years through distance technologies. It is expected that at least 60 percent of the DSW graduates will practice in Tennessee and that half of those will practice in rural and underserved areas of the state.

Faculty to support the program have been repositioned from the UTK MSSW presence in Memphis. The University consolidated the UT College of Social Work Memphis program faculty and resources into the Nashville and Knoxville locations. The College of Social Work has retained all faculty lines through this consolidation, gaining sufficient faculty to staff the DSW. As the DSW is online, operating costs will be reduced from the resource level required for the Memphis presence, and no additional funds will be required to implement the proposed program. Memphis and west Tennessee continue to be served by the UTK online MSSW and the on-ground University of Memphis MSW, approved by THEC in 2010 with the agreement of both institutions that UoM would be the primary provider for master's preparation in the Memphis area. The UoM MSW was implemented Spring 2011.

PROPOSED START-UP DATE: January 2012

1.1.20A MISSION: The proposed program furthers the University of Tennessee mission to provide Tennesseans access to quality higher education, economic development, and enhanced quality-of-life opportunities. The School of Social Work's goal for the DSW is to prepare expert clinicians who will provide advanced social work care in a variety of settings and serve as leaders in improving social and health care systems.

1.1.20B CURRICULUM: The Council on Social Work Education (CSWE) and the National Association of Social Workers (NASW), the two major national associations for social workers and social work educators, identify specific knowledge and skills needed to prepare social workers for present and future social work practice. The Commission on Educational Policy of CSWE provided guidance in developing the necessary curriculum to educate for effective social work practice. The curriculum of the proposed DSW was constructed using these guiding principles and content recommended by the two organizations. Sixteen new courses have been constructed to support the program.

The program will be a post-Master of Social Work program and will require completion of 48 credit hours and production of two DSW capstone publishable papers. Each student will select an area of specialization, which will likely be within the student's current area of practice, such as mental health, public health, medical social work, gerontology, substance abuse, or child welfare.

The College of Social Work has offered a distance education master's program in social work for the last four years. The proposed DSW will be delivered using similar distance technologies and proven teaching strategies to provide program access and flexibility for students distant from the campus.

1.1.20C ACADEMIC STANDARDS:

Projected Program Enrollment and Productivity:

Year	Fall Full-Time Headcount	Fall Part-Time Headcount	Total FTE Fall Enrollment	Graduates
1	0	15	7.5	0
2	0	30	15	0
3	0	45	22.5	15
4	0	45	22.5	15
5	0	45	22.5	15

The enrollment and completion projections recognize the productivity of the existing UTK bachelor's, master's, and Ph.D. in social work. Graduate totals for the last three years for each program are: BSSW, 81 graduates; MSSW, 581 graduates; Ph.D., 10 graduates. Other Tennessee master's of social work programs are: the Mid-Tennessee Collaborative MSW (at Middle Tennessee State University, Austin Peay, and Tennessee State) and programs offered by East Tennessee State University and the University of Memphis. Master's graduates from these programs may be considered a recruitment pool for the DSW advanced clinical practice degree. The ETSU program has produced 84 graduates in the last three years. The Mid-Tennessee Consortium should generate about 60 graduates per year with program maturity.

Applicants must hold a master's degree in social work, have two years of post MSW/MSSW clinical experience, and meet Graduate School admission standards. Students will be selected for the program based on extent of clinical practice experience, grade point average, Graduate Record Exam scores, and demonstration of information technology skills. Students will be admitted on a space available basis. Students eligible for admission but not admitted due to space constraints will be placed on a waiting list and will be eligible to apply for the program in subsequent years. Students will be admitted in cohorts. Should a student be unable to continue the sequence of courses with the admitted cohort, that student will be able to continue course work with the subsequent cohort. Students will attend a week of campus residency each summer devoted to intensive study and skills practice.

- **1.1.20D FACULTY:** The external consultants judged existing faculty sufficient to support the program. College of Social Work faculty teach across program levels, with the necessary faculty FTE dedicated to DSW instruction drawn from existing positions and supported through the consolidation of the master's programs. Courses in practice skills will be taught by doctoral faculty holding clinical licenses.
- **1.1.20E LIBRARY RESOURCES:** Library resources are sufficient to support the proposed DSW. These existing resources include extensive electronic database/indexes collections, Internet resources, full-text services, and electronic journals. A UT Libraries staff member is currently dedicated to support the research activity of the College. The College will continually assess students' library needs as the DSW program evolves.
- **1.1.20F ADMINISTRATION/ORGANIZATION:** The proposed program will be housed in the College of Social Work. The Director of the DSW program will have responsibility for oversight of the program including admissions, course scheduling, administration of comprehensive examinations, faculty evaluation, student recruitment, and program evaluation.
- **1.1.20G SUPPORT RESOURCES:** Fifteen support staff members are employed by the College of Social Work. There are 12 clerical staff members, one business manager, one financial support staff, and one full-time technical support staff. No additional support personnel are required.
- **1.120H FACILITIES AND EQUIPMENT:** The consultants found facilities and equipment to be adequate to support the essentially online program. The College receives support from the Innovative Technology Center in preparing and delivering online courses.
- **1.1.20I NEED AND DEMAND:** Social work related occupations are forecast to increase by 23 percent by 2016. This increase is anticipated because of the needs of the increasingly aging population, greater need for social services, changing needs of military personnel, and retirement of social workers now in the field.

The School of Social Work conducted two separate surveys to determine demand for the program. The first survey was conducted in 2009 by Eduventures to help gauge the demand from potential employers for graduates equipped with a practice-oriented doctoral degree offered through distance learning. The resulting report presented insights from social work experts in the Southeast, relevant national and regional economic data, and national degree conferral trends used by the School in the development of the program. The second survey also validated demand. This internally developed survey solicited input from Licensed Master social workers and Licensed Clinical social workers in Tennessee regarding interest in the program and content desired.

- **1.1.20J NO UNNECESSARY DUPLICATION:** No other public Ph.D.-granting institution in the southeast offers a doctorate in clinical social work.
- **1.1.20K COOPERATING INSTITUTIONS:** Contracts are in place with a large number of social service and healthcare providers for student placement for clinical practice. In partnership with the UT College of Law, the College of Social Work provides services in the area of poverty and domestic violence law, and a partnership with the Knox County Community Law Office provides social work students experience in social work practice in legal defense.
- **1.1.20L DIVERSITY AND ACCESS:** The proposed program will extend access through online delivery and will recruit to attract a diverse student body. The long-term goal of the program is to contribute to a balance between the diversity of the population and the diversity of the social work workforce.
- **1.1.20M ASSESSMENT/EVALUATION AND ACCREDITATION:** The Council on Social Work Education (CSWE), the national accrediting body for social work education, accredits only bachelor's and master's programs. There is no accreditation at the doctoral level. The UTK College of Social Work has been continuously accredited by CSWE since 1945. Reaffirmation of the bachelor's and master's programs was awarded in 2010 for the full eight years of the accreditation cycle.

The program will be routinely evaluated through established School of Social Work and University program review processes and through the DSW Program Evaluation Plan. This plan is designed to provide outcome data on course effectiveness and student learning to assess the success of the program in meeting its program goals. Additionally, the College will conduct exit interviews with graduates and will annually survey completers to identify areas for program improvement. Data will be maintained on graduate employment.

1.1.200 EXTERNAL JUDGMENT: Two external consultants evaluated the program proposal and conducted a site visit. Dr. Catherine N. Dulmus, Associate Dean for Research and Director, Buffalo Center for Social Research, University at Buffalo, State University of New York, found that "The University of Tennessee, College of Social Work is uniquely positioned to begin a DSW program with minimal new start-up costs." Dr. Bruce A. Thyer, Professor of Social Work (and past dean), College of Social Work, Florida State University, was equally positive in his review, saying, "The proposed DSW degree in clinical social work is an exciting development for the University of Tennessee, and for social work education nationally."

- **1.1.20P COST/BENEFIT:** Expenditures will come from resources gained from the consolidation of master's programs. Existing faculty salaries and portions of existing faculty salaries derived from the consolidation are currently budgeted. Tuition and online fee revenue will accrue to the program. No additional start-up funds will be required.
- 1.1.30 POST APPROVAL MONITORING: An annual performance review of the proposed program will be conducted for the first five years following approval. The review will be based on benchmarks established in the approved program proposal. At the end of this period, campus, governing board, and Commission staff will perform a summative evaluation. The benchmarks include, but are not limited to, enrollment and graduation, program cost, progress toward accreditation, library acquisitions, student performance, and others set by the institution and agreed upon by governing board and Commission staff. As a result of this evaluation, if benchmarks are not met during the monitoring period, the Commission may recommend that the governing board terminate the program. The Commission may choose to extend the period, if additional time is needed and requested by the governing board.

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Agenda Item: I.C.5.

DATE:July 28, 2011

SUBJECT: University of Memphis. Establish a New Academic Degree Program

(Ph.D.) in Epidemiology

ACTION RECOMMENDED: Approval

BACKGROUND INFORMATION: Epidemiology is the basic foundation of any public health offering. It represents the core discipline around which the other components of public health are built, as epidemiology is concerned with the theoretical background, the research methodology, and the experimental tools that are necessary for the practice of public health. The proposed Ph.D. in Epidemiology program aims to improve the health and well-being of local and regional communities through the University's active involvement with Memphis area public health agencies and practitioners. The program will serve the Memphis area, Tennessee, and the Mid-South region. The Epidemiology program is designed for individuals who intend to teach and conduct research by applying scientific theories and methods and to advocate and promote health policies and interventions. Graduates will be prepared with specialized skills to address problems that are of critical importance to urban areas, such as health disparities and behavioral and environmental influences on population health.

PROPOSED START-UP DATE: Fall 2011

- **1.1.20A MISSION:** The program as proposed is in accord with the provisions of the University of Memphis mission that the University provide programming in health related fields for the urban population and the region it serves.
- **1.1.20B CURRICULUM:** The post-master's program will require completion of 63 semester hours (including courses in the major, a research methods core, and dissertation). Five new courses will be developed. This program requires students to take courses across disciplines, and the curriculum has been developed in cooperation with multiple departments both within and outside of the School of Public Health, including: Biology, Environmental Health, Social and Behavioral Sciences, Health Services & Systems Research, Nursing, and Psychology.
- 1.1.20C ACADEMIC STANDARDS: A master's degree with an average GPA of at least a 3.0 is required for admission along with competitive scores on the GRE taken within the past five years. Applicants already holding a doctoral degree or its professional equivalent may be exempted from the GRE requirement or substitute other professional school standardized test scores. International applicants attending the University on a visa who are not native English speakers and not graduates of the University of Memphis must submit acceptable scores on the Test of English as a Foreign Language. Three letters of recommendation are required (at least one letter must be from a former

professor or instructor familiar with the applicant's academic background or experience in public health issues). Also required is a personal statement from the applicant indicating present interests and career goals, including how the Ph.D. in Epidemiology will prepare the candidate to achieve these goals. Admissions decisions are made on the overall quality of the applicant's scholarship and academic standing. Program retention, graduation, and residency requirements are consistent with those of the Graduate School.

Projected Program Enrollment and Productivity:

Year	New Full-Time Headcount	New Part-Time Headcount	Total Headcount	FTE	Graduates			
1	3	1	4	3.5				
2	2	0	6	5.5				
3	2	1	9	9.0	1			
4	2	1	11	9.5	3			
5	3	2	13	10.5	5			

Enrollment and productivity projections are based on current demand and available resources to support the program. National evidence supports the need for additional public health educational programs. In the last decade, applications to accredited Schools of Public Health have increased by 76 percent. The University of Memphis School of Public Health has received inquiries from area health professionals about the availability of a doctoral program in epidemiology; many of these master's prepared professionals have expressed their interest in applying for admission. The first year enrollment projection anticipates that a number of these individuals will enroll. By year 5, a steady process of recruitment and enrollment of 3-4 full-time and 2-3 part-time students is anticipated. The enrollment estimates assume that 25 percent or more of the total enrollments in the School's programs are students moving from other U of M graduate programs. It is assumed that 75 percent of total enrollments will be in-state students or individuals from border counties within the Metropolitan Statistical Area.

1.1.20D FACULTY: The Ph.D. in Epidemiology is a multidisciplinary program involving faculty and faculty affiliates holding academic degrees in several disciplines including epidemiology, biostatistics, environmental health, social and behavioral sciences, and medicine. Two additional full-time, tenure-track epidemiology faculty will be hired. Counting the new hires, the program will be supported by six full-time core faculty, part-time teaching from the dean of the School, and effort from part-time affiliate faculty. The external evaluators judged the faculty configuration to be adequate to support the program.

- **1.1.20E LIBRARY RESOURCES:** External evaluators for the proposed program have determined that, with the designated \$15,000 for library enhancement, library resources related to epidemiology are adequate to support the program.
- **1.1.20F ADMINISTRATION/ORGANIZATION:** The proposed program will be housed in the School of Public Health. A Director of Graduate Studies within the School will oversee and coordinate the program relative to policy compliance for admissions, curriculum issues, and graduation requirements. A Coordinator of the Epidemiology Doctoral Program will be charged with working collaboratively with the dean, the graduate director, other academic units, and community partners to implement and administer the program.
- **1.1.20G SUPPORT RESOURCES:** The program is designed to draw on local resources and capabilities, including St. Jude Children's Research Hospital, the University of Tennessee Health Sciences Center, the Memphis/Shelby County Health Department, The Urban Child Institute, and Methodist University Hospital.
- **1.120H FACILITIES AND EQUIPMENT:** External evaluators have judged that, with \$2,000 budgeted for equipment enhancement, facilities and equipment are adequate for program implementation.
- 1.1.20I **NEED AND DEMAND:** There is an acute shortage of public health professionals nationally, in the Mid-South, and in Memphis/Shelby County. The need is particularly acute for epidemiologists, as epidemiological research is the first step to address the many heath issues of the region. Epidemiology is the tool to characterize health problems, determine their pattern and distribution, and measure their magnitude and effect on the well-being of the population. The public health workforce is expected to take on greater responsibilities to address emerging problems such as influenza, bioterrorism, and the growing epidemics of obesity, cardiovascular diseases, and diabetes. The United Health Foundation finds Tennessee to be one of the least healthy states in the U.S., and the Tennessee County Health Rankings show that Shelby County is in the bottom quartile for state health outcomes (derived from measures of mortality, low birth weight, and general health status). Therefore, health challenges are extreme in the region served by the University of Memphis.
- **1.1.20J NO UNNECESSARY DUPLICATION:** The proposed program will not duplicate existing access to doctoral epidemiology programs at state institutions. Within public higher education, East Tennessee State University offers a doctorate in public health (DrPH) with a concentration in epidemiology which emphasizes rural public health. The University of Tennessee at Memphis offers a master's degree in epidemiology, a complement to the proposed University of Memphis doctorate. Vanderbilt University has recently established a Ph.D. program in epidemiology.
- **1.1.20K COOPERATING INSTITUTIONS:** The program will collaborate with local resources and capabilities, including the University of Memphis Health Sciences Center, St. Jude Children's Research Hospital, the Memphis/Shelby County Health Department, The Urban Child Institute, and Methodist University Hospital.

- **1.1.20L DIVERSITY AND ACCESS:** A primary goal of the program is to recruit, retain, mentor, and graduate a highly qualified and diverse body of students.
- **1.1.20M ASSESSMENT/EVALUATION AND ACCREDITATION:** Program outcomes have been declared that are in accord with accreditation criteria of the Council on Education for Public Health (CEPH), the national accreditation body for this degree. Council on Education for Public Health accreditation will be sought after the program is established in keeping with CEPH guidelines.
- 1.1.200 EXTERNAL JUDGMENT: Two external consultants in the field conducted a proposal evaluation and site visit. Dr. James Hebert, Director of the Statewide Health Prevention & Control Program and Health Sciences Distinguished Professor from the University of South Carolina Arnold School of Public Health, and Dr. Steven Belle, of the University of Pittsburg Graduate School of Public Health, endorsed the approval of the program, stating: "The proposed program has the potential to offer aspects unique in Schools of Public Health in the United States. The population of this region [Memphis and the Mid-South] has a public health need and faces substantial disparities in health promotion, disease prevention, and care. Having an educational partner with translational research, including policy-making, as a goal, demonstrated strong community presence, and existing favorable community relationships should make this program a positive force in the community."
- **1.1.20P COST/BENEFIT:** The proposed doctoral program will be funded through campus reallocations, funding for the establishment of the School of Public Health, and additional tuition revenues generated by increased Master of Public Health enrollments. Additional support comes from currently awarded federal and private gifts. A private gift fund of \$50,000 per year has been provided for two years to the School of Public Health from the Ayers Fund at the University of Memphis. The School has received \$2.5 million from the Assisi Foundation, \$1.3 million from the Plough Foundation, and \$100,000 from Baptist Hospital.
- 1.1.30 POST APPROVAL MONITORING: An annual performance review of the proposed program will be conducted for the first five years following approval. The review will be based on benchmarks established in the approved program proposal. At the end of this period, campus, governing board, and Commission staff will perform a summative evaluation. The benchmarks include, but are not limited to, enrollment and graduation, program cost, progress toward accreditation, library acquisitions, student performance, and others set by the institution and agreed upon by governing board and Commission staff. As a result of this evaluation, if benchmarks are not met during the monitoring period, the Commission may recommend that the governing board terminate the program. The Commission may choose to extend the period, if additional time is needed and requested by the governing board.

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Agenda Item: I.D.1.

DATE:July 28, 2011

SUBJECT: Temporary Authorization of New Institutions under the

Postsecondary Authorization Act

ACTION RECOMMENDED: Temporary Authorization

BACKGROUND INFORMATION: The Commission, under the Postsecondary Authorization Act, has the "power and duty" to act upon applications for authorization to operate an educational institution in the state. For the institutions listed below, applications have been reviewed, site visits have been performed, and staff has determined that all necessary documentation and bonds have been secured. The Committee on Postsecondary Educational Institutions met on July 7, 2011 and endorsed staff recommendations for Temporary Authorization of these institutions.

A. Advance Nurse Assistant Training, LLC 1135 Bell Road, Suite 305, Antioch, TN

Corporate Structure: Limited Liability Corporation

Accreditation: None Title IV Funding: None

Advanced Nursing Assistant Training is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Antioch, Tennessee.

1. Program: Nurse Assistant Training
Credential Awarded: Certificate of Completion
Length of Program: 120 contact hours (5 weeks)

B. CNA Training Academy 3675 New Getwell Road, Suite #2, Memphis, TN

Corporate Structure: C-Corporation

Accreditation: None Title IV Funding: None

CNA Training Academy is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Memphis, Tennessee.

1. Program: Nurse Aide Training
Credential Awarded: Certificate of Completion

Length of Program: 150 contact hours (2.5 months)

C. Dallas Theologically Seminary 1305 Centerpoint Boulevard, Knoxville, TN 37932

Corporate Structure: Not-For-Profit Corporation

Accreditation: Southern Association of Colleges and Schools

Association of Theological Schools

Title IV Funding: None

Dallas Theological Seminary is seeking approval for two new programs. These programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Knoxville, Tennessee.

1. Program: Biblical Studies

Credential Awarded: Master of Arts Degree

Length of Program: 62 semester credit hours (66 months)

2. Program: Graduate Studies

Credential Awarded: Certificate

Length of Program: 30 semester credit hours (30 months)

D. Drive Train119 E.L. Morgan Drive, Jackson, TN 38305

Change of Ownership:

James D. Williams and Lynn Williams sold the institution to Richard Hallenback and Jeffrey Hardin on February 1, 2011.

Corporate Structure: Limited Liability Corporation

Authorization Date: February 15, 1995

Accreditation: None Title IV Funding: No

Drive Train is seeking authorization for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Jackson, Tennessee.

1. Program: Tractor Trailer Training
Credential Awarded: Certificate of Completion
Length of Program: 150 contact hours (14 Days)

E. HRBlock Tax Group 2811 - B Clifton Avenue, Nashville, TN 37207

Corporate Structure: For-Profit Corporation

Accreditation: None

Title IV Funding: No

HRBlock Tax Group is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Nashville, Tennessee.

1. Program: H&R Block Introduction to Income Tax Course

Credential Awarded: Certificate

Length of Program: 84 contact hours (14.5 weeks)

F. HRBlock Tax Group 3049 Dickerson Pike, Suite 105, Nashville, TN 37207

Corporate Structure: For-Profit Corporation

Accreditation: None Title IV Funding: No

HRBlock Tax Group is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Nashville, Tennessee.

1. Program: H&R Block Introduction to Income Tax Course

Credential Awarded: Certificate

Length of Program: 84 contact hours (14.5 weeks)

G. HRB Tax Group, Inc.2557 Murfreesboro Pike, Nashville, TN 37207

Corporate Structure: For-Profit Corporation

Accreditation: None Title IV Funding: No

HRB Tax Group, Inc. is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Nashville, Tennessee.

1. Program: H&R Block Introduction to Income Tax Course

Credential Awarded: Certificate

Length of Program: 84 contact hours (14.5 weeks)

H. HRB Tax Group, Inc.147 Hudson Drive, Elizabethton, TN 37643

Corporate Structure: For-Profit Corporation

Accreditation: None Title IV Funding: No

HRB Tax Group, Inc. is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Elizabethon, Tennessee.

1. Program: H&R Block Introduction to Income Tax Course

Credential Awarded: Certificate

Length of Program: 84 contact hours (14.5 weeks)

I. HRB Tax Group, Inc.1743 E. US Highway 19 - E, Elizabethton, TN 37643

Corporate Structure: For-Profit Corporation

Accreditation: None Title IV Funding: No

HRB Tax Group, Inc. is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Elizabethon, Tennessee.

1. Program: H&R Block Introduction to Income Tax Course

Credential Awarded: Certificate

Length of Program: 84 contact hours (14.5 weeks)

J. HRB Tax Group, Inc.4714 Lebanon Pike, Hermitage, TN 37076

Corporate Structure: For-Profit Corporation

Accreditation: None Title IV Funding: No

HRB Tax Group, Inc. is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Hermitage, Tennessee.

1. Program: H&R Block Introduction to Income Tax Course

Credential Awarded: Certificate

Length of Program: 84 contact hours (14.5 weeks)

K. HRB Tax Group, Inc.3302 W. Market Street, Suite A7, Johnson City, TN 37604

Corporate Structure: For-Profit Corporation

Accreditation: None Title IV Funding: No

HRB Tax Group, Inc. is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Johnson City, Tennessee.

1. Program: H&R Block Introduction to Income Tax Course

Credential Awarded: Certificate

Length of Program: 84 contact hours (14.5 weeks)

L. HRB Tax Group, Inc.4364 West Stone Drive, Kingsport, TN 37660

Corporate Structure: For-Profit Corporation

Accreditation: None Title IV Funding: No

HRB Tax Group, Inc. is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Kingsport, Tennessee.

1. Program: H&R Block Introduction to Income Tax Course

Credential Awarded: Certificate

Length of Program: 84 contact hours (14.5 weeks)

M. HRB Tax Group, Inc. 2407 Callahan Drive, Knoxville, TN 37921

Corporate Structure: For-Profit Corporation

Accreditation: None Title IV Funding: No

HRB Tax Group, Inc. is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Knoxville, Tennessee.

1. Program: H&R Block Introduction to Income Tax Course

Credential Awarded: Certificate

Length of Program: 84 contact hours (14.5 weeks)

N. HRB Tax Group, Inc.

7351 Chapman Highway, Knoxville, TN 37920

Corporate Structure: For-Profit Corporation

Accreditation: None Title IV Funding: No

HRB Tax Group, Inc. is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Knoxville, Tennessee.

1. Program: H&R Block Introduction to Income Tax Course

Credential Awarded: Certificate

Length of Program: 84 contact hours (14.5 weeks)

O. HRB Tax Group, Inc. 231 Northgate Shopping Center, Suite 276, McMinnville, TN 37110

Corporate Structure: For-Profit Corporation

Accreditation: None Title IV Funding: No

HRB Tax Group, Inc. is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in McMinnville, Tennessee.

1. Program: H&R Block Introduction to Income Tax Course

Credential Awarded: Certificate

Length of Program: 84 contact hours (14.5 weeks)

P. HRB Tax Group, Inc. 1317 N. Mt. Juliet Road, Mt. Juliet, TN 37210

Corporate Structure: For-Profit Corporation

Accreditation: None Title IV Funding: No

HRB Tax Group, Inc. is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Mt. Juliet, Tennessee.

1. Program: H&R Block Introduction to Income Tax Course

Credential Awarded: Certificate

Length of Program: 84 contact hours (14.5 weeks)

Q. HRB Tax Group, Inc. 800 N.W. Broad Street, Suite 264, Murfreesboro, TN 37129

Corporate Structure: For-Profit Corporation

Accreditation: None Title IV Funding: No

HRB Tax Group, Inc. is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Murfreesboro, Tennessee.

1. Program: H&R Block Introduction to Income Tax Course

Credential Awarded: Certificate

Length of Program: 84 contact hours (14.5 weeks)

R. HRB Tax Group, Inc. 1023 Mineral Wells, Suite C, Paris, TN 38242

Corporate Structure: For-Profit Corporation

Accreditation: None Title IV Funding: No

HRB Tax Group, Inc. is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Paris, Tennessee.

1. Program: H&R Block Introduction to Income Tax Course

Credential Awarded: Certificate

Length of Program: 84 contact hours (14.5 weeks)

S. Liberty Tax Service 3101 W. Market Street, Suite 115, Johnson City, TN 37604

Corporate Structure: C-Corporation

Accreditation: None Title IV Funding: No

Liberty Tax Service is seeking approval for two new programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Johnson City, Tennessee.

1. Program: Basic Income Tax Course

Credential Awarded: Certificate

Length of Program: 36-60 contact hours (6-10 weeks)

2. Program: Rapid Class Credential Awarded: Certificate

Length of Program: 30 contact hours (6 days)

T. Liberty Tax Service 4209 Fort Henry Drive, Kingsport, TN 37660

Corporate Structure: C-Corporation

Accreditation: None Title IV Funding: No

Liberty Tax Service is seeking approval for two new programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Kingsport, Tennessee.

1. Program: Basic Income Tax Course

Credential Awarded: Certificate

Length of Program: 36-60 contact hours (6-10 weeks)

2. Program: Rapid Class Credential Awarded: Certificate

Length of Program: 30 contact hours (6 days)

U. Liberty Tax Service1300 Lynn Garden Drive, Kingsport, TN 37660

Corporate Structure: C-Corporation

Accreditation: None Title IV Funding: No

Liberty Tax Service is seeking approval for two new programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Kingsport, Tennessee.

1. Program: Basic Income Tax Course

Credential Awarded: Certificate

Length of Program: 36-60 contact hours (6-10 weeks)

2. Program: Rapid Class Credential Awarded: Certificate

Length of Program: 30 contact hours (6 days)

V. Liberty Tax Service 1624 E. Stone Drive, Kingsport, TN 37660

Corporate Structure: C-Corporation

Accreditation: None Title IV Funding: No

Liberty Tax Service is seeking approval for two new programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Kingsport, Tennessee.

1. Program: Basic Income Tax Course

Credential Awarded: Certificate

Length of Program: 36-60 contact hours (6-10 weeks)

2. Program: Rapid Class

Credential Awarded: Certificate

Length of Program: 30 contact hours (6 days)

W. Liberty Tax Service2001 N. Broadway, Suite J, Knoxville, TN 37917

Corporate Structure: C-Corporation

Accreditation: None Title IV Funding: No

Liberty Tax Service is seeking approval for two new programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Knoxville, Tennessee.

1. Program: Basic Income Tax Course

Credential Awarded: Certificate

Length of Program: 36-60 contact hours (6-10 weeks)

2. Program: Rapid Class Credential Awarded: Certificate

Length of Program: 30 contact hours (6 days)

X. Liberty Tax Service 5400 Clinton Highway, Knoxville, TN 37919

Corporate Structure: C-Corporation

Accreditation: None Title IV Funding: No

Liberty Tax Service is seeking approval for two new programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Knoxville, Tennessee.

1. Program: Basic Income Tax Course

Credential Awarded: Certificate

Length of Program: 36-60 contact hours (6-10 weeks)

2. Program: Rapid Class Credential Awarded: Certificate

Length of Program: 30 contact hours (6 days)

Y. Liberty Tax Service 8078 Kingston Pike, Suite 110, Knoxville, TN 37919

Corporate Structure: C-Corporation

Accreditation: None Title IV Funding: No

Liberty Tax Service is seeking approval for two new programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Knoxville, Tennessee.

1. Program: Basic Income Tax Course

Credential Awarded: Certificate

Length of Program: 36-60 contact hours (6-10 weeks)

2. Program: Rapid Class Credential Awarded: Certificate

> Length of Program: 30 contact hours (6 days)

Z. **Liberty Tax Service** 5611 Kingston Pike, Knoxville, TN 37919

Corporate Structure: C-Corporation

Accreditation: None Title IV Funding: No

Liberty Tax Service is seeking approval for two new programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Knoxville, Tennessee.

Basic Income Tax Course 1. Program:

> Credential Awarded: Certificate

Length of Program: 36-60 contact hours (6-10 weeks)

2. Program: Rapid Class Certificate Credential Awarded:

> Length of Program: 30 contact hours (6 days)

AA. **Liberty Tax Service** 254 Saddle Ridge Drive, Knoxville, TN 37919

Corporate Structure: C-Corporation

Accreditation: None Title IV Funding: No

Liberty Tax Service is seeking approval for two new programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Knoxville, Tennessee.

Program: 1. Basic Income Tax Course

> Credential Awarded: Certificate

Length of Program: 36-60 contact hours (6-10 weeks)

2. Program: Rapid Class

Credential Awarded: Certificate

30 contact hours (6 days) Length of Program:

BB. **Liberty Tax Service** 311 Foothills Mall Drive, Maryville, TN 37801

Corporate Structure: C-Corporation Accreditation: None Title IV Funding: No

Liberty Tax Service is seeking approval for two new programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Maryville, Tennessee.

1. Program: Basic Income Tax Course

Credential Awarded: Certificate

Length of Program: 36-60 contact hours (6-10 weeks)

2. Program: Rapid Class Credential Awarded: Certificate

Length of Program: 30 contact hours (6 days)

CC. Liberty Tax Service 3896 Park Avenue, Memphis, TN 38111

Corporate Structure: C-Corporation

Accreditation: None Title IV Funding: No

Liberty Tax Service is seeking approval for two new programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Memphis, Tennessee.

1. Program: Basic Income Tax Course

Credential Awarded: Certificate

Length of Program: 36-60 contact hours (6-10 weeks)

2. Program: Rapid Class

Credential Awarded: Certificate

Length of Program: 30 contact hours (6 days)

DD. Liberty Tax Service 2131 W. Andrew Johnson Highway, Morristown, TN 37814

Corporate Structure: C-Corporation

Accreditation: None Title IV Funding: No

Liberty Tax Service is seeking approval for two new programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Morristown, Tennessee.

1. Program: Basic Income Tax Course

Credential Awarded: Certificate

Length of Program: 36-60 contact hours (6-10 weeks)

2. Program: Rapid Class Credential Awarded: Certificate

Length of Program: 30 contact hours (6 days)

EE. Liberty Tax Service 405 S. Armstrong Road, Suite 6, Rogersville, TN 37857

Corporate Structure: C-Corporation

Accreditation: None Title IV Funding: No

Liberty Tax Service is seeking approval for two new programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Rogersville, Tennessee.

1. Program: Basic Income Tax Course

Credential Awarded: Certificate

Length of Program: 36-60 contact hours (6-10 weeks)

2. Program: Rapid Class Credential Awarded: Certificate

Length of Program: 30 contact hours (6 days)

FF. Liberty Tax Service 1716 Corporate Landing Parkway, Virginia Beach, VA 23454

Corporate Structure: C-Corporation

Accreditation: None Title IV Funding: No

Liberty Tax Service is seeking approval for two new programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Virginia Beach, Virginia.

1. Program: Basic Income Tax Course

Credential Awarded: Certificate

Length of Program: 36-60 contact hours (6-10 weeks)

2. Program: Rapid Class Credential Awarded: Certificate

Length of Program: 30 contact hours (6 days)

GG. Nazarene Theological Seminary 333 Murfreesboro Road, Nashville, TN 37210

Corporate Structure: Not-For-Profit Corporation

Accreditation: Association of Theological Schools

Title IV Funding: Yes

Nazarene Theological Seminary is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Nashville, Tennessee.

1. Program: Master of Divinity Credential Awarded: Masters Degree

Length of Program: 76 semester credit hours (36 - 48 months)

HH. Prepare to Care Training Center, Inc.750 Broad Street, Suite 201, Cleveland, TN 37311

Change of ownership:

Diane L. Jones sold the institution to Suzanne Stanfield on March 17, 2011.

Corporate Structure: Limited Liability Corporation

Authorization Date: July 27, 2006

Accreditation: None Title IV Funding: No

Prepare to Care Training Center, Inc is seeking authorization for two new programs. The programs will be offered in a residential format. The programs will be taught by faculty at their authorized site in Cleveland, Tennessee.

1. Program: Certified Nurse Assistant
Credential Awarded: Certificate of Completion
Length of Program: 90 contact hours (3 weeks)

2. Program: Certified Phlebotomy Technician

Credential Awarded: Certificate of Completion
Length of Program: 80 contact hours (4 weeks)

II. Tennessee Career Institute412 Trotwood Avenue, Columbia, TN 38401

Corporate Structure: For-Profit Corporation

Accreditation: The National Accrediting Commission of Career Arts and

Sciences

Title IV Funding: Yes – Institutional

No – For This Program

The Tennessee Career Institute is seeking approval for one new program, a Diploma in Massage Therapy. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Columbia, Tennessee.

1. Program: Massage Therapy

Credential Awarded: Diploma

Length of Program: 750 contact hours (9.5 months)

JJ. Welding 101, LLC 1513 A Vista Lane, Clarksville, TN 37043

Corporate Structure: Limited Liability Corporation

Accreditation: None Title IV Funding: No

Welding 101, LLC – Clarksville is seeking approval for two new programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Clarksville, Tennessee.

1. Program: Entry Level Welder

Credential Awarded: Certificate of Completion
Length of Program: 336 contact hours (7 months)

2. Program: Advanced Welder Program Credential Awarded: Certificate of Completion

Length of Program: 448 contact hours (7 months)

T E N N E S S E E
H I G H E R
E D U C A T I O N
C O M M I S S I O

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Agenda Item: I.D.2.

DATE:July 28, 2011

SUBJECT: Approval of New Programs under the Postsecondary Authorization

Act

ACTION RECOMMENDED: Approval

BACKGROUND INFORMATION: The Commission, under the Postsecondary Authorization Act, has the "power and duty" to act upon applications for authorization of educational programs in the state. Applications have been reviewed and staff has determined that all necessary documentation for the institutions submitting new program applications is in accordance with the Act and postsecondary rules. The Committee on Postsecondary Educational Institutions, which is a review and advisory committee to the Commission, met on July 7, 2011 and affirmed staff recommendations for approval.

A. Argosy University

Nashville, TN

Corporate Structure: C-Corporation
Authorization Date: November 15, 2001

Accreditation: North Central Association of Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Doctoral Degree

Argosy University – Nashville is seeking authorization for fourteen new programs. The programs will be offered in a residential and blended format. Instruction will be provided by faculty from their authorized site in Nashville, Tennessee as well as on-line.

1. Program: Higher and Postsecondary Education in

Interdisciplinary Studies

Credential Awarded: Doctor of Education

Length of Program: 60 semester credit hours (36 months Full-Time)

(72 months Part-Time)

2. Program: Higher and Postsecondary Education in Student

Affairs and Services

Credential Awarded: Doctor of Education

Length of Program: 60 semester credit hours (36 months Full-Time)

(72 months Part-Time)

3. Program: Higher and Postsecondary Education in Teaching

and Learning

Credential Awarded: Doctor of Education

Length of Program: 60 semester credit hours (36 months Full-Time)

(72 months Part-Time)

4. Program: Teaching and Learning in Customized

Credential Awarded: Doctor of Education

Length of Program: 60 semester credit hours (36 months Full-Time)

(72 months Part-Time)

5. Program: Teaching and Learning in Instructional Assessment

Credential Awarded: Doctor of Education

Length of Program: 60 semester credit hours (36 months Full-Time)

(72 months Part-Time)

6. Program: Teaching and Learning in Professional Development

Credential Awarded: Doctor of Education

Length of Program: 60 semester credit hours (36 months Full-Time)

(72 months Part-Time)

7. Program: Teaching and Learning in Response to Intervention

Credential Awarded: Doctor of Education

Length of Program: 60 semester credit hours (36 months Full-Time)

(72 months Part-Time)

8. Program: Higher and Postsecondary Education in

Interdisciplinary Studies

Credential Awarded: Education Specialist

Length of Program: 36 semester credit hours (22 months Full-Time)

(40 months Part-Time)

9. Program: Higher and Postsecondary Education in Student

Affairs and Services

Credential Awarded: Education Specialist

Length of Program: 36 semester credit hours (22 months Full-Time)

(40 months Part-Time)

10. Program: Higher and Postsecondary Education in Teaching

and Learning

Credential Awarded: Education Specialist

Length of Program: 36 semester credit hours (22 months Full-Time)

(40 months Part-Time)

11. Program: Teaching and Learning

Credential Awarded: Education Specialist

Length of Program: 30 semester credit hours (18 months Full-Time)

(36 months Part-Time)

12. Program: Teaching and Learning in English Language Learner

English as a Second Language (ELL/ESL)

Credential Awarded: Master of Education

Length of Program: 30 semester credit hours (18 months Full-Time)

(36 months Part-Time)

13. Program: Teaching and Learning in Reading

Credential Awarded: Master of Education

Length of Program: 30 semester credit hours (18 months Full-Time)

(36 months Part-Time)

14. Program: Teaching and Learning in Special Education

Credential Awarded: Master of Education

Length of Program: 30 semester credit hours (18 months Full-Time)

(36 months Part-Time)

B. Arkansas State University - Jonesboro Jonesboro, AR

Corporate Structure: Government Agency Authorization Date: January 29, 2009

Accreditation: North Central Association of Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Master's Degree

Arkansas State University – Jonesboro is seeking authorization for two new programs. The programs will be offered in a distance learning format. The institution is recruitment only and all classes are available on-line.

1. Program: Special Education – Instructional Specialist Grades P-4

Credential Awarded: Master of Science in Education

Length of Program: 36 semester credit hours (20 months Full-Time)

(72 months Part-Time)

2. Program: Special Education – Instructional Specialist

Grades 4-12

Credential Awarded: Master of Science in Education

Length of Program: 36 semester credit hours (20 months Full-Time)

(72 months Part-Time)

C. Ashford University Clinton, IA

Corporate Structure: C-Corporation
Authorization Date: January 26, 2006

Accreditation: North Central Association of Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Master's Degree

Ashford University is seeking authorization for nine new programs. The programs will be offered in a distance learning format. The institution is recruitment only and all classes are available on-line.

1. Program: Adult Development

Credential Awarded: Bachelor of Arts

Length of Program: 120 semester credit hours (48 months)

2. Program: Applied Behavior Science

Credential Awarded: Bachelor of Arts

Length of Program: 120 semester credit hours (48 months)

3. Program: Business Leadership

Credential Awarded: Bachelor of Arts

Length of Program: 120 semester credit hours (48 months)

4. Program: Child Development

Credential Awarded: Bachelor of Arts

Length of Program: 120 semester credit hours (48 months)

5. Program: Gerontology

Credential Awarded: Bachelor of Arts

Length of Program: 120 semester credit hours (48 months)

6. Program: Instructional Design

Credential Awarded: Bachelor of Arts

Length of Program: 120 semester credit hours (48 months)

7. Program: Law Enforcement Administration

Credential Awarded: Bachelor of Arts

Length of Program: 120 semester credit hours (48 months)

8. Program: Military Studies

Credential Awarded: Bachelor of Arts

Length of Program: 120 semester credit hours (48 months)

9. Program: Project Management

Credential Awarded: Bachelor of Arts

Length of Program: 120 semester credit hours (48 months)

D. Chattanooga College Medical, Dental, and Technical Careers, Inc

Chattanooga, TN

Corporate Structure: For-Profit Corporation Authorization Date: November 15, 2001

Accreditation: Accrediting Commission of Career Schools and Colleges

Title IV Funding: Yes

Highest Credential Offered: Associate's Degree

Chattanooga College Medical, Dental and Technical Careers, Inc. is seeking authorization for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Chattanooga, Tennessee.

1. Program: Business Administration Credential Awarded: Associate of Applied Science

Length of Program: 96 quarter credit hours (18 months – 24 months)

E. Concorde Career College

Memphis, TN

Corporate Structure: For-Profit Corporation Authorization Date: November 16, 2006

Accreditation: Council on Occupational Education

Title IV Funding: Yes - Institutional

No – For This Program

Highest Credential Offered: Associate's Degree

Concorde Career College is seeking authorization for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Memphis, Tennessee.

1. Program: Coronal Polishing for the Dental Assistant

Credential Awarded: Certificate of Completion Length of Program: 14 contact hours (2 days)

F. Delta Technical College

Horn Lake, MS

Corporate Structure: For-Profit Corporation

Authorization Date: April 28, 2011

Accreditation: Accrediting Commission of Career Schools and Colleges

Title IV Funding: Yes
Highest Credential Offered: Diploma

Delta Technical College is seeking approval for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Horn Lake, Mississippi.

1. Program: Industrial, Commercial and Residential Electrician

Credential Awarded: Diploma

Length of Program: 60 semester credit hours (11 months)

G. Health-Tech Institute

Memphis, TN

Corporate Structure: For-Profit Corporation

Authorization Date: July 11, 2002

Accreditation: None Title IV Funding: No

Highest Credential Offered: Certificate of Completion

Health-Tech Institute of Memphis is seeking authorization for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Memphis, Tennessee.

1. Program: Pharmacy Technician

Credential Awarded: Diploma

Length of Program: 500 contact hours (9 months)

H. ITT Technical Institute

Chattanooga, TN

Corporate Structure: For-Profit Corporation

Authorization Date: July 26, 2007

Accreditation: Accrediting Council for Independent Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Bachelor's Degree

ITT Technical Institute – Chattanooga is seeking authorization for seven new programs. The programs will be offered in a blended format. Instruction will be provided by faculty from their authorized site in Chattanooga, Tennessee, as well as on-line.

1. Program: Business Management Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

2. Program: Electrical Engineering and Communications

Technology

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

3. Program: Information Systems and Cyber Security

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

4. Program: Project Management and Administration

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

5. Program: Project Management and Administration/

Construction Option

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

6. Program: Project Management and Administration/

Information Technology Option

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

7. Program: Criminology and Forensic Technology

Credential Awarded: Associate of Applied Science

Length of Program: 90 quarter credit hours (21 months Full-Time)

(30 months Part-Time)

I. ITT Technical Institute

Cordova, TN

Corporate Structure: For-Profit Corporation Authorization Date: January 28, 1994

Accreditation: Accrediting Council for Independent Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Bachelor's Degree

ITT Technical Institute – Cordova is seeking authorization for seven new programs. The programs will be offered in a blended format. Instruction will be provided by faculty from their authorized site in Cordova, Tennessee, as well as on-line.

1. Program: Business Management Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

2. Program: Electrical Engineering and Communications

Technology

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

3. Program: Information Systems and Cyber Security

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

4. Program: Project Management and Administration

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

5. Program: Project Management and Administration/

Construction Option

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

6. Program: Project Management and Administration/

Information Technology Option

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

7. Program: Criminology and Forensic Technology

Credential Awarded: Associate of Applied Science

Length of Program: 90 quarter credit hours (21 months Full-Time)

(30 months Part-Time)

J. ITT Technical Institute

Indianapolis, IN

Corporate Structure: For-Profit Corporation

Authorization Date: April 18, 2002

Accreditation: Accrediting Council for Independent Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Bachelor's Degree

ITT Technical Institute – Indianapolis, IN is seeking authorization for thirteen new programs. The programs will be offered in an on-line format. Instruction will be provided on-line by faculty from their authorized site in Indianapolis, Indiana.

1. Program: Accounting

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

2. Program: Business Management

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

3. Program: Information Systems and Cyber Security

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

4. Program: Project Management and Administration

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

5. Program: Project Management and Administration/

Construction Option

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

6. Program: Project Management and Administration/

Information Technology Option

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

7. Program: Accounting

Credential Awarded: Associate of Applied Science

Length of Program: 90 quarter credit hours (21 months Full-Time)

(30 months Part-Time)

8. Program: Business Management

Credential Awarded: Associate of Applied Science

Length of Program: 90 quarter credit hours (21 months Full-Time)

(30 months Part-Time)

9. Program: Criminology and Forensic Technology

Credential Awarded: Associate of Applied Science

Length of Program: 90 quarter credit hours (21 months Full-Time)

(30 months Part-Time)

10. Program: Drafting and Design Technology

Credential Awarded: Associate of Applied Science

Length of Program: 90 quarter credit hours (21 months Full-Time)

(30 months Part-Time)

11. Program: Network Systems Administration

Credential Awarded: Associate of Applied Science

Length of Program: 90 quarter credit hours (21 months Full-Time)

(30 months Part-Time)

12. Program: Paralegal

Credential Awarded: Associate of Applied Science

Length of Program: 90 quarter credit hours (21 months Full-Time)

(30 months Part-Time)

13. Program: Web Design Technology

Credential Awarded: Associate of Applied Science

Length of Program: 90 quarter credit hours (21 months Full-Time)

(30 months Part-Time)

K. ITT Technical Institute

Johnson City, TN

Corporate Structure: For-Profit Corporation

Authorization Date: July 23, 2009

Accreditation: Accrediting Council for Independent Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Bachelor's Degree

ITT Technical Institute – Johnson City is seeking authorization for seven new programs. The programs will be offered in a blended format. Instruction will be provided by faculty from their authorized site in Johnson City, Tennessee, as well as on-line.

1. Program: Business Management

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

2. Program: Electrical Engineering and Communications

Technology

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

3. Program: Information Systems and Cyber Security

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

4. Program: Project Management and Administration

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

5. Program: Project Management and Administration/

Construction Option

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

6. Program: Project Management and Administration/

Information Technology Option

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

7. Program: Criminology and Forensic Technology

Credential Awarded: Associate of Applied Science

Length of Program: 90 quarter credit hours (21 months Full-Time)

(30 months Part-Time)

L. ITT Technical Institute

Knoxville, TN

Corporate Structure: For-Profit Corporation Authorization Date: January 1, 1988

Accreditation: Accrediting Council for Independent Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Bachelor's Degree

ITT Technical Institute – Knoxville is seeking authorization for seven new programs. The programs will be offered in a blended format. Instruction will be provided by faculty from their authorized site in Knoxville, Tennessee, as well as on-line.

1. Program: Business Management Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

2. Program: Electrical Engineering and Communications

Technology

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

3. Program: Information Systems and Cyber Security

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

4. Program: Project Management and Administration

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

5. Program: Project Management and Administration/

Construction Option

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

6. Program: Project Management and Administration/

Information Technology Option

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

7. Program: Criminology and Forensic Technology

Credential Awarded: Associate of Applied Science

Length of Program: 90 quarter credit hours (21 months Full-Time)

(30 months Part-Time)

Knoxville, TN

M. ITT Technical Institute – Annex

Corporate Structure: For-Profit Corporation

Authorization Date: July 23, 2009

Accreditation: Accrediting Council for Independent Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Bachelor's Degree

ITT Technical Institute – Knoxville Annex is seeking authorization for General Education courses. The courses will be offered in a blended format. Instruction will be provided by faculty from their authorized site in Knoxville, Tennessee, as well as online.

1. Program: General Education Courses

Length of Program: 45/56 contact hours (45 months Full-Time)

(69 months Part-Time)

Completion of the General Education Courses is necessary for students to receive a Bachelor of Applied Science degree from ITT Technical Institute.

N. ITT Technical Institute

Nashville, TN

Corporate Structure: For-Profit Corporation Authorization Date: January 11, 1986

Accreditation: Accrediting Council for Independent Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Bachelor's Degree

ITT Technical Institute – Nashville is seeking authorization for seven new programs. The programs will be offered in a blended format. Instruction will be provided by faculty from their authorized site in Nashville, Tennessee, as well as on-line.

1. Program: Business Management Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

2. Program: Electrical Engineering and Communications Technology

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

3. Program: Information Systems and Cyber Security

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

4. Program: Project Management and Administration

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

5. Program: Project Management and Administration/

Construction Option

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

6. Program: Project Management and Administration/

Information Technology Option

Credential Awarded: Bachelor of Applied Science

Length of Program: 180 quarter credit hours (45 months Full-Time)

(69 months Part-Time)

7. Program: Criminology and Forensic Technology

Credential Awarded: Associate of Applied Science

Length of Program: 90 quarter credit hours (21 months Full-Time)

(30 months Part-Time)

O. Kaplan Career Institute

Nashville, TN

Corporate Structure: For-Profit Corporation Authorization Date: January 1, 1981

Accreditation: Council on Occupational Accreditation

Title IV Funding: Yes

Highest Credential Offered: Associate's Degree

Kaplan Career Institute is seeking authorization for one revised program. The program will be offered in a blended Format. Instruction will be provided by faculty from their authorized site in Nashville, Tennessee, as well as on-line.

1. Program: Dental Assistant (Revised)

Credential Awarded: Diploma

Length of Program: 61.5 quarter credit hours (11 months)

P. MedVance Institute

Cookeville, TN

Corporate Structure: For-Profit Corporation Authorization Date: January 1, 1980

Accreditation: Council on Occupational Educational

Title IV Funding: Yes - Institutional

No – For This Program

Highest Credential Offered: Associate's Degree

Medvance Institute - Cookeville is seeking authorization for one new program. The program will be offered in a residential Format. Instruction will be provided by faculty from their authorized site in Cookeville, Tennessee.

1. Program: Phlebotomy Technician Credential Awarded: Certificate of Completion

Length of Program: 80 contact hours (2.5 months)

Q. Remington College - Memphis

Memphis, TN

Corporate Structure: Not-For-Profit Corporation

Authorization Date: January 1, 1987

Accreditation: Accrediting Commission of Career Schools and Colleges

Title IV Funding: Yes

Highest Credential Offered: Master's Degree

Remington College – Memphis is seeking authorization for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Memphis, Tennessee.

1. Program: Criminal Justice

Credential Awarded: Bachelor of Applied Science

Length of Program: 90 quarter credit hours (18 months)

R. Remington College - Nashville

Nashville, TN

Corporate Structure: Not-For-Profit Corporation

Authorization Date: January 1, 1987

Accreditation: Accrediting Commission of Career Schools and Colleges

Title IV Funding: Yes

Highest Credential Offered: Associate's Degree

Remington College – Nashville is seeking authorization for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Nashville, Tennessee.

1. Program: Criminal Justice

Credential Awarded: Bachelor of Applied Science

Length of Program: 90 quarter credit hours (18 months)

S. Strayer University

Knoxville, TN

Corporate Structure: C-Corporation
Authorization Date: November 16, 2006

Accreditation: Middle States Association of Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Executive Graduate Certificate

Strayer University – Knoxville is seeking authorization for nine new programs and seeking authorization to revise two previously approved programs. The programs will be offered in a blended format. Instruction will be provided by faculty from their authorized site in Knoxville, Tennessee as well as on-line.

1. Program: Management/Leadership

Credential Awarded: Master of Science

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

2. Program: Management/Marketing Management

Credential Awarded: Master of Science

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

3. Program: Management/Project Management

Credential Awarded: Master of Science

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

4. Program: Education/Teacher Leadership (Revised)

Credential Awarded: Master of Education

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

5. Program: Education/Instructional Technology (Revised)

Credential Awarded: Master of Education

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

6. Program: Education/Curriculum, Instruction, and Assessment

Credential Awarded: Master of Education

Length of Program:

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

7. Program: Business Administration/Accounting

Credential Awarded: Bachelor of Business Administration

180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

8. Program: Business Administration/Entrepreneurship

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

9. Program: Business Administration/International Business

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

10. Program: Business Administration/Management Information

Systems

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

11. Program: Business Administration/Project Management

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

T. Strayer University - Shelby Oaks

Memphis, TN

Corporate Structure: C-Corporation
Authorization Date: January 29, 2004

Accreditation: Middle States Association of Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Executive Graduate Certificate

Strayer University – Shelby Oaks is seeking authorization for nine new programs and seeking authorization to revise two previously approved programs. The programs will be offered in a blended format. Instruction will be provided by faculty from their authorized site in Memphis, Tennessee as well as on-line.

1. Program: Management/Leadership

Credential Awarded: Master of Science

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

2. Program: Management/Marketing Management

Credential Awarded: Master of Science

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

3. Program: Management/Project Management

Credential Awarded: Master of Science

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

4. Program: Education/Teacher Leadership (Revised)

Credential Awarded: Master of Education

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

5. Program: Education/Instructional Technology (Revised)

Credential Awarded: Master of Education

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

6. Program: Education/Curriculum, Instruction, and Assessment

Credential Awarded: Master of Education

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

7. Program: Business Administration/Accounting

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

8. Program: Business Administration/Entrepreneurship

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

9. Program: Business Administration/International Business

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

10. Program: Business Administration/Management Information

Systems

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

11. Program: Business Administration/Project Management

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

U. Strayer University - Thousand Oaks Memphis, TN

Corporate Structure: C-Corporation
Authorization Date: November 14, 2002

Accreditation: Middle States Association of Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Executive Graduate Certificate

Strayer University – Thousand Oaks is seeking authorization for nine new programs and seeking authorization to revise two previously approved programs. The programs will be offered in a blended format. Instruction will be provided by faculty from their authorized site in Memphis, Tennessee as well as on-line.

1. Program: Management/Leadership

Credential Awarded: Master of Science

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

2. Program: Management/Marketing Management

Credential Awarded: Master of Science

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

3. Program: Management/Project Management

Credential Awarded: Master of Science

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

4. Program: Education/Teacher Leadership (Revised)

Credential Awarded: Master of Education

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

5. Program: Education/Instructional Technology (Revised)

Credential Awarded: Master of Education

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

6. Program: Education/Curriculum, Instruction, and Assessment

Credential Awarded: Master of Education

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

7. Program: Business Administration/Accounting

Credential Awarded: Bachelor of Business Administration

180 quarter credit hours (50 months Full-Time) (100 months Part-Time)

8. Program: Business Administration/Entrepreneurship

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

9. Program: Business Administration/International Business

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

10. Program: Business Administration/Management Information

Systems

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

11. Program: Business Administration/Project Management

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

V. Strayer University Nashville, TN

Corporate Structure: C-Corporation
Authorization Date: November 14, 2002

Accreditation: Middle States Association of Colleges and Schools

Title IV Funding: Yes

Length of Program:

Highest Credential Offered: Executive Graduate Certificate

Strayer University – Nashville is seeking authorization for nine new programs and seeking authorization to revise two previously approved programs. The programs will be offered in a blended format. Instruction will be provided by faculty from their authorized site in Nashville, Tennessee as well as on-line.

1. Program: Management/Leadership Master of Science Credential Awarded:

> 54 quarter credit hours Length of Program: (15 months Full-Time)

(30 months Part-Time)

2. Program: Management/Marketing Management

Master of Science Credential Awarded:

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

3. Program: Management/Project Management

Master of Science Credential Awarded:

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

4. Program: Education/Teacher Leadership (Revised)

Master of Education Credential Awarded:

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

5. Education/Instructional Technology (Revised) Program:

Master of Education Credential Awarded:

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

6. Program: Education/Curriculum, Instruction, and Assessment

Master of Education Credential Awarded:

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

7. Program: Business Administration/Accounting

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

8. Program: Business Administration/Entrepreneurship

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

9. Program: Business Administration/International Business

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

10. Program: Business Administration/Management Information

Systems

Credential Awarded: Bachelor of Business Administration

180 quarter credit hours (50 months Full-Time) Length of Program:

(100 months Part-Time)

11. Program: Business Administration/Project Management

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

W. Strayer University - Online

Lorton, VA

Corporate Structure: C-Corporation
Authorization Date: November 14, 2002

Accreditation: Middle States Association of Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Executive Graduate Certificate

Strayer University – Online is seeking authorization for nine new programs and seeking authorization to revise two previously approved programs. The programs will be offered in an online format. Instruction will be provided by faculty from their authorized site in Lorton, Virginia.

1. Program: Management/Leadership

Credential Awarded: Master of Science

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

2. Program: Management/Marketing Management

Credential Awarded: Master of Science

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

3. Program: Management/Project Management

Credential Awarded: Master of Science

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

4. Program: Education/Teacher Leadership (Revised)

Credential Awarded: Master of Education

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

5. Program: Education/Instructional Technology (Revised)

Credential Awarded: Master of Education

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

6. Program: Education/Curriculum, Instruction, and Assessment

Credential Awarded: Master of Education

Length of Program: 54 quarter credit hours (15 months Full-Time)

(30 months Part-Time)

7. Program: Business Administration/Accounting

Credential Awarded: Bachelor of Business Administration Length of Program: 180 quarter credit hours (50 month

180 quarter credit hours (50 months Full-Time) (100 months Part-Time)8.

Program: Business Administration/Entrepreneurship

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

9. Program: Business Administration/International Business

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

10. Program: Business Administration/Management Information

Systems

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

11. Program: Business Administration/Project Management

Credential Awarded: Bachelor of Business Administration

Length of Program: 180 quarter credit hours (50 months Full-Time)

(100 months Part-Time)

X. University of Phoenix

Chattanooga, TN

Corporate Structure: For-Profit Corporation

Authorization Date: July 27, 2006

Accreditation: North Central Association of Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Doctoral Degree

University of Phoenix – Chattanooga is seeking authorization for five new programs and seeking authorization to revise seven previously approved programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Chattanooga, Tennessee.

1. Program: Business Administration

Credential Awarded: Master of Business Administration Length of Program: 36 semester credit hours (18 months)

2. Program: Accounting

Credential Awarded: Master of Business Administration Length of Program: 48 semester credit hours (24 months)

3. Program: Energy Management

Credential Awarded: Master of Business Administration
Length of Program: 51 semester credit hours (26 months)

4. Program: Global Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

5. Program: Health Care Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

6. Program: Human Resources Management
Credential Awarded: Master of Business Administration
Length of Program: 48 semester credit hours (24 months)

7. Program: Marketing

Credential Awarded: Master of Business Administration Length of Program: 48 semester credit hours (24 months)

8. Program: Project Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

9. Program: Technology Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

10. Program: Information Technology/Desktop Support

Credential Awarded: Associate of Arts

Length of Program: 60 semester credit hours (25 months)

11. Program: Information Technology/General

Credential Awarded: Associate of Arts

Length of Program: 60 semester credit hours (25 months)

12. Program: Information Technology/Network Support

Credential Awarded: Associate of Arts

Length of Program: 60 semester credit hours (25 months)

Y. University of Phoenix

Clarksville, TN

Corporate Structure: For-Profit Corporation

Authorization Date: July 28, 2010

Accreditation: North Central Association of Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Doctoral Degree

University of Phoenix - Clarksville is seeking authorization for eleven new programs and seeking authorization to revise one previously approved program. The programs

will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Clarksville, Tennessee.

1. Program: Business Administration

Credential Awarded: Master of Business Administration Length of Program: 36 semester credit hours (18 months)

2. Program: Accounting

Credential Awarded: Master of Business Administration Length of Program: 48 semester credit hours (24 months)

3. Program: Energy Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

4. Program: Global Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

5. Program: Health Care Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

6. Program: Human Resources Management

Credential Awarded: Master of Business Administration Length of Program: 48 semester credit hours (24 months)

7. Program: Marketing

Credential Awarded: Master of Business Administration Length of Program: 48 semester credit hours (24 months)

8. Program: Project Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

9. Program: Technology Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

10. Program: Information Technology/Desktop Support

Credential Awarded: Associate of Arts

Length of Program: 60 semester credit hours (25 months)

11. Program: Information Technology/General

Credential Awarded: Associate of Arts

Length of Program: 60 semester credit hours (25 months)

12. Program: Information Technology/Network Support

Credential Awarded: Associate of Arts

Length of Program: 60 semester credit hours (25 months)

Z. University of Phoenix

Knoxville, TN

Corporate Structure: For-Profit Corporation

Authorization Date: April 29, 2010

Accreditation: North Central Association of Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Doctoral Degree

University of Phoenix – Knoxville is seeking authorization for eleven new programs and seeking authorization to revise one previously approved program. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Knoxville, Tennessee.

1. Program: Business Administration

Credential Awarded: Master of Business Administration Length of Program: 36 semester credit hours (18 months)

2. Program: Accounting

Credential Awarded: Master of Business Administration
Length of Program: 48 semester credit hours (24 months)

3. Program: Energy Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

4. Program: Global Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

5. Program: Health Care Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

6. Program: Human Resources Management

Credential Awarded: Master of Business Administration Length of Program: 48 semester credit hours (24 months)

7. Program: Marketing

Credential Awarded: Master of Business Administration Length of Program: 48 semester credit hours (24 months)

8. Program: Project Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

9. Program: Technology Management

Credential Awarded: Master of Business Administration
Length of Program: 51 semester credit hours (26 months)
10. Program: Information Technology/Desktop Support

Credential Awarded: Associate of Arts

Length of Program: 60 semester credit hours (25 months)

11. Program: Information Technology/General

Credential Awarded: Associate of Arts

Length of Program: 60 semester credit hours (25 months)

12. Program: Information Technology/Network Support

Credential Awarded: Associate of Arts

Length of Program: 60 semester credit hours (25 months)

AA. University of Phoenix

Memphis, TN

Corporate Structure: For-Profit Corporation

Authorization Date: July 17, 2003

Accreditation: North Central Association of Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Doctoral Degree

University of Phoenix – Memphis is seeking authorization for eight new programs and seeking authorization to revise four previously approved programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Memphis, Tennessee.

1. Program: Business Administration

Credential Awarded: Master of Business Administration Length of Program: 36 semester credit hours (18 months)

2. Program: Accounting

Credential Awarded: Master of Business Administration Length of Program: 48 semester credit hours (24 months)

3. Program: Energy Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

4. Program: Global Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

5. Program: Health Care Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months) 6. Program: Human Resources Management

Credential Awarded: Master of Business Administration Length of Program: 48 semester credit hours (24 months)

7. Program: Marketing

Credential Awarded: Master of Business Administration Length of Program: 48 semester credit hours (24 months)

8. Program: Project Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

9. Program: Technology Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

10. Program: Information Technology/Desktop Support

Credential Awarded: Associate of Arts

Length of Program: 60 semester credit hours (25 months)

11. Program: Information Technology/General

Credential Awarded: Associate of Arts

Length of Program: 60 semester credit hours (25 months)

12. Program: Information Technology/Network Support

Credential Awarded: Associate of Arts

Length of Program: 60 semester credit hours (25 months)

BB. University of Phoenix

Murfreesboro, TN

Corporate Structure: For-Profit Corporation
Authorization Date: November 19, 2009

Accreditation: North Central Association of Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Doctoral Degree

University of Phoenix – Murfreesboro is seeking authorization for three new programs and seeking authorization to revise nine previously approved programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Murfreesboro, Tennessee.

1. Program: Business Administration

Credential Awarded: Master of Business Administration Length of Program: 36 semester credit hours (18 months)

2. Program: Accounting

Credential Awarded: Master of Business Administration Length of Program: 48 semester credit hours (24 months) 3. Program: Energy Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

4. Program: Global Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

5. Program: Health Care Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

6. Program: Human Resources Management

Credential Awarded: Master of Business Administration Length of Program: 48 semester credit hours (24 months)

7. Program: Marketing

Credential Awarded: Master of Business Administration Length of Program: 48 semester credit hours (24 months)

8. Program: Project Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

9. Program: Technology Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

10. Program: Information Technology/Desktop Support

Credential Awarded: Associate of Arts

Length of Program: 60 semester credit hours (25 months)

11. Program: Information Technology/General

Credential Awarded: Associate of Arts

Length of Program: 60 semester credit hours (25 months)

12. Program: Information Technology/Network Support

Credential Awarded: Associate of Arts

Length of Program: 60 semester credit hours (25 months)

CC. University of Phoenix Nashville, TN

Corporate Structure: For-Profit Corporation Authorization Date: January 13, 2002

Accreditation: North Central Association of Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Doctoral Degree

University of Phoenix – Nashville is seeking authorization for eight new programs and seeking authorization to revise four previously approved programs. The programs will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Nashville, Tennessee.

1. Program: Business Administration

Credential Awarded: Master of Business Administration Length of Program: 36 semester credit hours (18 months)

2. Program: Accounting

Credential Awarded: Master of Business Administration Length of Program: 48 semester credit hours (24 months)

3. Program: Energy Management

Credential Awarded: Master of Business Administration
Length of Program: 51 semester credit hours (26 months)

4. Program: Global Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

5. Program: Health Care Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

6. Program: Human Resources Management

Credential Awarded: Master of Business Administration
Length of Program: 48 semester credit hours (24 months)

7. Program: Marketing

Credential Awarded: Master of Business Administration Length of Program: 48 semester credit hours (24 months)

8. Program: Project Management

Credential Awarded: Master of Business Administration
Length of Program: 51 semester credit hours (26 months)

9. Program: Technology Management

Credential Awarded: Master of Business Administration
Length of Program: 51 semester credit hours (26 months)

10. Program: Information Technology/Desktop Support

Credential Awarded: Associate of Arts

Length of Program: 60 semester credit hours (25 months)

11. Program: Information Technology/General

Credential Awarded: Associate of Arts

Length of Program: 60 semester credit hours (25 months)

12. Program: Information Technology/Network Support

Credential Awarded: Associate of Arts

Length of Program: 60 semester credit hours (25 months)

DD. University of Phoenix

Phoenix, AZ

Corporate Structure: For-Profit Corporation Authorization Date: November 15, 2001

Accreditation: North Central Association of Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Doctoral Degree

University of Phoenix – Online is seeking authorization for two new programs and seeking authorization to revise seven previously approved programs. The programs will be offered in a distance learning format. The institution is recruitment only, and all classes are available on-line.

1. Program: Business Administration

Credential Awarded: Master of Business Administration
Length of Program: 36 semester credit hours (18 months)

2. Program: Accounting

Credential Awarded: Master of Business Administration Length of Program: 48 semester credit hours (24 months)

3. Program: Energy Management

Credential Awarded: Master of Business Administration
Length of Program: 51 semester credit hours (26 months)

4. Program: Global Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months)

5. Program: Health Care Management

Credential Awarded: Master of Business Administration
Length of Program: 51 semester credit hours (26 months)

6. Program: Human Resources Management

Credential Awarded: Master of Business Administration
Length of Program: 48 semester credit hours (24 months)

7. Program: Marketing (Revised)

Credential Awarded: Master of Business Administration
Length of Program: 48 semester credit hours (24 months)

8. Program: Project Management

Credential Awarded: Master of Business Administration Length of Program: 51 semester credit hours (26 months) 9. Program: Technology Management (Revised) Master of Business Administration Credential Awarded: Length of Program: 51 semester credit hours (26 months)

EE. University of Southern California

Los Angeles, CA

Corporate Structure: Not-For-Profit Corporation

Authorization Date: November 1, 2010

Accreditation: Western Association of Schools and Colleges

Title IV Funding: Yes

Highest Credential Offered: Master's Degree

University of Southern California is seeking authorization for one new program. The program will be offered in a distance learning format. The institution is recruitment only and all classes are available on-line.

Program: Social Work 1.

> Master of Social Work Credential Awarded:

Length of Program: 63 semester credit hours (24 months Full-Time)

(48 months Part-Time)

FF. Vatterott Career College – Appling Farms Memphis, TN

Corporate Structure: For-Profit Corporation Authorization Date: October 18, 2007

Accrediting Commission for Career Schools and Colleges Accreditation:

Title IV Funding:

Highest Credential Offered: Associate's Degree

Vatterott Career College - Appling Farms is seeking authorization for two new programs. The programs will be offered in a residential Format. Instruction will be provided by faculty from their authorized site in Memphis, Tennessee.

1. Medical Assistant with Office Management Program:

Credential Awarded: Associate of Occupational Studies

Length of Program: 93 quarter credit hours (16 months Full-Time)

(32 months Part-Time)

2. Program: Commercial Drivers License Credential Awarded: Certificate of Completion

150 contact hours (5 weeks) Length of Program:

GG. Vatterott Career College - Dividend Drive Memphis, TN

Corporate Structure: For-Profit Corporation Authorization Date: January 28, 2010

Accrediting Commission for Career Schools and Colleges Accreditation:

Title IV Funding: Yes Highest Credential Offered: Associate's Degree

Vatterott Career College – Dividend Drive is seeking authorization for one new program. The program will be offered in a residential Format. Instruction will be provided by faculty from their authorized site in Memphis, Tennessee.

1. Program: Medical Assistant with Office Management

Credential Awarded: Associate of Occupational Studies

Length of Program: 93 quarter credit hours (16 months Full-Time)

(32 months Part-Time)

HH. Victory University

Memphis, TN

Corporate Structure: For-Profit Corporation

Authorization Date: April 29, 2010

Accreditation: Southern Association of Colleges and Schools

Title IV Funding: Yes

Highest Credential Offered: Master's Degree

Victory University is seeking authorization for five new programs. The programs will be offered in a blended format. Instruction will be provided by faculty from their authorized site in Memphis, Tennessee, as well as on-line.

1. Program: Environmental Science

Credential Awarded: Bachelor of Science

Length of Program: 120 semester credit hours (32 months Full-Time)

(80 months Part-Time)

2. Program: Homeland Security

Credential Awarded: Bachelor of Science

Length of Program: 120 semester credit hours (32 months Full-Time)

(80 months Part-Time)

3. Program: Public Administration

Credential Awarded: Bachelor of Science

Length of Program: 120 semester credit hours (32 months Full-Time)

(80 months Part-Time)

4. Program: History

Credential Awarded: Bachelor of Arts

Length of Program: 120 semester credit hours (32 months Full-Time)

(80 months Part-Time)

5. Program: Liberal Studies

Credential Awarded: Associate of Arts

Length of Program: 63 semester credit hours (16 months Full-Time)

(40 months Part-Time)

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Agenda Item: I.D.3.

DATE:July 28, 2011

SUBJECT: Conditional Approval of New Programs under the Postsecondary

Authorization Act

ACTION RECOMMENDED: Conditional Approval

BACKGROUND INFORMATION: The Commission, under the Postsecondary Authorization Act, has the "power and duty" to act upon applications for authorization of educational programs in the state. Applications have been reviewed and staff has determined that all necessary documentation for the institutions submitting new program applications is in accordance with the Act and postsecondary rules. The Committee on Postsecondary Educational Institutions, which is a review and advisory committee to the Commission, met on July 7, 2011 and affirmed staff recommendations for conditional approval.

A. Daymar Institute 283 Plus Park

Nashville, TN

Corporate Structure: For-Profit Corporation Authorization Date: January 26, 2006

Accreditation: Accrediting Council for Independent Colleges

and Schools

Title IV Funding: Yes

Highest Credential Offered: Bachelor's Degree

Daymar Institute is seeking authorization for three new programs. The programs will be offered in a blended format. Instruction will be provided by faculty from their authorized site in Nashville, Tennessee, as well as on-line.

1. Program: Electrical Systems Management Credential Awarded: Associate of Applied Science

Length of Program: 96 quarter credit hours (24 months Full-Time)

(36 months Part-Time)

2. Program: Electrical Systems Management

Credential Awarded: Diploma

Length of Program: 72 quarter credit hours (18 months Full-Time)

(27 months Part-Time)

3. Program: Electrical Systems Management

Credential Awarded: Certificate

Length of Program: 48 quarter credit hours (12 months Full-Time)

(18 months Part-Time)

While these programs are conditionally authorized, the institution may not advertise these programs, recruit or enroll students into these programs.

At the time that the institution provides evidence sufficient to DPSA staff of possession and installation of the required program equipment and a successful site visit is conducted by DPSA staff, the condition will be lifted without further Commission action and these programs will receive Regular Authorization Status. At that time, the institution may begin to advertise these programs, recruit and enroll students into these programs.

B. MedVance Institute

Nashville, TN

Corporate Structure: For-Profit Corporation

Authorization Date: April 29, 2010

Accreditation: Accrediting Bureau for Health Education Schools

Title IV Funding: Yes

Highest Credential Offered: Associate's Degree

MedVance Institute - Nashville is seeking authorization for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Nashville, Tennessee.

1. Program: PN to RN Bridge

Credential Awarded: Associate of Applied Science in Nursing

Length of Program: 63 semester hours (14.5 months)

While the program is conditionally authorized, the institution may not advertise the program, recruit or enroll students into the program.

At the time that the institution provides evidence sufficient to DPSA staff of possession and installation of the required program equipment and a successful site visit is conducted by DPSA staff, the condition will be lifted without further Commission action and the program will receive Regular Authorization Status. At that time, the institution may begin to advertise the program, recruit and enroll students into the program.

C. Remington College

Nashville, TN

Corporate Structure: Not-For-Profit Corporation

Authorization Date: January 1, 1987

Accreditation: Accrediting Commission of Career Schools and Colleges

Title IV Funding: Yes

Highest Credential Offered: Associate's Degree

Remington College – Nashville is seeking authorization for one new program. The program will be offered in a residential format. Instruction will be provided by faculty from their authorized site in Nashville, Tennessee.

1. Program: Medical Assisting with X-Ray Tech (Limited Scope)

Credential Awarded: Diploma

Length of Program: 44 quarter credit hours (13 months)

While the program is conditionally authorized, the institution may not advertise the program, recruit or enroll students into the program.

At the time that the institution provides evidence sufficient to DPSA staff of possession and installation of the required program equipment and a successful site visit is conducted by DPSA staff, the condition will be lifted without further Commission action and the program will receive Regular Authorization Status. At that time, the institution may begin to advertise the program, recruit and enroll students into the program.

D. Vatterott Career College - Dividend Drive Memphis, TN

Corporate Structure: For-Profit Corporation Authorization Date: January 28, 2010

Accreditation: Accrediting Commission for Career Schools and Colleges

Title IV Funding: Yes

Highest Credential Offered: Associate of Occupational Studies

Vatterott Career College – Dividend Drive is seeking authorization for two new programs. The programs will be offered in a residential Format. Instruction will be provided by faculty from their authorized site in Memphis, Tennessee.

1. Program: Building Maintenance Technology Program

Credential Awarded: Associate of Occupational Studies

Length of Program: 108 quarter credit hours (21 months Full-Time)

(42 months Part-Time)

While the program is conditionally authorized, the institution may not advertise the program, recruit or enroll students into the program.

At the time that the institution provides evidence sufficient to DPSA staff of possession and installation of the required program equipment and a successful site visit is conducted by DPSA staff, the condition will be lifted without further Commission action and the program will receive Regular Authorization Status. At that time, the institution may begin to advertise the program, recruit and enroll students into the program.

T Ε N N Ε S S \mathbf{E} \mathbf{E} Η T G Η E R Ε D U C Α Т I O N C \mathbf{O} M

N COMMISSION

Agenda Item: I.D.4.

DATE: July 28, 2011

SUBJECT: Recommendations for Appointments to the Committee on

Postsecondary Educational Institutions

ACTION RECOMMENDED: Approval

BACKGROUND INFORMATION: In 1992, State law created under the auspices of the Commission an advisory committee for recommendations and the review of issues relative to institutions subject to the Postsecondary Authorization Act. Persons appointed shall be broadly representative of the geographical characteristics of Tennessee. Five (5) members of the Committee shall be employed by, hold an ownership in, or otherwise be affiliated with an institution or other entity subject to the committee's supervision and oversight. Four (4) members shall be representative of the public interest and shall have no association or relationship with such institutions. Two (2) members shall be representative of community based organizations that have an interest in postsecondary occupational education. Of the thirteen (13) members, eleven (11) are appointed with the remaining two (2) serving by virtue of their position as Executive Director of the Tennessee Higher Education Commission and as Executive Director of the Tennessee Student Assistance Corporation.

Currently, two (2) positions on the committee are vacant. Commission staff are recommending that two (2) committee members be reappointed to the Committee on Postsecondary Educational Institutions.

1. Reappointment: Mr. Larry Griffin

Mr. Griffin represents west Tennessee. He is a representative that is employed by, holds an ownership in, or is otherwise affiliated with an institution or other entity subject to the committee's supervision and oversight. Mr. Griffin serves as the President for Mid-South Christian College.

2. Reappointment: Mrs. Lethia Swett Mann

Mrs. Lethia Swett Mann represents Middle Tennessee. She is a representative of a community based organization that has an interest in postsecondary occupational education. Mrs. Lethia Swett Mann is the Vice President & Loan Administrator for the Nashville Minority Business Development Loan Fund, Inc.

The staff recommends that Mr. Larry Griffin, President, Mid-South Christian College and Mrs. Lethia Swett Mann, Vice President & Loan Administrator for the Nashville Minority Business Development Loan Fund, Inc. be reappointed to the Committee for a three-year term beginning on July 1, 2011 through June 30, 2014.

Other members of the committee are:

Dr. Richard G. Rhoda, Executive Director, TN Higher Education Commission and TN Student Assistance Corporation

Denise Bentley, Attorney

Vickie Burch, President, West Tennessee Business College

Miles Burdine, President and CEO, Kingsport Area Chamber of Commerce

Bill Faour, Director/Owner, Chattanooga College Medical, Dental and Technical Careers

Gaylon Hall, Director Emeritus, William R. Moore College of Technology

John Keys, Former Commissioner, TN Department of Veterans Affairs

Dr. Kittie Myatt, Department Chair, Counselor Education Programs, Argosy University

Steve South, President/Owner, South College

Dr. Earlie Steele, Assistant Professor and Supervisor of Special Education Student Teachers, Fisk University.

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Agenda Item: I.D.5.

DATE:July 28, 2011

SUBJECT: Proposed Rule Revisions

ACTION RECOMMENDED: Adopt the rule revision

Background Information: In August 2009, the Division of Postsecondary School Authorization (DPSA) held workshops to provide training to the staff of the non-exempt postsecondary educational institutions. During the training there were a few comments made in regard to the implementation of Rule Chapter 1540-01-02, Authorization and Regulation of Postsecondary Education Institutions and Their Agents.

At that meeting, DPSA staff announced a willingness to revisit any rule or policy if it could be shown that the regulatory purpose of the rule or policy is no longer valid or could be accomplished through a means less stringent for the institutions. Over the past two years there has been much discussion with institutions that have availed themselves of the process. In fact, several suggestions have already been implemented.

Most recently, DPSA staff met with three groups of institutions – unaccredited, nationally accredited, and regionally accredited as well as with the Tennessee Association of Independent Colleges & Schools. Following these meetings, DPSA drafted proposed rule revisions and sent those proposed revisions to all authorized institutions and interested persons via email on May 27, 2011. The email gave recipients the opportunity to comment and asked that all comments be submitted by June 24, 2011.

DPSA received substantive comments from just four institutions – Remington College, H&R Block, Capella University, and Virginia College School of Business and Health. After considering the comments, DPSA placed the proposed revisions on the agenda of the July 7, 2011, meeting of the Committee on Postsecondary Educational Institutions. On June 30, 2011, DPSA sent the Committee the rule revisions. At the meeting, the Committee was given a detailed explanation of the rule revisions and the comments submitted thereon. Thereafter, the Committee voted to recommend adoption by the Commission of all of the rule revisions.

Summary of Comments: A summary of the comments and DPSA staff's responses follows.

• Remington College and Virginia College School of Business and Health commented on Rule 1540-01-02-.08(3)(b) suggesting that it was inappropriate to distinguish between national and regional accreditation. Rule 1540-01-02-.08(3)(b) restricts the use of traditional degree names to regionally accredited institutions unless an institution receives an

exception. The revision to the rule describes in detail what an institution must provide in order to receive an exception from the Executive Director. The proposed revision does not change the accreditation distinction currently in effect, a distinction that the Commission has formally recognized since at least 1991. DPSA opines that the revision provides an institution with a better understanding of how to plan for and obtain an exception. DPSA further asserts that the addition of subparagraph (b), parts 1. thru 3. will help to ensure that students of nationally accredited institutions that receive an exception will have more options available if they choose to transfer credits.

- H&R Block suggested that the IRS Competency Exam be added to the list in Rule 1540-01-02-.05(1)(d) [revised as .05(1)(e)]. The purpose of the rule is to exempt programs designed primarily to teach individuals how to take a test; the premise being that the individual received the substantive training elsewhere. H&R Block's suggestion would operate to exempt programs designed to teach tax preparation skills. DPSA opines that the training offered by H&R Block is not analogous to the training offered, for example, to prepare a person to take the state bar examination. In the case of the former, the training is the initial training in the subject whereas in the case of the latter, the training is designed to prepare students to take a test and the substantive training occurred while enrolled in law school.
- Capella University offered the following comments:
 - The institution suggested that institutions such as itself should be permitted to receive a waiver of the requirement in Rule 1540-01-02-.10(5) to provide placement rates. DPSA opines that institutions such as Capella University may request a waiver currently and under the proposed revisions. As in the past, under the language of the revised rule, DPSA will generally grant requests for a waiver when institutions do not typically report vocational placement data. The only difference created by the revised wording is that DPSA will now consider exceptions on a program, rather than institution, level. As to implementation, another difference is that DPSA will consider requests in light of the new U.S. Department of Education regulations requiring disclosure of placement rates for all gainful employment programs offered by proprietary institutions and public and nonprofit institutions.
 - O Capella University asserts that the requirement in Rule 1540-01-02-.13(6) [revised as .13(4)(j)] that institutions contractually guarantee the cost of tuition for 1200 contact hours or one calendar year may result in Tennessee students being charged a different rate than other students. DPSA notes that institutions can use language in the enrollment agreement that is compliant with the rules and that affords institutions the flexibility needed to avoid the outcome described by Capella.
 - o Rule 1540-01-02-.15(5) lists the items to be included in the Master Student Registration List, which institutions provide annually to DPSA. The list includes student employment information gathered at the time of

enrollment. Capella asserts that students will not be willing to provide employer information. DPSA notes that the information is to be gathered at the time of the student's enrollment, and institutions are not being asked to update the information throughout the student's enrollment. DPSA expects institutions to make every effort to obtain the information; however, adverse action will not be taken against an institution in the event that a student refuses to provide the information.

• With regard to Rule 1540-01-02-.26, which describes the circumstances under which the Commission will return regulatory fees to institutions, Capella University comments that the rule would cost the state money to implement and that it would be difficult for institutions to budget for regulatory costs. The institution proposed that the Commission reduce the current fees. DPSA notes that the fees were adopted in an effort to ensure that DPSA is able to cover its expenses. DPSA further explains that the idea of returning fees in excess of a specified amount grew out of conversations with institutions during the 2009 rulemaking when the fees were increased.

Procedural Posture: The proposed revisions are before you today to decide whether to adopt them. In the event that the revisions are adopted, they will be sent to the Attorney General pursuant to Tenn. Code Ann. § 4-5-211. At that time, the Attorney General will review the legality and constitutionality of the rules. Once approved by the Attorney General, the rules will be sent to the Secretary of State's office pursuant to Tenn. Code Ann. § 4-5-202(a)(2).

The process described above does not require a rulemaking hearing on the front end. However, persons or entities may file a petition for a public hearing after the rules have been published by the Secretary of State. In the event that this happens, this matter may be brought back before the Commission.

Proposed Revisions: Attached

PROPOSED REVISIONS TO: CHAPTER 1540-01-02, AUTHORIZATION AND REGULATION OF POSTSECONDARY EDUCATION INSTITUTIONS AND THEIR AGENTS

NOTE: There are no proposed revisions to Rules 1540-01-02-.01, .04, .07, .12, .17, or .21 thru .25.

TABLE OF CONTENTS

1540-01-0201	Preface	1540-01-0214	Financial Standards
1540-01-0202	Role of the Commission, Committee and	1540-01-0215	Institutional and Student Records
	Staff	1540-01-0216	Personnel and Instructor Qualifications
1540-01-0203	Definitions	1540-01-0217	Cancellation and Refund
1540-01-0204	Determination for Required Authorization	1540-01-0218	Prohibited Acts
1540-01-0205	Exemption	1540-01-0219	Fair Consumer Practices and Student
1540-01-0206	Minimum Authorization Standards and		Complaints
	Requirements	1540-01-0220	Advertising and Solicitation
1540-01-0207	Institutional Applications	1540-01-0221	Authorization Status
1540-01-0208	Regulations for Specific School Types	1540-01-0222	Causes for Adverse Action
1540-01-0209	Annual Reauthorization	1540-01-0223	Institutional Closure
1540-01-0210	Required Minimum Standards	1540-01-0224	Tuition Guarantee Fund (TGF)
1540-01-0211	Institutional Catalog	1540-01-0225	Fees
1540-01-0212	Admissions Standards	1540-01-0226	Return of Regulatory Fees
1540-01-0213	Enrollment Agreements and Disclosure		
	Standards		

1540-01-02-.02 ROLE OF THE COMMISSION, COMMITTEE AND STAFF

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- (2) Role of the Executive Director:
 - (a) The Executive Director is empowered to take any urgent action, based on these rules and Act, necessary to conduct this consumer protection regulatory function, during the periods between authorization action meetings of the Commission, subject to ratification by the Commission provided that:
 - 1. the Executive Director shall give written notice of such action to the affected party:
 - the Executive Director shall instruct the affected party that they may notify the Commission within ten (10) <u>business</u> days if the aggrieved party desires a hearing and review by the Commission, and that otherwise the action shall be deemed final:
 - at the same time the Executive Director shall give written notice of the action to members of the Commission.

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(3) Role of the <u>Committee on Postsecondary Educational Institutions</u>Postsecondary Education Institution Committee:

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Authority: T.C.A. §49-7-2014. Administrative History: Original rule filed March 26, 1974; effective April 24, 1974. Amendment filed August 7, 1978; effective November 29, 1998. Repeal and new rule filed May 15, 1985; effective July 1, 1985. Repeal and new rule filed January 24, 1990; effective May 1, 1990. Amendment filed December 15, 1992; effective March 31, 1993. Repeal and new rule filed June 24, 1998; effective October 28, 1998. Amendment filed June 6, 2008; effective August 20, 2008.

<u>DPSA Comments:</u> The revision to .02(2)(a)2 clarifies that the ten day time period is calculated using business days. The revision to .02(3) inserts the name of the Committee as stated in T.C.A § 49-7-207. These revisions should improve users' understanding of the rules.

1540-01-02-.03 DEFINITIONS

(1) The following definitions are complementary to definitions in Tenn. Code Ann. §49-7-2003 and have the following meanings, unless the context clearly indicates otherwise:

. . . .

(h) "Articulation agreement" means an arrangement between two higher education institutions approved and signed by the chief executive officers and constructed by faculty in the discipline that equates for transfer of a defined set or block of academic credits that will meet requirements of a specified academic degree program major at the degree-awarding institution for the purposes of the Division of Postsecondary School Authorization, refers specifically to "program articulation," i.e., the process of developing a formal, written agreement that specifically breaks down courses (or sequences of courses within a program) from institution(s) that are comparable, and acceptable in lieu of specific course requirements at similar institution(s). An articulation agreement is a legal document with the appropriate signatures that specifies which courses at said institution(s) may be transferred to meet general education, major requirements, and electives at the receiving institution. These agreements, maintained by the Articulation Officers at both institutions, facilitate the successful transfer of students between the two entities, to include, but are not limited to, associate and baccalaureate level institutions and ultimately comprehensive or research universities for masters and doctoral level programs.

. . . .

(p) "College" means (1) a unit of a university offering specialized degrees or (2) a postsecondary institution offering courses of study leading to traditional undergraduate college degrees. Some examples of traditional degrees include, but are not limited to: Associate of Arts, Associate of Science, Bachelor of Arts, Bachelor of Business Administration, Bachelor of Science, Bachelor of Fine Arts, Master of Science, Master of Fine Arts, Master of Business Administration, Doctor of Philosophy, Doctor of Psychology, and Doctor of Education.

. . .

(s) "Credential" refers to educational credentials which include, but are not limited to: certificates, diplomas, letters of designation, degrees, transcripts or any other papers generally taken to signify progress or completion of education and/or training at a postsecondary educational institution.

[re-letter current (t) and (qq)]

(qq) "Traditional degree" shall mean degrees including, but not limited to: Associate of Arts, Associate of Science, Bachelor of Arts, Bachelor of Business Administration, Bachelor of Science, Bachelor of Fine Arts, Master of Arts, Master of Science, Master of Fine Arts, Master of Business Administration, Doctor of Philosophy, Doctor of Psychology, and Doctor of Education.

. . . .

(tt) "University" means a postsecondary institution that provides facilities for teaching and research, offers traditional undergraduate and graduate degrees at the baccalaureate and higher level, and is organized into largely independent colleges or schools offering undergraduate, graduate, and/or professional programs. Some examples of traditional degrees are: Bachelor of Arts, Bachelor of Business Administration, Bachelor of Science, Bachelor of Fine Arts, Master of Arts, Master of Science, Master of Fine Arts, Master of Business Administration, Doctor of Philosophy, Doctor of Psychology, and Doctor of Education.

Authority: T.C.A. §49-7-2005, Public Chapter 766, Acts of 2006. **Administrative History**: Original rule filed March 26, 1974; effective April 4, 1974. Amendment filed August 7, 1978; effective November 29,

1998. Repeal and new rule filed May 15, 1985; effective July 1, 1985. Repeal and new rule filed January 24, 1990; effective May 1, 1990. Amendment filed December 15, 1992; effective March 31, 1993. Repeal and new rule filed June 24, 1998; effective October 28, 1998. Amendment filed February 3, 2000; effective June 28, 2000. Repeal and new rule filed June 6, 2008; effective August 20, 2008

<u>DPSA Comments:</u> The revision to .03(1)(h) details what an articulation agreement must contain for purposes of the proposed revision to .08(3)(b)3. This should benefit institutions by providing a more concise definition.

The revisions to .03(1)(p) and .03(1)(tt) and the addition of .03(1)(qq) result from the determination that the term "traditional degree" should be defined separately and not as part of the definitions of "college" and "university." This revision should make the rules more user-friendly and improve understanding.

DPSA is proposing to delete .03(1)(s) because .04(2)(b) references only the statutory definition and two definitions are not needed. This is a housekeeping item.

1540-01-02-.05 EXEMPTION

- (1) In addition to institutions exempt by Tenn. Code Ann. §49-7-2004, the following institutions and programs are exempt from the annual reporting requirements and the provisions of these regulations.÷
 - (a) any entities offering education, instruction or training that <u>ismeet 1, 2, 3, or 4 in its</u> entirety as follows:
 - maintained or given by an employer or group of employers, for employees or for persons they anticipate employing without charge, payroll deduction or minimum length of employment, except that the employer/institution may accept funds provided through a state or federal program that provides adequate institutional and/or programmatic review as determined by Commission staff; or
 - maintained or given by a U. S. Department of Labor or state recognized labor organization, without charge, to its membership or apprentices, except that the institution may accept funds provided through a state or federal program that provides adequate institutional and/or programmatic review as determined by Commission staff; or
 - 3. financed and/or subsidized by public funds, without charge to the students, having a closed enrollment; or
 - 4. given under a contract agreement, having a closed enrollment, at no cost to the student and does not offer degrees or educational credentials such as, but not limited to, diplomas or special certifications that in the opinion of the Commission are specifically directed toward new or additional vocational, professional or academic goals.
 - (b) Short-term programs, seminars or workshops that are motivational, enrichment, recreational, or avocational as determined by Commission staff shall be considered exempt from authorization requirements. Upon review by Commission staff, a provider that presents the instruction in such a way as to suggest a vocational end may be required to become authorized in the state, or clarify through public advertising that the program, seminar, or workshop is in fact motivational, enrichment, recreational, or avocational. Short-term programs for which all promotional materials and advertisements indicate that the program purpose is exclusively for self-improvement, or instruction that is motivational or avocational in intent as determined by Commission staff.
 - (c) Short-term programs, seminars or workshops that are solely for professional enhancement as determined by Commission staff shall be considered exempt from authorization requirements. Businesses offering specialized certifications clearly used to denote technical, professional or vocational proficiency toward an additional vocational goal or new job title must be authorized for operation.
 - (de) Programs that operate under Part 61 of the Federal Aviation Regulations and that provide only avocational training are exempt. Aviation programs that operate entirely under Part 141 of the Federal Aviation Regulations and programs that operate under Part 61 of the Federal Aviation Regulations and that provide vocational training are non-exempt. Oversight of these aviation schools will in no way conflict with oversight provided by the Federal Aviation Administration. While the FAA oversight ensures adequate curricula and safety of the student, the Commission's oversight is focused on protection of the personal and financial interests of the student.
 - (ed) Institutions which offer intensive review courses designed solely to prepare students for graduate and/or professional school entrance exams, certified public accountancy

- tests, public accountancy tests, and the bar examination shall be considered exempt from authorization requirements.
- (f) Training designed to prepare students for credit-by-examination tests may be considered exempt from authorization requirements. The exemption is contingent on the entity's agreement to indicate in all promotional materials that the training is for test preparation for credit-by-examination tests and to refrain from any misleading representations. Such representations include:
 - 1. suggesting that the training results in receipt of a credential, such as a degree;
 - 2. listing anticipated salary amounts; and
 - 3. stating that the entity is accredited.
- (eg) Bona fide religious institutions that:
 - 1. offer instruction or training without charge or any expense to participants and do not offer degrees of any type within the institution;
 - do not suggest that postsecondary credit may be awarded by another party or transfer in educational credentials from another source;
 - 3. do not offer diplomas/certificates that in the opinion of the Commission replicate letters of designation or degrees.
- (h) Businesses offering limited computer training in hardware, software, delivery systems or any related technology for clients or customers (closed enrollment) directly related to a sale of equipment or services are exempt from the provisions of authorization.
- (i) Businesses offering short term computer training in common software or basic computer hardware that is intended for enrichment or professional enhancement are exempt from the provisions of authorization unless in the opinion of the Commission courses using various software are offered concurrently toward a vocational goal. (e.g. word processing software offered toward secretarial goals).
- (2) To operate within exemption status, the following guidelines shall be used:
 - (a) Institutions that clearly qualify as exemption under the Act or these regulations after Commission staff review shall be considered exempt from authorization without a vote of the Commission.
 - (b) Any il-nstitutional or programmatic exemption is subject to annual staff review and/or revocation any time the activity deviates from the original determination factors for exemption.
 - (c) Exemptions secured under this section of the rules are effective for each authorization year beginning on July 1, except as individuals or groups of institutions are notified prior to June 15 preceding any authorization year by a letter from the Executive Director of the Commission which shall state the bases for removal of any exemption.
 - (cd) Exemptions can be revoked or amended by the Commission as they pertain to individual institutions whenever it is determined by the Commission that an institution exempted by the Act or these regulations has not acted in accordance to the purpose of T.C.A. 49-7-2002, 'Legislative intent'.
- (3) To request an exemption, linstitutions or educational providers seeking an exemption status (or not wanting to pursue authorization) that in the opinion of Commission staff do not clearly

qualify under the exemption categories given in the Act and these rules will be required to complete an Exemption Request Form. The form shall submit a descriptive narrative describing how the institution and/or programs qualify for an exemption. The request shall include a citation to the Act and/or rules and documentation supporting the requested exemption such as include but not be limited to: copies of all institutional materials; brochures; advertising; state charter or business license; and organizational ties and/or contracts with other educational providers and a descriptive narrative of how the organization qualifies for exemption specifically citing the Act and/or rules. Based upon the submitted material, Commission authorization staff shall make a written determination.

- (a) Based upon the submitted material Commission staff shall make a written determination of institutional status.
- (4) If the institution is aggrieved by a that determination concerning exemption status, the partyinstitution may appeal seek review as provided for in the manner provided by Rule 1540-01-02-.02(2)(b) and T.C.A. §49-7-2010(b). Any request for review shall be in writing, signed, list each instance where Commission staff erred, and provide a detailed explanation of each error, including, where applicable, references to specific statutes or rules. Requests for review shall be received through hand delivery, mail, electronic mail or facsimile. A request may be denied if it is not timely received.

Authority: T.C.A. §49-7-2002, 49-7-2004, 49-7-2005, 49-7-2006, 49-7-2008. Administrative History: Original rule filed March 26, 1974; effective April 24, 1974. Amendment filed August 7, 1978; effective November 29, 1998. Repeal and new rule filed May 15, 1985; effective July 1, 1985. Repeal and new rule filed January 24, 1990; effective May 1, 1990. Amendment filed December 15, 1992; effective March 31, 1993. Repeal and new rule filed June 24, 1998; effective October 28, 1998. Amendment filed February 3, 2000; effective June 28, 2000. Amendment filed June 6, 2008; effective August 20, 2008.

<u>DPSA Comments:</u> The revisions to .05(1)(a)1 and 2 address situations where there is no charge directly to the student but the institution does receive funds on behalf of the student through a program as described in the revision. It has become apparent to DPSA that the current rule restricts the allocation of federal funds to certain educational providers and that this was not the intent of the rule. Thus, the revision is made to avoid an unintended consequence of the current wording of the rule.

The revisions to .05(1)(b) and .08(10) and the addition of .05(1)(c) place all exemptions under .05 and clarify the grounds under which short term programs, seminars, and workshops may be exempt. This revision should make the rules more user-friendly and improve understanding.

The revision to .05(1)(d) includes language that appeared in the 1998 version of the rules, but that appears to have been deleted in error. This is a housekeeping item.

The addition of .05(1)(f) exempts a type of exam preparation not contained in .05(1)(d). This exemption is listed separately because the nature of the training requires that explicit provisions be included to address promotion and advertising.

The additions of .05(1)(h) and (i) and the deletion of .08(8) result in all exemptions being listed under .05. This revision should make the rules more user-friendly and improve understanding.

The revisions to .05(2) clarify that either programs or institutions may be granted exemptions. The revisions also remove the language that limits the term of the exemption status. This allows DPSA to award exemptions for an unlimited amount of time while preserving the ability to revoke or amend an exemption as provided for in revised .05(2)(c). These revisions benefit institutions by simplifying the exemption review process and better describing the procedure for receiving an exemption.

1540-01-02-.06 MINIMUM AUTHORIZATION STANDARDS AND REQUIREMENTS

. . . .

(14) School-Institution Name:

- (a) No postsecondary educational institution under the Act and these rules may use the word "university" in their-its name unless the <a href="school-institution meets the definition of university as set forth in these rules and has been so-approved by a regional accrediting body so-recognized by the U. S. Department of Education.
- (b) No postsecondary educational institution under the Act and these rules may use the word "college" in the-ir-its name unless:
 - 1. <u>tThe school institution meets the definition of college as set forth in these rules;</u>
 - 2. The institution has been so-approved by an regional accrediting body recognized by the U. S. Department of Education to offer degree level programs; and
 - 3. The institution offers or is seeking approval to offer at least one (1) degree program., or
- (c) No unaccredited institution may use "college" in its name unless:
 - 1. For institutions authorized prior to October 1, 2006, the institution name includes an appropriate qualifier along with the word "college," such as "career," "vocational," "business," "technical," "art" etc., or in the case of a religious institution, "Bible" or a denominational term or-
 - 2. For institutions authorized on or after October 1, 2006, the institution name includes an appropriate qualifier preceding the word "college," such as "career," "vocational," "business," "technical," "art" etc., or in the case of a religious institution, "Bible" or a denominational term.
- (de) All institutions authorized after July 1, 1997 using "college" in accordance with item 14(cb) above, must achieve regional or national accreditation from an accrediting body recognized by the U. S. Department of Education in a timely manner while demonstrating consistent good faith efforts toward achieving that goal. Institutions that fail to make good faith efforts toward accreditation or to achieve accreditation in a timely manner shall be required to remove "college" from the institutional name.
 - 1. New institutions authorized after July 1, 1997 that demonstrate in the application process, that the school is capable by program length, content, adequate physical site and administrative capability of achieving accreditation, may initially use "college" in the institutional title as outlined in 1540-01-02 .06(14)(b) above.
 - 21. Institutions may use "Junior College" as a qualifier in the name of the institution provided that the institution has a current articulation agreement with a regionally accredited college or university. Loss of the articulation agreement will require removal of "Junior" as a qualifier, to be replaced on a schedule agreeable to the Commission with an institutional name in compliance with these rules.
 - Institutions that fail to make good faith efforts toward accreditation or achieve accreditation in a timely manner shall be required to remove "college" from the institutional title.
- 4. The Executive Director may consider an exception to 1540-01-02-.06(14)(a), (b) given above for special or unique circumstances. Institutional waivers will be null and void with a change in ownership.

. . . .

Authority: T.C.A. §49-7-2002, 49-7-2004,49, 49-7-2005, 49-7-2006, 49-7-2008. Administrative History: Original rule filed March 26, 1974; effective April 24, 1974. Amendment filed August 7, 1978; effective November 29, 1998. Repeal and new rule filed May 15, 1985; effective July 1, 1985. Repeal and new rule filed January 24, 1990; effective May 1, 1990. Amendment filed December 15, 1992; effective March 31, 1993. Repeal and new rule filed June 24, 1998; effective October 28, 1998. Amendments filed June 6, 2008; effective August 20, 2008.

<u>DPSA Comments</u>: The revisions to .06(14)(a) clarify that institutions that use "university" in the institution name must meet the definition of "university" in .03(1)(tt). Additionally, the revision to .06(14)(b) permits institutions to use the word college in the institution name without a qualifier as long as the institution is accredited, meets the definition of "college" in .03(1)(p), and offers at least one degree program. This revision is similar to requirements in other states. The addition of .06(14)(c) maintains the current requirement that an unaccredited institution using college in the institution name include a qualifier. These revisions benefit institutions by ensuring that the name of an institution appropriately describes the institution and permitting nationally accredited institutions to use the word college in their names without a qualifier.

The revisions to .06(14)(c) serve to condense and clarify current requirements. The revision removes references to dates that are no longer relevant and the provision allowing the Executive Director to consider an exception to current rule .06(14)(a) and (b). DPSA opines that exceptions are no longer needed given the other revisions to the rules.

1540-01-02-.08 REGULATIONS FOR SPECIFIC SCHOOL TYPES

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(3) Degree Granting Institutions:

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- (b) All degrees offered must be approved by name and designation by the Commission. No institution may offer traditional degrees or professional degree designations such as those given in the definitions under "college" and "university" unless previously approved by a recognized regional accrediting body. An exception may be approved by the Executive Director upon recommendation of Commission staff. Any request for exception shall be made in writing and include proof of the following:
 - 1. The institution is accredited by a U.S. Department of Education approved accreditor for the specific degree level;
 - 2. The program is accredited by an appropriate accrediting agency if such accreditation is necessary for employment in or licensure by the state; and
 - 3. The institution has articulation agreements with two (2) regionally accredited institutions with physical locations in the Southeast region and the agreements are applicable to at least one of the institutions' physical locations in the Southeast region. An exception may be approved by the Executive Director upon recommendation of Commission staff.

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(8) Computer Training:

- (a) Businesses offering limited computer training in hardware, software, delivery systems or any related technology for clients or customers (closed enrollment) directly related to a sale of equipment or services are exempt from the provisions of authorization.
- (b) Businesses offering short term computer training in common software or basic computer hardware that is intended for enrichment or professional enhancement are exempt from the provisions of authorization unless in the opinion of the Commission courses using various software are offered concurrently toward a vocational goal. (e.g. word processing software offered toward secretarial goals).
- (c) Businesses offering specialized certifications clearly used to denote technical, professional or vocational proficiency toward an additional vocational goal or new job title must be authorized for operation of that training in the state.
- (98) Teacher Training (K-12) or Licensing or Recertification:
 - (a) The Tennessee State Board of Education or the Commission may request a dual review of any institution or business with physical presence in Tennessee offering courses related to but not limited to teacher (K-12) licensing, recertification or career ladder.

(10) Seminars / Workshops:

- (a) Seminars or workshops of short duration that are motivational, enrichment, recreational, avocational or solely for professional enhancement as determined by Commission staff shall be considered exempt from authorization requirements.
- (b) Upon review by Commission staff a seminar/workshop provider regardless of length that presented the instruction in such a way to suggest a vocational end may be

required to become authorized in the state, or clarify through public advertising that the seminar/workshop is in fact enrichment or recreational.

Authority: T.C.A. §49-7-2003, 49-7-2005, 49-7-2008. Administrative History: Original rule filed March 26, 1974; effective April 24, 1974. Amendment filed August 7, 1978; effective November 29, 1998. Repeal and new rule filed May 15, 1985; effective July 1, 1985. Repeal and new rule filed January 24, 1990; effective May 1, 1990. Amendment filed December 15, 1992; effective March 31, 1993. Repeal and new rule filed June 24, 1998; effective October 28, 1998. Amendments filed June 6, 2008; effective August 20, 2008.

<u>DPSA Comments:</u> The addition of .08(3)(b)1 thru 3 were included to describe in detail what an institution must provide in order to receive a exception to the restriction in .08(3)(b). DPSA opines that this addition provides an institution with a better understanding of how to plan for and obtain an exception. DPSA further asserts that the provisions of 1 thru 3 will help to ensure that students of nationally accredited institutions that receive an exception will have more options available if they choose to transfer credits.

DPSA is deleting .08(8) and (10), but is providing for the exemptions in .05. This modification neither expands nor limits the scope of the current exemptions and serves to place all exemptions under .05. This revision should make the rules more user-friendly.

1540-01-02-.09 ANNUAL REAUTHORIZATION

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(3) For all authorized institutions and institutions under Temporary or Conditional Authorization, unless otherwise required by Commission staff, the reauthorization application must be accompanied by the following:

. . . .

- (c) the latest financial statement for the most recent institutional fiscal year as given under Financial Standards, 1540-1-2-.14, and shall include:
 - 1. a balance sheet (statement of financial position);
 - an income statement (statement of the results of institutional operation including, but not limited to, gross amount of tuition and fees earned and total refunds during the fiscal year);

. . .

Authority: T.C.A. §49-7-2005, 49-7-2006, 49-7-2014. Administrative History: Original rule filed March 26, 1974; effective April 24, 1974. Amendment filed August 7, 1978; effective November 29, 1998. Repeal and new rule filed May 15, 1985; effective July 1, 1985. Repeal and new rule filed January 24, 1990; effective May 1, 1990. Amendment filed December 15, 1992; effective March 31, 1993. Repeal and new rule filed June 24, 1998; effective October 28, 1998. Repeal and new rule filed June 6, 2008; effective August 20, 2008.

<u>DPSA Comments</u>: The revision to .09(3) allows DPSA to modify the reauthorization application to accommodate the various types of institutions subject to the Commission's regulation. This revision will allow greater flexibility in the amount and type of information collected and <u>will benefit institutions</u> by permitting DPSA to more easily implement suggestions made by institutions and streamline the reauthorization process by allowing for truncated versions of the application when deemed appropriate by DPSA staff.

The revision to .09(3)(c)2 clarifies that the statement requested is an income statement. This revision should improve understanding of the rules.

1540-01-02-.10 REQUIRED MINIMUM STANDARDS

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- (5) Beginning with the July 2011 through June 2012 reporting period, Liberal arts schools or professional schools may request a waiver of the requirement to provide placement rates for programs for which the institution does not that typically do not report vocational placement data may be required to report to the Commission either by testimonial, survey or by some other means that program completers have benefited from the instruction.
 - (a) Requests for waiver shall be made when filing a new program application or, for programs approved prior to the effective date of this rule, by submitting a letter requesting a waiver for each program.
 - (b) Requests for waiver shall include at a minimum an explanation as to why the institution does not typically report vocational placement data for that program.
- (c) Institutions are required to gather the data required for reporting until such time as a waiver is granted.

. . . .

Authority: T.C.A. §49-7-2005, 49-7-2006. Administrative History: Original rule filed March 26, 1974; effective April 24, 1974. Amendment filed August 7, 1978; effective November 29, 1998. Repeal and new rule filed May 15, 1985; effective July 1, 1985. Repeal and new rule filed January 24, 1990; effective May 1, 1990. Amendment filed December 15, 1992; effective March 31, 1993. Repeal and new rule filed June 24, 1998; effective October 28, 1998. Amendment filed June 6, 2008; effective August 20, 2008.

<u>DPSA Comments:</u> The revision to .10(5) describes how to obtain a waiver from the requirement to annually provide placement data and clarifies how institutions should act until a waiver is granted. Additionally, the rule now requires that waivers be received at the program level. These revisions should improve users' understanding of and provide better guidance as to the waiver process.

DPSA notes that this rule was revised with the federal program integrity regulations (published October 29, 2010) in mind and that under the new regulations many institutions will be required to provide placement disclosures to students.

1540-01-02-.11 INSTITUTIONAL CATALOG

(1) Each institution must publish a catalog or brochure (a draft copy may be provided for original application) which must include at least the following information;

. . . .

(o) in catalogs which describe educational programs conducted in Tennessee and with enrollment contracts used by programs outside of Tennessee, a statement provided within the first four pages or in a designated state authorization section of the catalog and on the signature page of enrollment contracts, which must that

"The (name of institution) is authorized by the Tennessee Higher Education Commission. This authorization must be renewed each year and is based on an evaluation by minimum standards concerning quality of education, ethical business practices, health and safety, and fiscal responsibility.";

. . .

- (r) for institutions that disseminate electronic copies of catalogs, a hard copy must be available upon request-; and
- (s) the cash discount policy, if offered to students.

. . .

Authority: T.C.A. §49-7-2002, 49-7-2006. **Administrative History**: Original rule filed May 15, 1985; effective July 1, 1985. Repeal and new rule filed January 24, 1990; effective May 1, 1990. Amendment filed December 15, 1992; effective March 31, 1993. Repeal and new rule filed June 24, 1998; effective October 28, 1998. Amendments filed June 6, 2008; effective August 20, 2008.

<u>DPSA Comments:</u> The revision to .11(1)(o) allows institutions to include the mandatory authorization statement in the state authorization section of the catalog. This modification is made to address instances where a catalog is used in multiple states including Tennessee. This revision benefits institutions by affording them greater flexibility.

DPSA added .11(1)(s) as a result of the revision made to .19 concerning cash discounts. This revision seeks to ensure that all students receive the policy and protects an institution in the event of a complaint.

1540-01-02-.13 ENROLLMENT AGREEMENTS AND DISCLOSURE STANDARDS

. . . .

- (2) Institutions prior to enrolling an individual shall require the prospective student to sign and date a <u>pre-enrollment checklistform to be placed in the student file, which is either part of the enrollment contract or a pre-enrollment check list verifying that the student:</u>
 - (a) toured the institution (not applicable for to institutions that deliver all instruction through distance learningen line);
 - (b) received an institutional catalog;
 - (c) was given the time and opportunity to review the institutional policies in the catalog;
 - (d) knows the length of the program for full time and part time students in academic terms and actual calendar time;
 - (e) has been informed of the total tuition and fee cost of the program;
 - (f) has been informed of the estimated cost of books and any required equipment purchases such as a stenography machine, computer, specialized tools, art supplies etc.;
 - (g) has been given a copy of the institutional cancellation and refund policy;
 - (h) has been given a copy of the completed transferability of credit disclosure statement required by T.C.A. § 49-7-144 and understands what 'transferability of credits' means and the specific limitations (if any) should the institution have articulation agreements;
 - (i) knows of their rights in a grievance situation including contacting the Tennessee Higher Education Commission by including on the form a statement in the following format:
 - A statement: "I realize that any grievances not resolved on the institutional level may be forwarded to the Tennessee Higher Education Commission, Nashville, TN 37243-0830, (615) 741-5293."
 - (j3) has received the most recent withdrawal, completion and in-field placement data as calculated by the Commission by including:
 - 1. the following statement: "For the program entitled, (program name), I have been informed that, for the July (year)/June (year) period, the withdrawal rate is (percent)%, the completion rate is (percent)%, and the in-field placement rate is (percent)%. Detailed statistical data for this program may be viewed by going to www.tn.gov/thec and clicking on the Authorized Institution Data button."; orAlso included, shall be documentation that the student received graduation placement data exactly as presented to the Commission during the last reauthorization cycle in the following format:
 - 2. a copy of the report created for the institution by Commission staff and a statement that "the report can be viewed by going to www.tn.gov/thec and clicking on the Authorized Institution Data button"; and
 - (a) A statement: "For the program entitled ______, I have been informed that the current withdrawal rate is __%, or in the past 12 months ____ students enrolled in this program and ____ completed this program."

- (b) A statement: "For the program entitled _______, I have been informed that for the students who graduated, the job placement rate is ___%, or in the past 12 months ____ were placed in their field of study out of ____ students who graduated from this program."
- (k) has received and understands the institution's cash discount policy (applicable only to those institutions that have a cash discount policy).
- (34) Liberal arts schools or professional schools Institutions that receive a typically do not report vocational placement data may request a waiver pursuant to Rule of 1540-01-02-.10(5)3(3) above do not have to include the in-field placement rate for the program in the pre-enrollment checklist.
- (45) <u>Institutions shall require a student enrolling to sign and date Aan enrollment contract</u> agreement, <u>which shall include</u>, but not be limited to, <u>the following items</u>:
 - (a) full and correct name and location of the institution;
 - (b) name, address and social security number of the student;
 - (c) date training is to begin and program length;
 - (d) full-time or part-time status of the student;
 - (e) projected date of graduation/completion as a full-time or part-time student;
 - (f) program title;
 - (g) total cost of the program, including itemized separate costs for tuition (including costs of any books and equipment required to be purchased from the institution), fees paid to the institution, and estimated costs for items such as books and any required equipment that students may purchases from the institution or a third-party;
 - (h) cancellation and refund policy;
 - (i) verification that the student has received an exact signed copy of the agreement; and-
 - (j6) Institutions shall contractuallya guarantee of the total cost of tuition and fees for 1200 contact hours or one calendar yeartwelve (12) months from the time of enrollment for full and part time student.
- (5) When enrolling a student in a single class that is part of an approved program, an institution may modify the pre-enrollment checklist and enrollment agreement as needed to substitute the word class (or other similar word) for the word program where necessary and to qualify any other language so that it applies to the specific class. In no event shall any modification result in less protection for or fewer disclosures to the student.
- (67) Programs less than 1200 clock (contact) hours must have an enrollment contract with a set total tuition and fees.
- (78) Programs longer than 1200 clock (contact) hours that increase tuition and feescost after the initial 1200 clock (contact) hours or one yeartwelve (12) month period, must provide counseling related to the tuition increase.
- (89) Tuition increases that in the opinion of the Commission are excessive, unreasonable and exceed initial disclosure to the student may be denied and/or result in an in depth audit of the institution at the school's expense to assure the Commission of financial stability.

(<u>910</u>) All tuition changes must be submitted on forms provided by the Commission and approved by Commission staff prior to their inception.

Authority: T.C.A. §49-7-2006. **Administrative History**: Original rule filed May 15, 1985; effective July 1, 1985. Repeal and new rule filed January 24, 1990; effective May 1, 1990. Amendment filed December 15, 1992; effective March 31, 1993. Repeal and new rule filed June 24, 1998; effective October 28, 1998. Amendments filed June 6, 2008; effective August 20, 2008.

<u>DPSA Comments</u>: The revision to .13(2) requires institutions to use a pre-enrollment checklist and clarifies what must be in the checklist. The requirement to use a pre-enrollment checklist is proposed to ensure that students receive the required information. Review of reauthorization applications reveals that institutions often combine the pre-enrollment checklist and enrollment agreement. Often when this occurs, the items in the pre-enrollment checklist are not clearly stated. Additionally, the pre-enrollment checklist by the very title is to be completed in advance of the student signing an enrollment agreement further supporting the need for two documents. This revision seeks to ensure that all students are made aware of the checklist items and protects an institution in the event of a complaint.

The addition to .13(2)(h) is due to the fact that pursuant to T.C.A. § 49-7-144 institutions are required to provide prospective students a written disclosure about transferability of credits. This revision seeks to ensure that all students have received the statutory disclosure and protects an institution in the event of a complaint.

The addition of .13(2)(k) was made as a result of adding language to .19 allowing institutions to offer cash discounts. This revision seeks to ensure that all students are made aware that the institution has a cash discount policy and protects an institution in the event of a complaint.

The revision to current .13(3) is due to the waiver made by Dr. Richard Rhoda on April 29, 2010. At that time, it was determined that it was necessary to waive the provisions of .13(3), which require that certain language concerning placement, completion and withdrawal data appear in the enrollment agreement, because the language contained in subparagraphs (a) and (b) had become obsolete as a result of the passage of and subsequent implementation of 2008 Public Chapter 1103 (codified at Tenn. Code Ann. § 49-7-2019). The revision will benefit students and institutions by making sure students clearly receive the most recent statistical data.

The revision to .13(4) clarifies that institutions do not have to provide placement data in the preenrollment checklist if the institution received a waiver for that program pursuant to .10(5). This is a housekeeping item.

The revisions to current .13(5) result in part from the decision to require that the pre-enrollment checklist and the enrollment agreement be two separate documents. Additionally, some of the revisions to .13(6), (7) and (8) are proposed to better reflect the definition of "tuition" in .03(rr). Lastly, .13(6) and (8) are also revised to clarify that "one year" is a twelve-month period. These are housekeeping items and clarify the rules.

The addition of .13(5) allows institution to customize the language of the pre-enrollment checklist and the enrollment agreement to address instances where a student chooses to enroll in a single class rather than an entire program. The rules did not previously address this.

1540-01-02-.14 FINANCIAL STANDARDS

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All authorized institutions must file each year the most recent audited financial statement, (6)certified by an independent certified public accountant for the most recent institutional fiscal year. For multi-campus institutions, or for institutions owned by one (1) parent company, an audited consolidated corporate financial statement shall be routinely required. The staff, Committee, or Commission, however, may request additional campus or institution specificinformation where needed to protect the public interest. The audited income statement must be compiled for each institution, or group of institutions owned by the same company, authorized to operate under the Act; the balance sheet must reflect owner's (proprietorship, partnership, corporation, other) assets and liabilities. In the preparation of these statements, it should be noted that goodwill is not generally considered a current asset unless it is being amortized; related parties must be disclosed; related party footnotes, debt agreements with owners, and supplemental footnotes on separate campuses or branches are expected. It should be noted whether or not tuition revenue is recognized up front or on a pro rata basis. Current financial statements on each site separately authorized under the Act must be filed annually for the most recent institutional fiscal year. Neither the ratio of current fund revenues to current fund expenditures nor the ratio of current assets to liabilities, both site specific and corporate, where applicable, shall be less than 1:1. Institutions that have annual gross tuition revenue of one millionhundred thousand dollars (\$1,000,000) or less may request a waiver of the audit contemplated by this section and provide the most recent financial information in a format acceptable to on forms provided by the Commission.

. . . .

Authority: T.C.A. §49-7-2006, 49-7-2015. **Administrative History**: Original rule filed May 15, 1985; effective July 1, 1985. Repeal and new rule filed January 24, 1990; effective May 1, 1990. Amendment filed December 15, 1992; effective March 31, 1993. Repeal and new rule filed June 24, 1998; effective October 28, 1998. Amendments filed June 6, 2008; effective August 20, 2008.

<u>DPSA Comments</u>: The revision to .14(6) is due to the waiver made by Dr. Richard Rhoda on April 29, 2010. At that time, it was determined that certified public accountants are not performing audits on smaller companies and that the cost of approximately \$10,000 is prohibitive to smaller institutions. This trend has been verified and documented by letters from the certified public accountants of several of our authorized institutions.

1540-01-02-.15 INSTITUTIONAL AND STUDENT RECORDS

(1)	Records of enrollees, completers, and placements must be sufficient to <u>verity data reported</u> to the Commission.provide annual auditable reports to the Commission from the maste student registration list.				
(5)	Each institution must maintain a master student registration list, in table format, consisting o at least the following information for any person who signs an enrollment agreemen financially obligating that person or makes a down payment to attend, or both:				
	(a) full name of the student;				
	(b) complete address;				
	(c) telephone number;				
	(d) social security number or unique student identification number;				
	(e) registration/enrollment date;				
	(f) program name;				
	(g) status of student (e.g., enrolled, withdrawn, leave of absence, or graduated);				
	(h) employment status at time of enrollment; and				
	(i) name, address and telephone number of employer at time of enrollment.				
(6)	Institutions must maintain the following documentation in each enrolled student's file or folder and shall include but not be limited to:				
	(a) transferability of credit disclosure statement required by T.C.A. § 49-7-144; aradmissions form that provides basic information such as student name, social security number, address, telephone number, program or area of application, projected entrance date, etc., and information relevant for determination that the student meets the minimum entrance requirements of the institution, (see 1540-01-0212). This information may be incorporated into the enrollment contract;				
	••••				
	(c) <u>pre-</u> enrollment disclosure statement or checklist as given in these regulations (unless incorporated in the enrollment agreement);				
	(e) an up-to-date educational transcript for each enrollee in a form that permits easy and accurate review by the student, transfer schools, potential employers and authorized state or federal agencies. Transcripts must indicate the name and address of the institution and be signed by an appropriate institutional officer(s), (e.g., registrar president, dean). The transcript shall be a permanent record of the student's progress and academic performance, which shall include, but not be limited to:				
	••••				
	13. appropriate signature(s) <u>; and</u> -				

(f) an exhibit of the institution's enforcement of standards acceptable to the Commission related to attendance, academic satisfactory progress, and proper documentation of any leave of absence (LOA) that may affect progress.

. . . .

Authority: T.C.A. §49-7-2006, 49-7-2016. **Administrative History**: Original rule filed May 15, 1985; effective July 1, 1985. Repeal and new rule filed January 24, 1990; effective May 1, 1990. Amendment filed December 15, 1992; effective March 31, 1993. Repeal and new rule filed June 24, 1998; effective October 28, 1998. Amendments filed June 6, 2008; effective August 20, 2008.

<u>DPSA Comments:</u> The revision to .15(1) is proposed to more accurately describe the requirement given the change in data collection from aggregate data to student-level data. This revision benefits institutions by clarifying which records an institution must maintain.

The revision to .15(5) corrects a publication error from the 2008 version of the rules. At that time, the items inserted in this proposal were inadvertently left out of the rules. This is a housekeeping item.

The revision to .15(6) adds the transferability of credit disclosure statement and pre-enrollment checklist to the items that must be maintained in a student's file. The former is required to ensure compliance with T.C.A. § 49-7-144 and the latter is required to ensure compliance with the revisions to rule .13. The revision also deletes the language requiring an institution to maintain an admissions form in the student's file. This revision is due to the fact that the information on the admission form is required by .12 to be in the enrollment agreement, which is already required by .15 to be maintained in the student's file. This is a housekeeping item.

1540-01-02-.16 PERSONNEL AND INSTRUCTOR QUALIFICATIONS

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(11) Instructors:

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(d) An instructor must be qualified by education and experience/background demonstrably higher than the level to be taught and must meet the following qualifications as minimum requirements:

. . . .

- Minimum for an associate level:
 - (i) Meet the minimum requirements for doctorate, masters or baccalaureate level; or
 - (ii) Hold an associate degree from a postsecondary institution judged to be appropriate by the Commission and either:
 - (I) an associate degree with a concentration in the subject to be taught and one year of practical experience; or
 - (II) an associate degree not in the subject area but with a minimum of two years of practical experience within the last five years in the subject area to be taught and satisfactory completion in a postsecondary educational institution of nine semester hours or 12 quarter credit hours in the subject area to be taught. Additional years of documented experience in the subject area may be substituted for semester / quarter hour requirements.
- 5. Minimum for diploma and certificate level:
 - (i) Meet the minimum requirements for doctorate, masters, baccalaureate or associate level; or
 - Hold a high school diploma or GED and a certificate of completion from a postsecondary institution judged to be appropriate by the Commission in a relevant subject area and a minimum of three years of practical experience within the last seven years in the subject area to be taught. Additional years of documented experience in the subject area may be substituted for the postsecondary educational requirements.
- (12) Minimum Requirements for Instructors of All Authorized Institutions:
 - (a) Instructors must provide evidence of <u>education</u>, experience and training <u>as requested</u> <u>by Commission staffhigher than the level to be taught</u>.

. .

- (15) Agents and Recruiters:
 - (a) Institutional agents as defined by the Act and these regulations must submit an application, on forms provided by the Commission have authorization and an agent permit and secure the appropriate bond prior to any solicitation. The applicant must be accompanied by the following:
 - new applicants must forward recommendations by two reputable persons certifying that the applicant is of good character and reputation;

- a check payable to the State Treasurer of Tennessee as required under these regulations;
- 3. a surety bond of \$5,000 per agent of an out-of-state institution or as specified in 1540-1-2-.07 of these rules; and
- 4. certification by the institutional director that the applicant will be directed to act in accordance with these regulations.
- (b) Agent permits must be renewed every year. The expiration date of a permit is one year from the date of issue or termination of employment whichever occurs first.
- (c) Agents must have separate permits to represent separate institutions unless they are commonly held. Mutual agreement by institutions is required.
- (d) All agents must verify by signature that they have read and are familiar with rules on advertising and solicitation and must verify intent to follow rules as set forth in Fair Consumer Practices.
- (e) Institutional directors, not marketing offices, are responsible for actions of agents.
- (f) The agent shall be under the control of the institution, and the institution is responsible for any representations or misrepresentations, expressed or implied, made by the agent.
- (g) Any student solicited or enrolled by a non-licensed agent is entitled to a refund of all moneys paid and a release of all obligations. Any contract signed by a prospective student as a result of solicitation or enrollment by a non-licensed agent may be null and
- (h) void and unenforceable. In cases where the institution is willing to honor the contract and the student wishes the contract enforced, it can be. However, in cases where the contract has been fully executed between the institution and the student, the student would not be entitled to a refund solely because he or she was solicited by a nonlicensed agent.
- (i) An agent is prohibited from inappropriate activities in procuring enrollees including, but not limited to the following:
 - 1. administering the admission test;
 - 2. advising students about financial aid other than informing the student of the general availability of financial assistance;
 - giving false, misleading, or deceptive information about any aspect of the institution's operation, job placement, or salary potential;
 - 4. representing that a program has sponsorship, approval, characteristics, uses, benefits, or qualities which it does not have;
 - soliciting enrollments in a program which has not been approved by the Commission.
- (j) An agent must display the current permit to all prospective students and other interested parties.

(1615) Agents and Recruiters:

(a) Institutional agents as defined by the Act and these regulations must submit an application, on forms provided by the Commission, have authorization and an agent

permit and secure the appropriate bond prior to any solicitation. The application must be accompanied by the following:

- 1. recommendations by two (2) reputable persons certifying that the applicant is of good character and reputation;
- a check payable to the State Treasurer of Tennessee as required under these regulations;
- 3. a surety bond of five thousand dollars (\$5,000) per agent of an out-of-state institution or as specified in 1540-1-2-.07 of these rules; and
- 4. certification by the institutional director that the applicant will be directed to act in accordance with these regulations.
- (b) Agent permits must be renewed every year. The expiration date of a permit is one (1) year from the date of issue or termination of employment whichever occurs first.
- (c) Agents must have separate permits to represent separate institutions. Mutual agreement by institutions is required.
- (d) All agents must verify by signature that they have read and are familiar with rules on advertising and solicitation and must verify intent to follow rules as set forth in Fair Consumer Practices.
- (e) Institutional directors, not marketing offices, are responsible for actions of agents.
- (f) The agent shall be under the control of the institution, and the institution is responsible for any representations or misrepresentations, expressed or implied, made by the agent.
- (g) Any student solicited or enrolled by a non-licensed agent is entitled to a refund of all moneys paid and a release of all obligations by the institution. Any contract signed by a prospective student as a result of solicitation or enrollment by a non-licensed agent shall be unenforceable at the option of the student. In cases where the institution is willing to honor the contract and the student wishes the contract enforced, it can be. However, in cases where the contract has been fully executed between the institution and the student, the student would not be entitled to a refund solely because he or she was solicited by a non-licensed agent.
- (h) An agent is prohibited from inappropriate activities in procuring enrollees including, but not limited to the following:
 - 1. administering the admission test;
 - 2. advising students about financial aid other than informing the student of the general availability of financial assistance;
 - 3. giving false, misleading, or deceptive information about any aspect of the institution's operation, job placement, or salary potential;
 - 4. representing that a program has sponsorship, approval, characteristics, uses, benefits, or qualities which it does not have;
 - 5. soliciting enrollments in a program which has not been approved by the Commission.

(i) An agent must display the current permit to all prospective students and other interested parties.

Authority: T.C.A. §49-7-2002, 49-7-2006, 49-7-2009, 49-7-2011. **Administrative History**: Original rule filed December 15, 1992; effective March 31, 1993. Repeal and new rule filed June 24, 1998; effective October 28, 1998. Amendments filed June 6, 2008; effective August 20, 2008.

<u>DPSA Comments:</u> The language of .16(11) can be read such that an instructor with a bachelor's degree may not be qualified to teach an associate, diploma or certificate level program. DPSA opines that this was not the intent of the rule. Therefore, DPSA has revised the rule so that an instructor will be qualified to teach all program levels beneath the highest level for which the instructor is qualified. This revision benefits institutions by simplifying the qualification requirements.

The requirement in .16(12) is modified to clearly state that institutions must be able to provide evidence of qualifications as provided for in .16(11). The rule as currently written does not accurately reflect what the qualifications are in .16(11). This is a housekeeping item.

Subparagraph .16(15) is deleted. This paragraph should have been deleted in the 2008 publication. Current subparagraph (16) will become (15). This is a housekeeping item.

1540-01-02-.18 PROHIBTED ACTS

. . . .

(6) Non-accredited institutions shall not accept funds for tuition <u>and fees</u> prior to ten (10) business days <u>efbefore</u> the scheduled start date of the class or program.

Authority: T.C.A. §49-7-2006, 49-7-2007, 49-7-2008, 49-7-2013. Administrative History: Original rule filed June 15, 1992; effective September 28, 1992. Amendment filed December 15, 1992; effective March 31, 1993. Repeal and new rule filed June 24, 1998; effective October 28, 1998. Amendment filed June 6, 2008; effective August 20, 2008.

<u>DPSA Comments:</u> The first revision to .18(6) is proposed to better reflect the definition of "tuition" in .03(rr). The second revision corrects a typographical error. This is a housekeeping item.

1540-01-02-.19 FAIR CONSUMER PRACTICES AND STUDENT COMPLAINTS

- (1) No discounting is allowed. All students must be charged the same price for all programs and classes regardless of their method of payment. Institutions may not discount tuition except that an institution may provide a discount for cash payments provided:
 - the institution has a written policy in the catalog that includes the definition of cash and details the qualifications for receiving and the amount of a cash discount and
 - 2. the student verifies receipt and understanding of the policy in the pre-enrollment checklist.
- (2) An institution may award a scholarship, tuition waiver or other award provided:
 - 1. the criteria for receiving the award are clearly defined in writing;
 - 2. the institution has a form and procedure to verify eligibility; and
 - 3. the amount of the award is a flat dollar amount or subject to calculation using a defined formula or scale.

[re-letter current (2) thru (5)]

- (7) The investigation and further review of complaints will occur in accordance with the following provisions:
 - (a) Complaints shall be signed and submitted through hand delivery, mail, electronic mail or facsimile.
 - (b) Commission staff shall investigate all written complaints.
 - (c) Any named institution and/or agent will receive a copy of the complaint and be provided an opportunity to respond to all allegations contained in the complaint.
 - (d) Any named institution and/or agent shall provide all information requested by Commission staff as part of the investigation.
 - (e) As part of the investigation process, Commission staff may work with the complainant and the named institution and/or agent to effectuate a settlement.
 - (f) Following the completion of the investigation, Commission staff shall provide to all parties written findings and conclusions, including any determinations with regard to the complainant's receipt of a refund or other monetary relief or the assessment of a fine or other adverse action. The written findings and conclusions shall contain a date by which an aggrieved party may submit a request for further review by the Executive Director as provided for in Rule 1540-01-02-.02(2)(b). Such date shall not be earlier than ten (10) business days after the date of the findings and conclusions.
 - (g) Any request for review shall be in writing, signed, list each instance where Commission staff erred, and provide a detailed explanation of each error, including, where applicable, references to specific statutes or rules. Requests for review shall be received through hand delivery, mail, electronic mail or facsimile. A request may be denied if it is not timely received.

Authority: T.C.A. §49-7-2006, 49-7-2007, 49-7-2008, 49-7-2013. **Administrative History**: Original rule filed June 24, 1998; effective October 28, 1998. Amendment filed June 6, 2008; effective August 20, 2008.

<u>DPSA Comments:</u> The revision of .19(1) allows institutions to provide cash discounts to students under certain circumstances. The addition of .19(2) allows institutions to issue monetary awards, such as scholarships, under certain circumstances. Neither provision requires pre-approval by DPSA, but institutions are required to provide any necessary documentation if asked by DPSA to establish compliance. DPSA proposes this revision in recognition of the fact that under certain circumstances cash discounts and monetary awards are appropriate. This revision, which was requested by institutions, will benefit institutions by allowing students to use cash payments, but it will also protect students by requiring that all students be made aware of the policy.

The addition of .19(7) describes the complaint process. To date, this process has not been described in the rules and the description should help complainants and institutions understand the process.

1540-01-02-.20 ADVERTISING AND SOLICITATION

. . . .

- (3) Institutions authorized by the Commission that have presence, advertise or offer instruction via internet, world wide web or other electronic telecommunication means must state on the first 'page' (as registered with standard web/internet search engines) viewed by the consumer, "[name of school] is authorized for operation as a postsecondary educational institution by the Tennessee Higher Education Commission".
 - (a) In the case of an internet site, within the required statement given above, "Tennessee Higher Education Commission" must be an electronic link to the agency's web site at ≼ www.tn.gov/thec/www.state.tn.us/thec>.

. . . .

- (7) Institutions that advertise in formats that will be in the public domain for long periods (such as the telephone book directory), where such advertising, if in noncompliance, cannot be rewritten or
- retracted may be fined in accordance with the Act for each day, week or month the advertisement is in active circulation. Such fines shall not exceed \$10,000.

. . . .

- (17) No advertisements of any type shall use the word "wanted," "help wanted," or the word "trainee," either in the headline or the body of the advertisement, nor shall any advertisement indicate in
- ——any manner that the institution has or knows of jobs or employment of any nature available to prospective students; only "placement assistance," if offered, may be advertised.

. . . .

Authority: T.C.A. §49-7-2006, 49-7-2007, 49-7-2008, 49-7-2013. **Administrative History**: Original rule filed June 24, 1998; effective October 28, 1998. Amendments filed June 6, 2008; effective August 20, 2008.

<u>DPSA Comments:</u> The revisions to this rule insert the updated web address for THEC and correct typographical errors in the 2008 version. This is a housekeeping item.

1540-01-02-.26 RETURN OF REGULATORY FEES

- (1) Following the year-end closing, the Commission shall return to authorized institutions as described herein any reserve balance as of the end of the fiscal year that is greater than 1.5 million dollars.
- (2) No monies shall be returned if the amount due an institution is less than \$25.00.
- (3) The percentage of the excess due an institution is calculated by determining the percentage of the total of all reauthorization fees paid by the institution during the fiscal year.
- (4) Institutions that did not pay a reauthorization fee during the fiscal year shall not receive any share of the excess.
- (5) Institutions that close or that have had their authorization to operate revoked prior to the end of the fiscal year shall forfeit any share of the excess.

Authority: T.C.A. §49-7-2005, 49-7-2014.

<u>DPSA Comments:</u> The addition of .26 is a result of discussions during the 2009 rulemaking proceeding. At that time, institutions complained that the rate increase was excessive. In response, DPSA crafted this rule to ensure that it collects no more than is necessary to cover the costs in the annual budget and to maintain a reasonable surplus. This will benefit institutions by ensuring that excess collections will be returned to the institutions as described in the rule.

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Agenda Item:	I.E.

DATE: July 28, 2011

SUBJECT: Presentation of the University of Tennessee at Knoxville Master

Plan Update

ACTION RECOMMENDED: Approval

The University of Tennessee at Knoxville (UTK) Master Plan Update will be presented to the Commission by Nell Campbell of Bullock, Smith & Partners. The plan provides a comprehensive guide for the future growth and development of the UTK and Institute of Agriculture (UTIA) campuses with short, medium and long range visions focusing on development areas for classroom and lab space, an improved pedestrian environment and transit system, and land acquisition.

The Master Plan Update provides a 50-year vision for both the UTK and UTIA campuses. The plan seeks to optimize current land space while encouraging the preservation of historic and cultural resources. New academic and class lab buildings, as well as renovations and expansions of existing buildings will help the campuses meet growing space needs. In total, over two million gross square feet will be renovated and nearly five million gross square feet will be added to the campuses.

The Master Plan Update envisions multiple transportation projects that will shift automobile traffic and parking to the perimeter of the UTK campus. The closures of portions of Volunteer Boulevard East and Andy Holt Avenue as well as the downsizing of Volunteer Boulevard will help create a more pedestrianand bicycle-friendly campus. Most on-street parking will be eliminated and replaced with green space or bicycle lanes.

Further details will be included in the presentation. The UTK Campus Master Plan Update has been thoroughly reviewed and THEC staff recommends it for approval.

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Agenda Item: I.F.

DATE: July 28, 2011

SUBJECT: July 1 Proposed Budgets, FY 2011-12

ACTION RECOMMENDED: Approval

BACKGROUND INFORMATION: The General Appropriations Act requires that the operating budgets of all higher education units be submitted by the respective governing boards to the Higher Education Commission. The budgets are to be submitted, with the Commission's action and comments, to the Department of Finance and Administration for review and approval.

SUMMARY OF COMMENTS: The FY 2011-12 proposed operating budgets for higher education are balanced. Campuses have again directed the majority of their resources to the teaching functions. Expenditures for auxiliary enterprises have not exceeded revenues plus unallocated auxiliary fund balances. All higher education budget entities have submitted the required financial data to the Commission and are in compliance with all the budget guidelines and legislative directives.

Tuition and fees revenue accounted for 52.6 percent of overall revenue, while state appropriations accounted for 36.5 percent. The teaching functions – instruction, research, public service, and academic support – accounted for 63.4 percent of overall expenditures.

RECOMMENDATION: It is recommended that the Commission approve the FY 2011-12 July 1 budgets and the Executive Director transmit the approval of the FY 2011-12 July 1 budgets, along with the appropriate commentary, to the Commissioner of Finance and Administration.

Table 1 HIGHER EDUCATION STATE APPROPRIATIONS 2011-12

	THEC FY 2011-12	Total FY 2010-11	2011-12 Preliminary	2011-12 Preliminary	2011-12 Preliminary
Academic Formula Units	Formula Calculation	Appropriation*	State Appropriations*	NR State Appr**	Total
TBR Universities					
Austin Peay	\$45,733,000	\$25,570,600	\$26,055,800	\$209,400	\$26,265,200
East Tennessee	73,803,000	45,582,600	44,134,600	2,006,800	46,141,400
Middle Tennessee	125,569,700	71,318,700	73,333,400	626,400	73,959,800
Tennessee State	50,000,300	28,554,800	29,327,500	226,400	29,553,900
Tennessee Tech	60,145,900	35,853,000	35,181,500	974,200	36,155,700
University of Memphis	141,729,000	91,785,400	85,406,900	6,933,100	92,340,000
Subtotal	\$496,980,900	\$298,665,100	\$293,439,700	\$10,976,300	\$304,416,000
Two-Year Colleges					
Chattanooga	\$34,074,000	\$20,086,100	\$19,775,300	\$516,200	\$20,291,500
Cleveland	14,153,000	9,062,000	8,522,500	576,000	9,098,500
Columbia	19,024,700	11,439,800	11,110,100	371,400	11,481,500
Dyersburg	11,332,000	6,168,000	6,484,800	62,300	6,547,100
Jackson	18,313,000	10,479,000	10,527,600	87,800	10,615,400
Motlow	17,710,000	8,591,400	9,569,800	70,300	9,640,100
Nashville	25,136,000	12,677,800	13,835,600	108,200	13,943,800
Northeast	21,335,000	10,605,000	12,072,800	120,200	12,193,000
Pellissippi	33,406,000	17,199,100	18,724,100	163,100	18,887,200
Roane	24,113,000	15,684,300	14,732,200	923,300	15,655,500
Southwest	43,464,000	32,436,900	28,532,400	3,634,000	32,166,400
Volunteer	25,756,000	15,389,800	15,236,400	226,100	15,462,500
Walters	26,909,000	16,032,000	15,923,700	223,800	16,147,500
Subtotal	\$314,725,700	\$185,851,200	\$185,047,300	\$7,082,700	\$192,130,000
UT Universities					
UT Chattanooga	\$56,745,000	\$33,463,400	\$33,260,900	\$527,000	\$33,787,900
UT Knoxville	248,582,000	143,699,500	144,003,300	1,110,100	145,113,400
UT Martin	39,092,000	24,047,300	23,613,500	820,400	24,433,900
Subtotal	\$344,419,000	\$201,210,200	\$200,877,700	\$2,457,500	\$203,335,200
Total Colleges and Universities	\$1,156,125,600	\$685,726,500	\$679,364,700	\$20,516,500	\$699,881,200
Technology Centers	\$96,361,000	\$46,263,500	\$51,998,100	\$304,200	\$52,302,300
Total Academic Formula Units	\$1,252,486,600	\$731,990,000	\$731,362,800	\$20,820,700	\$752,183,500

^{*}Recurring

^{**}Non-recurring funds include 401K match and \$15 million to facilitate the phase-out of the Hold Harmless provision.

Table 1 HIGHER EDUCATION STATE APPROPRIATIONS 2011-12

	THEC FY 2011-12	Total FY 2010-11	2011-12 Preliminary	2011-12 Preliminary	2011-12 Preliminary
Specialized Units	Formula Calculation	Appropriation*	State Appropriations*	NR State Appr**	Total
Medical Education	romula Calculation	Appropriation*	State Appropriations.	na state Appr	1 Otal
ETSU College of Medicine	\$56,811,000	\$25,377,900	\$25,736,100	\$112,700	\$25,848,800
ETSU Family Practice	6,866,000	5,150,800	5,289,800	29,400	5,319,200
	122,698,000	· · ·	42,810,600	194,700	43,005,300
UT College of Medicine		42,524,700		,	· · ·
UT Family Practice	10,017,000	9,187,200	9,337,700	45,700	9,383,400
UT Memphis	134,585,000	62,105,000	63,059,900	272,400	63,332,300
UT College of Vet Medicine	23,289,000	14,160,600	14,415,400	93,000	14,508,400
Subtotal	\$354,266,000	\$158,506,200	\$160,649,500	\$747,900	\$161,397,400
Research and Public Service					
UT Ag. Experiment Station	\$62,081,000	\$22,812,000	\$23,278,000	\$112,400	\$23,390,400
UT Ag. Extension Service	40,147,000	27,416,300	27,803,200	160,800	27,964,000
TSU McMinnville Center	1,200,000	527,900	527,300	1,500	528,800
TSU Institute of Agr and Environmental Research	2,733,000	2,156,200	2,145,700		2,145,700
TSU Cooperative Extension	2,129,000	2,918,300	2,917,000	=	2,917,000
TSU McIntire-Stennis Forestry Research	171,200	171,900	170,600	=	170,600
UT Space Institute	21,267,000	7,212,500	7,259,000	29,300	7,288,300
UT Institute for Public Service	9,722,000	4,312,800	4,341,400	13,700	4,355,100
UT County Tech Asst. Service	2,351,000	1,482,500	1,522,800	11,400	1,534,200
UT Municipal Tech Adv. Service	3,348,000	2,499,300	2,554,500	15,200	2,569,700
Subtotal	\$145,149,200	\$71,509,700	\$72,519,500	\$344,300	\$72,863,800
Other Specialized Units					
UT University-Wide Admn.	\$5,627,000	\$4,143,800	\$4,221,800	\$213,300	\$4,435,100
TN Board of Regents Admn.	6,143,000	4,407,400	4,563,400	40,400	4,603,800
TN Student Assistance Corp.	54,617,500	48,567,100	48,556,600	=	48,556,600
Tennessee Student Assist. Awards	52,191,300	46,162,500	46,162,500	-	46,162,500
Tenn. Students Assist. Corporation	1,235,200	1,213,600	1,203,100	=	1,203,100
Loan/Scholarships Program	1,191,000	1,191,000	1,191,000	-	1,191,000
TN Higher Education Comm.	2,184,000	2,160,300	2,141,900	=	2,141,900
TN Foreign Language Institute	612,000	338,100	335,400	-	335,400
Contract Education	2,854,000	2,217,000	2,198,200	-	2,198,200
Subtotal	\$72,037,500	\$61,833,700	\$62,017,300	\$253,700	\$62,271,000
Total Specialized Units	\$571,452,700	\$291,849,600	\$295,186,300	\$1,345,900	\$296,532,200
Total Formula and Specialized Units	\$1,823,939,300	\$1,023,839,600	\$1,026,549,100	\$22,166,600	\$1,048,715,700
Program Initiatives					
Campus Centers of Excellence	\$29,067,000	\$17,238,700	\$17,328,000	\$0	\$17,328,000
Campus Centers of Emphasis	2,086,000	1,240,700	1,247,600		1,247,600
Ned McWherter Scholars Program	\$401,800	401,800	401,800		\$401,800
UT Access and Diversity Initiative	\$6,181,900	5,648,700	5,600,600		\$5,600,600
TBR Access and Diversity Initiative	10,919,100	9,977,400	9,892,900	-	9,892,900
THEC Grants	\$3,436,000	2,359,200	2,339,200	-	\$2,339,200
Research Initiatives - UT	10,000,000	· · ·	· ·	-	\$2,339,200 5,645,200
Research Initiatives - UT Subtotal	\$62,091,800	5,693,700 \$42,560,200	5,645,200 \$42,455,300	- \$0	\$42,455,300
	, ,	. ,,	. ,,	**	. ,,
*Pecurring	\$1,886,031,100	\$1,066,399,800	\$1,069,004,400	\$22,166,600	\$1,091,171,000

*Recurring

^{**}Non-recurring funds include 401K match and \$15 million to facilitate the phase-out of the Hold Harmless provision.

Table 2 Capital Projects Legislative Action - FY 2011-12

	County Campus		\$	6,500,000
UTHSC Pharmacy	•		\$	4,500,00
Capital Outlay - T	otai		\$	11,000,00
Capital Mainte	nance Projects			
UTHSC	Alexander Building Improvements		\$	3,130,00
2 UTK	Electrical Distribution Systems Improvements - Phase IV		\$	3,500,00
UTIA	College of Veterinary Medicine Building Improvements		\$	4,840,00
UTM	Campus Elevator Upgrades		\$	3,750,00
UTK	Utilities Infrastructure Study		\$	1,250,00
UTC	Holt Hall Improvements - Phase I		\$	7,450,00
	nce Subtotal - UT (6 Projects)		\$	23,920,00
ETSU	Accessibility and Code Corrections		\$	1,500,00
Statewide	Tennessee Technology Centers Roof Replacements		\$	1,330,00
B UM	Various Roof Replacements - Phase I		\$	5,600,00
Dyersburg	Glover Roof Replacement - Phase I		\$	260,00
Pellissippi	Several Buildings Elevator Updates		\$	150,00
ECOM	Several Buildings HVAC Corrections		\$	1,500,00
APSU	Underground Electrical Update - Phase I		\$	1,350,00
	· ·		\$	
MTSU	Physical Plant Updates			1,690,00
TSU	Boswell Fume Hood Updates - Phase I		\$	2,500,00
TTU	Several Buildings Upgrades A - Phase I		\$	2,900,00
Statewide	Tennessee Technology Centers Mechanical System Repairs - Phase I		\$	380,00
Jackson	Classroom Building and Gym Plumbing Corrections - Phase I		\$	400,00
Southwest	Union Campus Mechanical Systems Updates A		\$	1,020,00
Motlow	Underground Piping Replacement - Phase I		\$	310,00
Cleveland	HVAC Equipment and Controls Update - Phase I		\$	490,00
Volunteer	Warf Building HVAC Replacement - Phase I		\$	600,00
' Columbia	Library HVAC Updates - Phase I		\$	560,00
Roane	Several Buildings HVAC Corrections		\$	460,00
Columbia	Library HVAC Updates - Phase II		Funding	g Included in #17
Volunteer	Warf Building HVAC Replacement - Phase II			g Included in #16
) Chattanooga	Several Buildings Envelope Repairs		\$	730,00
) Walters	Greenville Sewer Corrections		\$	740,00
Northeast	Auditorium Updates		¢	210,00
UM			Fundin	
	Various Roof Replacements - Phase II HVAC System Repairs		¢ dildili	g Included in #3
PETSU	* -		φ D1:	2,000,00
APSU	Underground Electrical Update - Phase II		runain	g Included in #7
ECOM	Drainage System Repairs		\$	850,00
TSU	Boswell Fume Hood Updates - Phase II		Funding	g Included in #9
MTSU	Domestic Water-Sewer System Updates		\$	460,00
TTU	Several Buildings Upgrades A - Phase II			g Included in #10
5 ECOM	Several Buildings Exterior Updates		\$	1,500,00
MTSU	Saunders Fine Arts HVAC Updates		\$	1,290,00
Capital Maintenar	nce Subtotal - TBR (26 Projects)		\$	30,780,00
Capital Maintenar	ace - Total		\$	54,700,00
Original THEC Re	commendations			
	COMMENIATIONS	7 D	ф	241 020 00
Capital Outlay		7 Projects		341,830,00
Capital Maintenan	ce	106 Projects	\$	143,160,00
_	Recommendations		4.	
Capital Outlay		0 Projects		
Capital Maintenan	ce.	32 Projects	\$	54,700,00

Table 3 CAPITAL OUTLAY FY 2011-12

						Funding From						Future State				2011-12		201	1 12	
THEC		stem	T	Project Name	Previous State Funding	Other Sources		2011-12 Appropriations	Governo		Legislative Action	Funding Require		Total Project Cost		Cumulative		Cumulative UT Total		Cumulative TBR Total
1	y Fr		MTSU		\$ 16,820,000	bources	\$	126,600,000		- \$		- Require	\$ \$			State Appr. 126,600,000	\$		\$	126,600,000
				belonee I demidee improvemente	Ψ 10,020,000		Ψ	120,000,000	Ψ	Ψ			Ψ	110,120,000	Ψ	120,000,000	Ψ		Ψ	120,000,000
2		1	UTK	Strong Hall Addition and Renovation			\$	52,500,000	\$	- \$		-	\$	52,500,000	\$	179,100,000	\$	52,500,000	\$	126,600,000
3		2	UTK	Academic Building - Number I			\$	55,000,000	\$	- \$		-	\$	55,000,000	\$	234,100,000	\$	107,500,000	\$	126,600,000
4		3	UTHSC	Humphreys General Education Building Addition			\$	21,100,000	\$	- \$		-	\$	21,100,000	\$	255,200,000	\$	128,600,000	\$	126,600,000
NA.	į	NA	Southwest	Nursing and Biotechnology Facility Phase 2*			\$	-	\$	- \$		-	\$	-	\$	255,200,000	\$	128,600,000	\$	126,600,000
5		2	Nashville	New Academic and Support Building			\$	20,430,000	\$	- \$		-	\$	20,430,000	\$	275,630,000	\$	128,600,000	\$	147,030,000
6		3	Northeast	Technical Education Complex			\$	35,200,000	\$	- \$		-	\$	35,200,000	\$	310,830,000	\$	128,600,000	\$	182,230,000
7		4	UTK	Audiology & Speech Pathology/Psychology Clinic			\$	31,000,000	\$	- \$		-	\$	31,000,000	\$	341,830,000	\$	159,600,000	\$	182,230,000
Projec	cts F	unde	d that Were	Not Part of THEC Recommendation																
			UTHSC	Pharmacy Building- 5th and 6th Floors			\$	-	\$	- \$	4,500,0	00								-
			COSCC	COSCC Williamson County Campus			\$	-	\$	- \$	6,500,0	00								
				TOTAL CAPITAL OUTLAY PROJECTS FOR FY2011-12	\$16,820,000		\$	341,830,000	\$	- \$	11,000,0	00	\$	358,650,000						
				TBR Total for 2011-12	\$16.820.000		\$	182,230,000	\$	- \$	6,500,0	00 53%		Projects 3						
				UT Total for 2011-12				159,600,000		- \$				4						
					\$ 16,820,000		•	341,830,000		- \$										

^{*} Project was funded in January 2011. Included \$8.4m of 2010-11 Special Capital Outlay Appropriations for Community Colleges and Technology Centers, \$2.8m in previous capital outlay funding, and \$7m in gifts and a federal grant.

Table 4

CAPITAL MAINTENANCE FY 2011-12

THE UNIVERSITY OF TENNESSEE

System				THEC	Governor's	Legislative
Priority	Institution	Project	R	ecommendation	Recommendation	Action
1	UTHSC	Alexander Building Improvements	\$	3,130,000	\$ 3,130,000	\$ 3,130,000
2	UTK	Electrical Distribution Systems Improvements - Phase IV	\$	3,500,000	\$ 3,500,000	\$ 3,500,000
3	UTIA	College of Veterinary Medicine Building Improvements	\$	4,840,000	\$ 4,840,000	\$ 4,840,000
4	UTM	Campus Elevator Upgrades	\$	3,750,000	\$ 3,750,000	\$ 3,750,000
5	UTK	Utilities Infrastructure Study	\$	1,250,000	\$ 1,250,000	\$ 1,250,000
6	UTC	Holt Hall Improvements - Phase I	\$	7,450,000	\$ 7,450,000	\$ 7,450,000
7	UTM	Building Envelope Upgrade - Four Buildings	\$	1,600,000		
8	UTHSC	Dunn Building Improvements - Phase I	\$	5,000,000		
9	UTK	Roof Repair and Replacement FY 2011-2012	\$	750,000		
10	UTIA	Greenhouse Improvements -No. 8300-West Tennessee Center	\$	800,000		
11	UTSI	Student Center Improvements	\$	300,000		
12	UTC	Brock Building Systems Improvements	\$	1,950,000		
13	UTK	Science & Engineering Building Systems Improvements-Phase I	\$	3,000,000		
14	UTIA	TVA Greenhouse Upgrade	\$	2,340,000		
15	UTM	Steam Line Upgrade	\$	1,840,000		
16	UTC	Campus Safety and Security Improvements	\$	3,700,000		
17	UTK	HVAC Controls Systems - Phase I	\$	2,000,000		
18	UTIA	Clyde Austin 4-H Center Improvements	\$	3,450,000		
19	UTK	Elevator Improvements - Phase III	\$	2,000,000		
20	UTHSC	Hyman Building Improvements	\$	2,100,000		
21	UTM	Sociology Building HVAC Improvements	\$	2,700,000		
		FY 2011-12 Capital Maintenance Total for The University of Tenness	e \$	57,450,000	\$ 23,920,000	\$ 23,920,000

TENNESSEE BOARD OF REGENTS

ystem			THEC	Govern	or's	Legislative
riority		Project	ommendation	Recommer		Action
1	ETSU	Accessibility and Code Corrections	\$ 1,500,000		1,500,000	1,500,00
2	Statewide	Tennessee Technology Centers Roof Replacements	\$ 1,330,000		1,330,000	1,330,00
3	UM	Various Roof Replacements - Phase I	\$ 2,800,000		5,600,000	5,600,00
4	Dyersburg	Glover Roof Replacement - Phase I	\$ 260,000	\$	260,000	\$ 260,00
5	Pellissippi	Several Buildings Elevator Updates	\$ 150,000	\$	150,000	\$ 150,00
6	ECOM	Several Buildings HVAC Corrections	\$ 1,500,000	\$	1,500,000	\$ 1,500,00
7	APSU	Underground Electrical Update - Phase I	\$ 680,000	\$	1,350,000	\$ 1,350,00
8	MTSU	Physical Plant Updates	\$ 1,690,000	\$	1,690,000	\$ 1,690,00
9	TSU	Boswell Fume Hood Updates - Phase I	\$ 1,250,000	\$	2,500,000	\$ 2,500,00
10	TTU	Several Buildings Upgrades A - Phase I	\$ 1,450,000	\$	2,900,000	\$ 2,900,00
11	Statewide	Tennessee Technology Centers Mechanical System Repairs - Phase I	\$ 380,000	\$	380,000	\$ 380,00
12	Jackson	Classroom Building and Gym Plumbing Corrections - Phase I	\$ 400,000	\$	400,000	\$ 400,00
13	Southwest	Union Campus Mechanical Systems Updates A	\$ 1,020,000	\$	1,020,000	\$ 1,020,00
14	Motlow	Underground Piping Replacement - Phase I	\$ 310,000	\$	310,000	\$ 310,00
15	Cleveland	HVAC Equipment and Controls Update - Phase I	\$ 490,000	\$	490,000	\$ 490,00
16	Volunteer	Warf Building HVAC Replacement - Phase I	\$ 440,000	\$	600,000	\$ 600,00
17	Columbia	Library HVAC Updates - Phase I	\$ 440,000	\$	560,000	\$ 560,00
18	Roane	Several Buildings HVAC Corrections	\$ 460,000	\$	460,000	\$ 460,00
	Columbia	Library HVAC Updates - Phase II	\$ 120,000	Funding Inch	ıded in #17	Funding Included in #1
	Volunteer	Warf Building HVAC Replacement - Phase II	\$ 160,000	Funding Inch	ıded in #16	Funding Included in #1
19	Chattanooga	Several Buildings Envelope Repairs	\$ 730,000	\$	730,000	\$ 730,00
20	Walters	Greenville Sewer Corrections	\$ 740,000	\$	740,000	\$ 740,00
21	Northeast	Auditorium Updates	\$ 210,000	\$	210,000	\$ 210,00
	UM	Various Roof Replacements - Phase II	\$ 2,800,000	Funding Inc	luded in #3	Funding Included in #
22	ETSU	HVAC System Repairs	\$ 2,000,000	\$	2,000,000	\$ 2,000,00
	APSU	Underground Electrical Update - Phase II	\$ 670,000	Funding Inc	luded in #7	Funding Included in #
23	ECOM	Drainage System Repairs	\$ 850,000	\$	850,000	\$ 850,00
	TSU	Boswell Fume Hood Updates - Phase II	\$ 1,250,000	Funding Inc	luded in #9	Funding Included in #
24	MTSU	Domestic Water-Sewer System Updates	\$ 460,000	\$	460,000	\$ 460,00
	TTU	Several Buildings Upgrades A - Phase II	\$ 1,450,000	Funding Inch	aded in #10	Funding Included in #1
25	ECOM	Several Buildings Exterior Updates	\$ 1,500,000	\$	1,500,000	\$ 1,500,00
26	MTSU	Saunders Fine Arts HVAC Updates	\$ 1,290,000	\$	1,290,000	\$ 1,290,00
27	Pellissippi	Hardin Valley Paving Repairs	\$ 320,000			
28	Roane	Gym Roof Replacement	\$ 190,000			
29	TSU	Several Buildings Roof Repair/Replacements	\$ 1,250,000			
30	Dyersburg	Glover Roof Replacement - Phase II	\$ 270,000			
31	Statewide	Tennessee Technology Centers Mechanical System Repairs - Phase II	\$ 540,000			
32	ETSU	Campus-wide Water Line Repairs	\$ 1,000,000			
33	MTSU	Peck Hall HVAC Update	\$ 640,000			
34	MTSU	Murphy Center Exterior Door Repair	\$ 580,000			

TENNESSEE BOARD OF REGENTS - Continued

ystem			THEC	Governor's	Legislative
iority	Institution	Project	ecommendation	Recommendation	Action
35	TSU	Electrical Distribution Updates	\$ 1,250,000		
36	Statewide	Tennessee Technology Centers Mechanical System Repairs - Phase III	\$ 740,000		
37	ETSU	Mechanical Repair and Replacement	\$ 1,750,000		
38	Jackson	Classroom Building and Gym Plumbing Corrections - Phase II	\$ 390,000		
39	Pellissippi	Campus HVAC Updates	\$ 410,000		
40	Southwest	Macon Cove Mechanical Systems Updates	\$ 1,020,000		
41	TTC Dickson	Wastewater Evaporator Correction	\$ 450,000		
12	Walters	Greeneville Mechanical System Corrections	\$ 760,000		
13	APSU	Library Mechanical Updates	\$ 1,500,000		
44	TTU	Several Buildings Upgrades B	\$ 2,900,000		
45	Motlow	Underground Piping Replacement - Phase II	\$ 360,000		
46	MTSU	Walker Library Roof Replacement	\$ 950,000		
47	Volunteer	Campus-wide Window Replacement	\$ 120,000		
48	UM	Brick & Façade Restoration	\$ 5,550,000		
49	Northeast	Faculty Building Exterior Glass Replacement	\$ 180,000		
50	Chattanooga	Omni Chemistry Lab Updates	\$ 650,000		
51	Pellissippi	McWherter Building Fire Code Corrections	\$ 210,000		
52	TSU	Utility Tunnel Stabilization	\$ 1,500,000		
53	TSU	Life Safety/ADA Updates	\$ 1,000,000		
54	Walters	Library Roof Replacement	\$ 550,000		
55	MTSU	Murphy Center Arena HVAC Updates	\$ 1,470,000		
56	MTSU	Underground Electrical Update	\$ 1,640,000		
57	ETSU	Electrical Repair and Replacement	\$ 2,000,000		
58		HVAC and Door Updates	\$ 480,000		
59	TTC Athens		\$ 2,630,000		
	UM	Elevator Modernization	\$		
50	Cleveland	HVAC Equipment and Controls Update - Phase II	\$ 710,000		
51	TTC Hohenwald	HVAC System Update	480,000		
62	MTSU	Murphy Center Roof Replacement	\$ 2,290,000		
53	UM	Steam Line Replacement	\$ 3,650,000		
64	APSU	Browning Building Mechanical Updates	\$ 1,300,000		
65	Chattanooga	Campus Electrical Correction	\$ 740,000		
56	Southwest	Union Campus Mechanical Systems Updates B	\$ 1,020,000		
67	Northeast	Campus Pavement Replacement	\$ 130,000		
58	Roane	Campus-wide Paving	\$ 460,000		
59	Dyersburg	Campus Exit Door Replacement and Re-keying	\$ 220,000		
70	Roane	Gym Seating Update	\$ 150,000		
71	Dyersburg	Maintenance Roof Replacement	\$ 150,000		
72	Chattanooga	Energy Plant and Omniplex Roof Replacement	\$ 380,000		
73	Jackson	McWherter Flashing and Roofing Repairs	\$ 1,220,000		
74	TTC Elizabethton	HVAC System Repairs	\$ 550,000		
75	TTU	Several Buildings Upgrades C	\$ 2,870,000		
76	Volunteer	Campus-wide Lighting Corrections	\$ 700,000		
77	Motlow	Underground Piping Replacement - Phase III	\$ 360,000		
78	TSU	Steam Distribution Updates	\$ 1,300,000		
79	APSU	Claxton Building HVAC Corrections	\$ 1,000,000		
		FY 2011-12 Capital Maintenance Total for the Tennessee Boar	 85,710,000	30,780,000	\$ 30,780,0

UT: 21 Projects Recommended by THEC. 6 Projects Recommended by Governor
TBR: 79 Projects Recommended by THEC. 26 Recommended by Governor
CAPITAL MAINTENANCE PROJECT TOTAL FOR FY 2011-12
CAPITAL MAINTENANCE PROJECT TOTAL FOR FY 2011-1

Table 5

SUMMARY OF UNRESTRICTED EDUCATIONAL AND GENERAL REVENUE DOLLARS AND PERCENT BY SOURCE FOR THE TBR AND UT SYSTEMS, JULY 1 BUDGET 2011-12

Total TBR

							IDK		
	APSU	ETSU	MTSU	TSU	TTU	UM	Universities	Chattanooga	Cleveland
Tuition & Fees									·
Dollar	\$67,739,500	\$100,669,200	\$167,689,800	\$67,031,900	\$69,429,800	\$163,159,700	\$635,719,900	\$33,946,500	\$11,226,400
Percent	68.88%	62.23%	65.32%	65.09%	61.38%	51.53%	60.57%	61.41%	55.18%
State Appropriation									
Dollar	\$26,265,200	\$45,971,500	\$73,470,300	\$28,527,600	\$35,454,800	\$102,275,000	\$311,964,400	\$20,471,300	\$8,987,800
Percent	26.71%	28.42%	28.62%	27.70%	31.34%	32.30%	29.72%	37.03%	44.18%
Sales & Service									
Dollar	\$3,485,600	\$6,543,800	\$12,645,200	\$4,255,000	\$6,059,800	\$25,522,800	\$58,512,200	\$323,400	\$12,200
Percent	3.54%	4.05%	4.93%	4.13%	5.36%	8.06%	5.57%	0.59%	0.06%
Other Sources									
Dollar	\$852,100	\$8,584,800	\$2,906,800	\$3,169,600	\$2,174,500	\$25,666,900	\$43,354,700	\$538,600	\$119,300
Percent	0.87%	5.31%	1.13%	3.08%	1.92%	8.11%	4.13%	0.97%	0.59%
Total Educ. & Gen.									
Dollar	\$98,342,400	\$161,769,300	\$256,712,100	\$102,984,100	\$113,118,900	\$316,624,400	\$1,049,551,200	\$55,279,800	\$20,345,700
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

	Columbia	Dyersburg	Jackson	Motlow	Nashville	Northeast	Pellissippi	Roane	Southwest
Tuition & Fees									
Dollar	\$16,060,900	\$10,109,300	\$14,420,700	\$13,855,600	\$25,169,400	\$19,763,900	\$35,316,000	\$20,657,400	\$39,204,500
Percent	57.93%	59.86%	56.24%	58.41%	62.44%	60.88%	63.64%	55.75%	53.88%
State Appropriation									
Dollar	\$11,409,100	\$6,549,400	\$10,613,200	\$9,712,100	\$13,888,800	\$12,033,000	\$18,842,800	\$15,505,900	\$32,273,900
Percent	41.15%	38.78%	41.39%	40.94%	34.46%	37.07%	33.95%	41.85%	44.35%
Sales & Service									
Dollar	\$42,000	\$7,900	\$97,600	\$0	\$4,100	\$0	\$0	\$17,300	\$13,400
Percent	0.15%	0.05%	0.38%	0.00%	0.01%	0.00%	0.00%	0.05%	0.02%
Other Sources									
Dollar	\$211,900	\$220,900	\$509,900	\$154,000	\$1,247,100	\$667,100	\$1,336,000	\$871,600	\$1,271,000
Percent	0.76%	1.31%	1.99%	0.65%	3.09%	2.05%	2.41%	2.35%	1.75%
Total Educ. & Gen.									
Dollar	\$27,723,900	\$16,887,500	\$25,641,400	\$23,721,700	\$40,309,400	\$32,464,000	\$55,494,800	\$37,052,200	\$72,762,800
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 5 (cont.)

SUMMARY OF UNRESTRICTED EDUCATIONAL AND GENERAL REVENUE DOLLARS AND PERCENT BY SOURCE FOR THE TBR AND UT SYSTEMS, JULY 1 BUDGET 2011-12

			Total Two-Year				Total UT Formula	TSU Institute of Agricultural and	TSU Cooperative
	Volunteer	Walters	Institutions	UTC	UTK	UTM	Universities	Environ. Research	Education
Tuition & Fees									
Dollar	\$25,352,500	\$22,943,700	\$288,026,800	\$70,850,178	\$287,872,959	\$52,730,610	\$411,453,747	\$0	\$0
Percent	61.21%	57.60%	58.91%	63.26%	60.16%	64.10%	61.16%	0.00%	0.00%
State Appropriation									
Dollar	\$15,495,500	\$15,947,300	\$191,730,100	\$34,563,819	\$147,872,004	\$25,024,474	\$207,460,297	\$2,145,700	\$2,917,000
Percent	37.41%	40.04%	39.21%	30.86%	30.90%	30.42%	30.84%	100.00%	100.00%
Sales & Service									
Dollar	\$19,000	\$141,900	\$678,800	\$4,076,303	\$7,823,570	\$2,611,619	\$14,511,492	\$0	\$0
Percent	0.05%	0.36%	0.14%	3.64%	1.64%	3.17%	2.16%	0.00%	0.00%
Other Sources									
Dollar	\$553,000	\$798,300	\$8,498,700	\$2,500,417	\$34,931,661	\$1,899,300	\$39,331,378	\$0	\$0
Percent	1.34%	2.00%	1.74%	2.23%	7.30%	2.31%	5.85%	0.00%	0.00%
Total Educ. & Gen.									
Dollar	\$41,420,000	\$39,831,200	\$488,934,400	\$111,990,717	\$478,500,194	\$82,266,003	\$672,756,914	\$2,145,700	\$2,917,000
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

_	UT Space Institute	UT Memphis	UT College of Medicine	UT Family Medicine	Agricultural Experiment Station	Agricultural Extension Service	TSU McMinnville Center	College of Veterinary Medicine	Institute for Public Service
Tuition & Fees									
Dollar	\$1,848,499	\$43,332,538	\$21,515,600	\$0	\$0	\$0	\$0	\$10,241,580	\$0
Percent	18.40%	32.49%	30.25%	0.00%	0.00%	0.00%	0.00%	27.68%	0.00%
State Appropriation									
Dollar	\$7,373,669	\$64,525,035	\$43,326,030	\$9,483,400	\$23,299,860	\$28,070,981	\$528,800	\$14,822,403	\$4,368,782
Percent	73.40%	48.39%	60.91%	48.28%	66.21%	66.42%	100.00%	40.06%	76.98%
Sales & Service									
Dollar	\$25,000	\$7,448,450	\$1,551,944	\$9,365,833	\$3,410,443	\$3,960,892	\$0	\$10,241,860	\$0
Percent	0.25%	5.59%	2.18%	47.69%	9.69%	9.37%	0.00%	27.68%	0.00%
Other Sources									
Dollar	\$799,382	\$18,048,601	\$4,740,224	\$791,800	\$8,481,141	\$10,228,525	\$0	\$1,693,922	\$1,306,121
Percent	7.96%	13.53%	6.66%	4.03%	24.10%	24.20%	0.00%	4.58%	23.02%
Total Educ. & Gen.									
Dollar	\$10,046,550	\$133,354,624	\$71,133,798	\$19,641,033	\$35,191,444	\$42,260,398	\$528,800	\$36,999,765	\$5,674,903
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 5 (cont.)

SUMMARY OF UNRESTRICTED EDUCATIONAL AND GENERAL REVENUE DOLLARS AND PERCENT BY SOURCE FOR THE TBR AND UT SYSTEMS, JULY 1 BUDGET 2011-12

	TSU McIntire-Stennis Forestry Research	MTAS	CTAS	UT University- Wide Admin.	ETSU Family Practice	ETSU Medical School	ETSU College of Pharmacy	Tennessee Board of Regents	Technology Centers
Tuition & Fees									
Dollar	\$0	\$0	\$0	\$0	\$0	\$8,595,100	9342100	\$0	\$27,404,500
Percent	0.00%	0.00%	0.00%	0.00%	0.00%	16.71%	92.18%	0.00%	34.64%
State Appropriation									
Dollar	\$170,600	\$2,571,485	\$1,535,985	\$4,510,155	\$5,353,900	\$25,984,000	\$0	\$8,603,800	\$48,479,500
Percent	100.00%	46.59%	33.50%	52.79%	38.57%	50.52%	0.00%	35.31%	61.27%
Sales & Service									
Dollar	\$0	\$0	\$0	\$50,647	\$7,975,600	\$15,214,600	\$0	\$0	\$579,000
Percent	0.00%	0.00%	0.00%	0.59%	57.46%	29.58%	0.00%	0.00%	0.73%
Other Sources									
Dollar	\$0	\$2,947,874	\$3,048,800	\$3,983,000	\$550,500	\$1,640,100	\$793,000	\$15,761,900	\$2,657,700
Percent	0.00%	53.41%	66.50%	46.62%	3.97%	3.19%	7.82%	64.69%	3.36%
Total Educ. & Gen.									
Dollar	\$170,600	\$5,519,359	\$4,584,785	\$8,543,802	\$13,880,000	\$51,433,800	\$10,135,100	\$24,365,700	\$79,120,700
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

<u>-</u>	July 1 Grand Total
Tuition & Fees Dollar	\$1,457,480,364
Percent	52.64%
State Appropriation Dollar Percent	\$1,009,225,882 36.45%
Sales & Service Dollar Percent	\$133,526,761 4.82%
Other Sources Dollar Percent	\$168,657,368 6.09%
Total Educ. & Gen. Dollar Percent	\$2,768,890,375 100.00%

Table 6
SUMMARY OF PERCENT UNRESTRICTED EDUCATIONAL AND GENERAL EXPENDITURES
BY FUNCTIONAL AREA BY INSTITUTION FOR THE TBR AND UT SYSTEMS
July 1 Budget 2011-12

Total

TBR APSU **ETSU** MTSU TSU TTU UM Univ. Chattanooga Cleveland Instruction Dollar \$48,322,800 \$79,952,800 \$123,455,100 \$48,768,500 \$50,894,400 \$134,317,500 \$485,711,100 \$30,385,400 \$9,273,500 Percent 49.53% 50.10% 50.57% 47.58% 47.29% 43.13% 47.49% 54.57% 45.23% Research Dollar \$460,400 \$2,642,500 \$5,159,100 \$1,562,000 \$1,388,400 \$22,065,900 \$33,278,300 \$0 \$0 Percent 0.47% 1.66% 2.11% 1.52% 1.29% 7.09% 3.25% 0.00% 0.00% **Public Service** Dollar \$350,800 \$1,986,500 \$3,298,300 \$631,300 \$1,813,900 \$6,200,600 \$14,281,400 \$85,300 \$152,500 Percent 0.36% 1.24% 1.35% 0.62% 1.69% 1.99% 1.40% 0.15% 0.74% **Academic Support** Dollar \$6,702,800 \$17,309,100 \$22,205,500 \$9,691,600 \$8,917,300 \$26,605,800 \$91,432,100 \$4,619,200 \$1,493,300 6.87% 10.85% 9.10% 9.46% 8.29% 8.54% 8.94% 8.30% 7.28% Percent SubTotal Dollar \$55,836,800 \$101,890,900 \$154,118,000 \$60,653,400 \$63,014,000 \$189,189,800 \$624,702,900 \$35,089,900 \$10,919,300 57.23% 63.85% 63.12% 59.17% 58.56% 60.75% 61.08% 63.02% 53.25% Percent **Student Services** \$17,497,400 Dollar \$19,444,100 \$36,829,100 \$15,717,300 \$16,597,000 \$54,831,300 \$160,916,200 \$6,485,200 \$3,476,200 Percent 17.93% 12.18% 15.08% 15.33% 15.42% 17.61% 15.73% 11.65% 16.95% **Institutional Support** Dollar \$10,161,100 \$13,601,800 \$22,761,600 \$12,695,400 \$10,422,500 \$28,559,800 \$98,202,200 \$7,976,100 \$3,323,100 10.41% 8.52% 9.32% 12.39% 9.69% 9.17% 9.60% 14.32% 16.21% Percent Operation & Maintenance \$8,760,800 \$13,821,300 \$8,944,600 \$11,167,700 \$26,707,000 \$2,262,800 Dollar \$18,665,400 \$88,066,800 \$5,261,500 8.98% 8.66% 7.65% 8.73% 10.38% 8.58% 8.61% 9.45% 11.04% Percent Scholarships & Fellowships \$10,825,800 \$11,773,800 \$4,488,100 \$6,410,700 \$12,132,000 \$523,200 Dollar \$5,308,000 \$50,938,400 \$868,600 Percent 5.44% 6.78% 4.82% 4.38% 5.96% 3.90% 4.98% 1.56% 2.55% Total Educational & General Expenditures Dollar \$97,564,100 \$159,583,900 \$244,147,900 \$102,498,800 \$107,611,900 \$311,419,900 \$1,022,826,500 \$55,681,300 \$20,504,600 100.00% 100.00% 100.00% 100.00% 100.00% 100.00% 100.00% 100.00% 100.00% Percent

Table 6 (cont.)

	Columbia	Dyersburg	Jackson	Motlow	Nashville	Northeast	Pellissippi	Roane	Southwest
Instruction									
Dollar	\$14,571,100	\$8,733,100	\$13,385,800	\$11,111,800	\$24,170,700	\$18,894,400	\$30,567,400	\$19,078,200	\$37,368,700
Percent	54.86%	54.21%	54.58%	48.97%	56.85%	54.09%	55.14%	54.40%	48.82%
Research									
Dollar	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Percent	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Public Service									
Dollar	\$92,000	\$47,500	\$52,100	\$102,200	\$513,800	\$33,900	\$573,000	\$566,200	\$98,600
Percent	0.35%	0.29%	0.21%	0.45%	1.21%	0.10%	1.03%	1.61%	0.13%
Academic Support									
Dollar	\$1,763,900	\$706,300	\$1,449,400	\$2,211,200	\$3,854,600	\$3,413,200	\$5,682,100	\$1,914,300	\$10,440,900
Percent	6.64%	4.38%	5.91%	9.75%	9.07%	9.77%	10.25%	5.46%	13.64%
SubTotal	\$16,427,000	\$9,486,900	\$14,887,300	\$13,425,200	\$28,539,100	\$22,341,500	\$36,822,500	\$21,558,700	\$47,908,200
Dollar Percent	61.85%	\$9,486,900 58.89%	60.70%	\$13,425,200 59.17%	\$28,539,100 67.12%	63.95%	66.42%	61.47%	62.60%
Student Services									
Dollar	\$3,353,400	\$1,996,900	\$2,628,300	\$2,784,100	\$3,110,900	\$4,237,000	\$5,971,200	\$4,136,600	\$8,509,100
Percent	12.63%	12.40%	10.72%	12.27%	7.32%	12.13%	10.77%	11.79%	11.12%
Institutional Support									
Dollar	\$3,894,100	\$2,740,600	\$4,136,100	\$3,747,500	\$5,216,500	\$4,146,700	\$7,208,300	\$4,931,400	\$11,206,900
Percent	14.66%	17.01%	16.86%	16.52%	12.27%	11.87%	13.00%	14.06%	14.64%
Operation & Mainten									
Dollar	\$2,643,500	\$1,736,900	\$2,253,300	\$2,251,300	\$5,181,900	\$4,020,900	\$4,218,000	\$3,834,500	\$7,095,300
Percent	9.95%	10.78%	9.19%	9.92%	12.19%	11.51%	7.61%	10.93%	9.27%
Scholarships & Fellow	•								
Dollar	\$241,000	\$147,800	\$620,800	\$480,900	\$469,100	\$188,000	\$1,221,000	\$611,100	\$1,817,000
Percent	0.91%	0.92%	2.53%	2.12%	1.10%	0.54%	2.20%	1.74%	2.37%
Total Educational & 0	•								
Dollar	\$26,559,000	\$16,109,100	\$24,525,800	\$22,689,000	\$42,517,500	\$34,934,100	\$55,441,000	\$35,072,300	\$76,536,500
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 6 (cont.)

	Volunteer	Walters	Total Two-Year Schools	UTC	UTK	UTM	Total UT Univ.	Total Technology Centers	TOTAL Formula Institutions
Instruction									
Dollar	\$21,761,800	\$22,017,700	\$261,319,600	\$48,394,032	\$225,741,861	\$38,318,202	\$312,454,095	\$48,965,600	\$1,108,450,395
Percent	55.07%	54.26%	53.26%	42.99%	45.68%	46.41%	45.33%	60.10%	48.53%
Research									
Dollar	\$0	\$0	\$0	\$1,806,982	\$19,713,072	\$439,024	\$21,959,078	\$0	\$55,237,378
Percent	0.00%	0.00%	0.00%	1.61%	3.99%	0.53%	3.19%	0.00%	2.42%
Public Service									
Dollar	\$274,900	\$462,700	\$3,054,700	\$2,155,602	\$9,307,649	\$540,299	\$12,003,550	\$500	\$29,340,150
Percent	0.70%	1.14%	0.62%	1.91%	1.88%	0.65%	1.74%	0.00%	1.28%
Academic Support									
Dollar	\$2,494,400	\$2,518,600	\$42,561,400	\$7,926,775	\$52,073,229	\$9,935,984	\$69,935,988	\$105,900	\$204,035,388
Percent	6.31%	6.21%	8.67%	7.04%	10.54%	12.04%	10.15%	0.13%	8.93%
SubTotal Dollar	\$24,531,100	\$24,999,000	\$306,935,700	\$60,283,391	\$306,835,811	\$49,233,509	\$416,352,711	\$49,072,000	\$1,397,063,311
Percent	62.07%	\$24,999,000 61.61%	62.55%	53.55%	62.09%	\$49,233,509 59.64%	60.40%	60.23%	61.16%
Student Services									
Dollar	\$4,800,400	\$5,074,700	\$56,564,000	\$17,286,663	\$42,537,812	\$8,807,010	\$68,631,485	\$9,342,800	\$295,454,485
Percent	12.15%	12.51%	11.53%	15.36%	8.61%	10.67%	9.96%	11.47%	12.93%
Institutional Support									
Dollar	\$6,179,600	\$4,751,400	\$69,458,300	\$11,361,614	\$47,338,474	\$6,609,108	\$65,309,196	\$13,058,600	\$246,028,296
Percent	15.64%	11.71%	14.16%	10.09%	9.58%	8.01%	9.47%	16.03%	10.77%
Operation & Maintenan									
Dollar	\$3,539,300	\$4,941,500	\$49,240,700	\$13,944,079	\$56,646,519	\$10,859,850	\$81,450,448	\$9,411,600	\$228,169,548
Percent	8.96%	12.18%	10.04%	12.39%	11.46%	13.15%	11.82%	11.55%	9.99%
Scholarships & Fellows	•								
Dollar	\$468,900	\$811,100	\$8,468,500	\$9,695,393	\$40,810,239	\$7,047,227	\$57,552,859	\$585,900	\$117,545,659
Percent	1.19%	2.00%	1.73%	8.61%	8.26%	8.54%	8.35%	0.72%	5.15%
Total Educational & Ge	•								
Dollar	\$39,519,300	\$40,577,700	\$490,667,200	\$112,571,140	\$494,168,855	\$82,556,704	\$689,296,699	\$81,470,900	\$2,284,261,299
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 6 (cont.)

	ETSU College of Medicine	ETSU Family Practice	ETSU College of Pharmacy	UT College of Medicine	UT Family Medicine	UT College of Vet. Medicine	UT Memphis	TSU McMinnville Center	TSU McIntire- Stennis Forestry Research
Instruction									
Dollar	\$35,243,000	\$9,351,900	\$6,030,000	\$52,596,505	\$18,603,137	\$28,223,146	\$45,804,373	\$0	\$0
Percent	67.14%	68.68%	63.67%	83.73%	95.10%	70.63%	33.38%	0.00%	0.00%
Research									
Dollar	\$3,385,800	\$357,900	\$919,700	\$459,711	\$0	\$3,578,684	\$7,312,063	\$527,500	\$170,700
Percent	6.45%	2.63%	9.71%	0.73%	0.00%	8.96%	5.33%	100.00%	100.00%
Public Service									
Dollar	\$0	\$0	\$0	\$15,437	\$0	\$0	\$344,400	\$0	\$0
Percent	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%	0.25%	0.00%	0.00%
Academic Support									
Dollar	\$4,592,100	\$2,474,100	\$1,134,000	\$4,460,214	\$0	\$4,396,684	\$27,956,650	\$0	\$0
Percent	8.75%	18.17%	11.97%	7.10%	0.00%	11.00%	20.37%	0.00%	0.00%
SubTotal Dollar Percent	\$43,220,900 82.34%	\$12,183,900 89.47%	\$8,083,700 85.35%	\$57,531,867 91.58%	\$18,603,137 95.10%	\$36,198,514 90.59%	\$81,417,486 59.33%	\$527,500 100.00%	\$170,700 100.00%
Student Services									
Dollar	\$1,243,400	\$0	\$455,800	\$1,126,134	\$0	\$0	\$3,201,806	\$0	\$0
Percent	2.37%	0.00%	4.81%	1.79%	0.00%	0.00%	2.33%	0.00%	0.00%
Institutional Support	t								
Dollar	\$2,642,900	\$1,170,800	\$410,500	\$2,362,422	\$801,908	\$891,129	\$22,495,548	\$0	\$0
Percent	5.04%	8.60%	4.33%	3.76%	4.10%	2.23%	16.39%	0.00%	0.00%
Operation & Mainten									
Dollar	\$5,322,500	\$262,500	\$521,200	\$100,000	\$156,548	\$2,811,037	\$23,769,469	\$0	\$0
Percent	10.14%	1.93%	5.50%	0.16%	0.80%	7.03%	17.32%	0.00%	0.00%
Scholarships & Fello	-								
Dollar	\$60,000	\$0	\$0	\$1,699,000	\$0	\$58,394	\$6,334,446	\$0	\$0
Percent	0.11%	0.00%	0.00%	2.70%	0.00%	0.15%	4.62%	0.00%	0.00%
Total Educational &	General Expenditures								
Dollar	\$52,489,700	\$13,617,200	\$9,471,200	\$62,819,423	\$19,561,593	\$39,959,074	\$137,218,755	\$527,500	\$170,700
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 6 (cont.)

	UT Agri. Exp. Station	UT Space Institute	UT Ext. Service	CTAS	MTAS	Institute for Pub. Service	TSU Institute of Ag. and Env. Research	TSU Cooperative Education	UT UnivWide Admin.
Instruction									
Dollar	\$0	\$5,051,811	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Percent	0.00%	50.95%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Research									
Dollar	\$31,666,442	\$779,935	\$0	\$0	\$0	\$0	\$2,165,700	\$0	\$0
Percent	90.18%	7.87%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%
Public Service									
Dollar	\$0	\$67,275	\$40,437,950	\$4,754,308	\$5,292,747	\$3,892,469	\$0	\$2,915,000	\$0
Percent	0.00%	0.68%	95.44%	99.15%	95.03%	73.30%	0.00%	100.00%	0.00%
Academic Support									
Dollar	\$1,302,895	\$268,348	\$763,363	\$0	\$231,482	\$0	\$0	\$0	\$0
Percent	3.71%	2.71%	1.80%	0.00%	4.16%	0.00%	0.00%	0.00%	0.00%
SubTotal									
Dollar	\$32,969,337	\$6,167,369	\$41,201,313	\$4,754,308	\$5,524,229	\$3,892,469	\$2,165,700	\$2,915,000	\$0
Percent	93.89%	62.20%	97.24%	99.15%	99.19%	73.30%	100.00%	100.00%	0.00%
Student Services									
Dollar	\$0	\$64,052	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Percent	0.00%	0.65%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Institutional Support			*		*	*		*-	
Dollar	\$1,619,331	\$1,751,469	\$1,167,288	\$40,758	\$45,235	\$1,417,866	\$0	\$0	\$17,705,686
Percent	4.61%	17.66%	2.76%	0.85%	0.81%	26.70%	0.00%	0.00%	100.00%
Operation & Maintena Dollar		Φ1 004 24E	φo	φo	\$0	d)O	фо	φo	фо
	\$526,676 1.50%	\$1,804,345 18.20%	\$0 0.00%	\$0 0.00%	0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%
Percent	1.50%	18.20%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Scholarships & Fellow Dollar	-	#100.410	φo	\$0	\$0	\$0	\$0	φo	фо
Percent	\$0 0.00%	\$128,410 1.30%	\$0 0.00%	0.00%	0.00%	0.00%	0.00%	\$0 0.00%	\$0 0.00%
rercent	0.00%	1.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Educational & G	-								
Dollar	\$35,115,344	\$9,915,645	\$42,368,601	\$4,795,066	\$5,569,464	\$5,310,335	\$2,165,700	\$2,915,000	\$17,705,686
Percent	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 6 (cont.)

		July 1
	TBR	GRAND
	Admin.	TOTAL
Instruction		
Dollar	\$0	\$1,309,354,267
Percent	0.00%	47.33%
Research		
Dollar	\$0	\$106,561,513
Percent	0.00%	3.85%
Public Service		
Dollar	\$0	\$87,059,736
Percent	0.00%	3.15%
Academic Support		
Dollar	\$0	\$251,615,224
Percent	0.00%	9.10%
SubTotal		
Dollar	\$0	\$1,754,590,740
Percent	0.00%	63.43%
Student Services		
Dollar	\$0	\$301,545,677
Percent	0.00%	10.90%
Institutional Support		
Dollar	\$19,892,600	\$320,443,736
Percent	97.74%	11.58%
Operation & Maintena		
Dollar	\$444,600	\$263,888,423
Percent	2.18%	9.54%
Scholarships & Fellow		
Dollar	\$14,500	\$125,840,409
Percent	0.07%	4.55%
Total Educational & C		4
Dollar	\$20,351,700	\$2,766,308,985
Percent	100.00%	100.00%

Table 7

MANDATORY STUDENT FEE CHARGES
2010-11 & 2011-12

2010-11 2011-12 **Percent Increase** Total Undergraduate Total Total Undergraduate Total Total Undergraduate Total Mandatory Maintenance Undergraduate Mandatory Maintenance Undergraduate Mandatory Maintenance Undergraduate Resident Resident Fees Fees Fees Fees Resident Fees Fees 9.2% Austin Peav \$1,224 \$5,004 \$6,228 \$1,224 \$5,466 \$6,690 0.0% 7.4% East Tennessee \$1,000 \$5,004 \$6.004 \$1.063 \$5,466 \$6,529 6.3% 9.2% 8.7% Middle Tennessee \$1,474 \$5,004 \$6,478 \$1,498 \$5,520 \$7,018 1.6% 10.3% 8.3% Tennessee State \$850 \$5,004 \$5,854 \$880 \$5,466 \$6,346 3.5% 9.2% 8.4% Tennessee Tech \$1,032 \$5,004 \$6,036 \$1,178 \$5,520 \$6,698 14.1% 10.3% 11.0% University of Memphis \$1,212 \$5,778 \$6,990 \$1,246 \$6,450 \$7,696 2.8% 10.1% 11.6% UT Chattanooga \$1,150 \$4,912 \$6,062 \$1,320 \$5,398 \$6,718 14.8% 9.9% 10.8% UT Knoxville \$932 \$6,450 \$7,382 \$1,172 \$7,224 \$8,396 25.8% 12.0% 13.7% **UT Martin** \$1,058 \$5,132 \$6,190 \$1,078 \$5,640 \$6,718 1.9% 9.9% 8.5% Chattanooga \$295 \$2,940 \$3,235 \$3,252 \$3,567 10.3% \$315 6.8% 10.6% \$269 \$2,940 \$3,209 \$269 \$3,252 \$3,521 0.0% 9.7% Cleveland 10.6% Columbia \$271 \$3,252 \$3,523 10.1% \$261 \$2,940 \$3,201 3.8% 10.6% \$271 \$2,940 \$3,211 \$3,252 \$3,533 3.7% 10.6% 10.0% Dversburg \$281 Jackson \$253 \$2,940 \$3,193 \$277 \$3,252 \$3,529 9.5% 10.6% 10.5% Motlow \$273 \$2,940 \$3,213 \$276 \$3,252 \$3,528 1.1% 10.6% 9.8% Nashville \$225 \$2,940 \$3,165 \$225 \$3,252 \$3,477 0.0% 10.6% 9.9% Northeast \$281 \$2,940 \$3,221 \$281 \$3,252 \$3,533 0.0% 10.6% 9.7% \$3,257 Pellissippi \$317 \$2,940 \$317 \$3,252 \$3,569 0.0% 10.6% 9.6% \$281 \$2,940 \$3,221 \$285 \$3,252 \$3,537 1.4% 10.6% 9.8% Roane \$285 \$2,940 \$3,225 \$295 \$3,252 3.5% 10.6% 10.0% Southwest \$3,547 Volunteer \$265 \$2,940 \$3,205 \$267 \$3,252 \$3,519 0.8% 10.6% 9.8% Walters \$269 \$2,940 \$3,209 \$279 \$3,252 \$3,531 3.7% 10.6% 10.0% Technology Centers \$200 \$2,535 \$2,735 \$200 \$2,775 \$2,975 0.0% 9.5% 8.8%

Table 8

COMPARISON OF AUXILIARY ENTERPRISE REVENUES, EXPENDITURES AND TRANSFERS
FOR THE TBR AND UT SYSTEMS

	Es	timated 2010-11		July 1 2011-12				
		Expenditures/			Expenditures/			
	Revenue	Transfers	Difference	Revenue	Transfers	Difference		
Austin Peay	\$8,302,800	\$8,302,800	-	\$9,229,100	\$9,229,100	_		
East Tennessee	17,677,600	\$17,607,900	69,700	18,430,000	18,377,000	53,000		
Middle Tennessee	37,773,900	37,773,900	-	38,671,300	38,671,200	100		
Tennessee State	15,948,300	15,948,300	-	15,933,300	15,933,300	-		
Tennessee Tech	13,862,900	13,862,900	-	14,533,100	14,533,100	-		
University of Memphis	20,455,200	19,744,800	710,400	21,378,400	21,378,400			
subtotal	\$114,020,700	\$113,240,600	\$780,100	\$118,175,200	\$118,122,100	\$53,100		
Chattanooga	\$1,060,000	\$729,900	\$330,100	\$1,075,000	\$734,500	\$340,500		
Cleveland	151,900	43,800	108,100	152,100	43,800	108,300		
Columbia	315,000 *	315,000	-	217,700	* 217,700	-		
Dyersburg	135,000	135,000	-	125,000	125,000	-		
Jackson	200,000	200,000	-	200,000	200,000	-		
Motlow	267,000	12,400	254,600	267,000	12,600	254,400		
Nashville	264,000	19,900	244,100	264,000	19,900	244,100		
Northeast	192,500	9,600	182,900	192,500	9,600	182,900		
Pellissippi	640,000 *	640,000	-	640,000	* 640,000	-		
Roane	315,700	312,800	2,900	318,300	312,900	5,400		
Southwest	700,000	192,500	507,500	700,000	192,500	507,500		
Volunteer	360,000	356,300	3,700	360,000	359,300	700		
Walters	354,400 *	354,400	-	354,400	* 354,400	-		
subtotal	\$4,955,500	\$3,321,600	\$1,633,900	\$4,866,000	\$3,222,200	\$1,643,800		
UT Chattanooga	\$7,845,433	\$7,845,433	_	\$8,080,553	\$8,080,553	_		
UT Knoxville	166,973,044	166,973,044	-	173,630,059	173,630,059	-		
UT Martin	12,502,324	12,502,324	-	12,875,624	12,875,624	_		
subtotal	\$187,320,801	\$187,320,801	\$0	\$194,586,236	\$194,586,236	\$0		
UT Space Institute	\$149,222	\$149,222	_	\$95,400	\$95,400	_		
UT Memphis	3,345,391	3,345,391	_	2,692,690	2,692,690	_		
Technology Centers	4,608,200	4,033,800	574,400	4,616,900	3,958,600	658,300		
subtotal	\$8,102,813	\$7,528,413	\$574,400	\$7,404,990	\$6,746,690	\$658,300		
TOTAL	\$314,399,814	\$311,411,414	\$2,988,400	\$325,032,426	\$322,677,226	\$2,355,200		

^{*}Revenues include transfers from Fund Balance in order to balance out Auxiliary Enterprises

Table 9 **Athletics Data** 2010-11 & 2011-12

	2010-11	Athletics	2010-11	2010-11	2010-11
	General	General Fund	Student	Athletics Fee	Athletics
	Fund Support	as Percent of E&G	Athletics Fee	Revenue**	Budget
APSU	\$4,617,685	4.7%	\$250	\$2,105,300	\$8,781,077
ETSU	4,177,520	2.5%	250	3,500,000	9,466,850
MTSU	7,251,300	2.8%	350	7,950,000	20,080,423
TSU	4,629,300	4.2%	224	1,950,000	8,780,600
TTU	4,207,390	3.7%	300	3,016,000	9,650,906
UM	3,498,941	1.0%	450	8,990,000	39,017,496
UTC	4,773,234	3.9%	240	2,832,457	11,474,282
UTM	4,512,781	4.9%	308	1,975,000	8,254,499
UTK*	0	NA	0	1,000,000	101,000,000
Subtotal	\$37,668,151			\$33,318,757	\$216,506,133
Chattanooga	\$686,900	1.3%	\$0	\$0	\$1,069,817
Cleveland	530,506	2.5%	0	0	770,606
Columbia	473,090	1.8%	0	0	720,190
Dyersburg	334,200	2.0%	0	0	460,200
Jackson	377,250	1.6%	0	0	463,950
Motlow	377,614	1.7%	0	0	645,864
Roane	490,426	1.3%	0	0	721,492
Southwest	610,200	0.8%	0	0	860,600
Volunteer	624,998	1.5%	0	0	745,040
Walters	687,900	1.6%	0	0	1,008,581
Subtotal	\$5,193,084				\$7,466,340
Total	\$42,861,235			\$33,318,757	\$223,972,473

	2011-12	Athletics	2011-12	2011-12	2011-12
	General	General Fund	Student	Athletics Fee	Athletics
	Fund Support	as Percent of E&G	Athletics Fee	Revenue**	Budget
APSU	\$4,688,500	4.8%	\$250	\$2,105,300	\$8,688,600
ETSU	4,177,520	2.6%	250	3,500,000	9,291,310
MTSU	7,367,400	3.0%	350	7,950,000	20,221,600
TSU	4,700,000	4.6%	224	1,950,000	8,855,000
TTU	4,384,450	4.1%	350	3,520,000	9,482,990
UM	1,310,941	0.4%	450	8,990,000	35,968,496
UTC	4,479,980	4.0%	360	3,876,695	12,125,266
UTM	4,592,610	5.6%	308	1,975,000	8,188,529
UTK*	0	NA	0	1,000,000	103,250,000
Subtotal	\$35,701,401			\$34,866,995	\$216,071,791
Chattanooga	\$697,700	1.3%	\$0	\$0	\$957,700
Cleveland	510,903	2.5%	0	0	787,053
Columbia	360,940	1.4%	0	0	704,240
Dyersburg	338,700	2.1%	0	0	459,700
Jackson	349,130	1.4%	0	0	459,330
Motlow	344,583	1.5%	0	0	577,243
Roane	410,690	1.2%	0	0	632,635
Southwest	598,700	0.8%	0	0	849,100
Volunteer	676,196	1.7%	0	0	796,235
Walters	657,082	1.6%	0	0	976,127
Subtotal	\$4,944,624				\$7,199,363
Total	\$40,646,025			\$34,866,995	\$223,271,154

^{*}Athletics at UTK are self supporting.
**Athletics fee revenue for 2012 does not include increases to mandatory athletics fees effective fall 2011.

Table 10 2011-12 Formula Needs Analysis

Preliminary FY 2011-12

			Preliminary I	Y 2011-12						% Funded
	Legislative*	Hold-Harmless	Maintenance	Technology	Out-of-State		Formula Estimated	Difference	Percent	Without Hold
Institution/Unit	Appropriation	Adjustment**	Fees	Access Fee	Tuition	Total Revenue	Total Need	(Short)	Funded	Harmless Funds
Austin Peay	\$ 26,055,800	\$ - \$	52,666,300	\$ 2,426,000	\$ 2,928,100	\$ 84,076,200	\$ 85,496,116	\$ (1,419,916)	98.3%	98.3%
East Tennessee	44,134,600	1,551,000	76,971,300	2,885,000	10,433,200	135,975,100	151,879,073	(15,903,973)	89.5%	88.5%
Middle Tennessee	73,333,400	-	133,664,900	5,300,000	9,916,050	222,214,350	235,811,589	(13,597,239)	94.2%	94.2%
Tennessee State	29,327,500	-	42,534,100	1,700,000	17,919,300	91,480,900	111,287,599	(19,806,699)	82.2%	82.2%
Tennessee Tech	35,181,500	623,600	54,193,400	2,275,700	5,481,000	97,755,200	113,282,393	(15,527,193)	86.3%	85.7%
University of Memphis	85,406,900	6,518,200	127,960,204	4,262,703	9,975,115	234,123,122	283,034,655	(48,911,533)	82.7%	80.4%
Subtotal TBR Universities	\$ 293,439,700	\$ 8,692,800 \$	487,990,204	\$ 18,849,403	\$ 56,652,765	\$ 865,624,872	\$ 980,791,425	\$ (115,166,553)	88.3%	87.4%
		•								
Chattanooga	\$ 19,775,300	\$ 318,200 \$	27,943,900	\$ 1,950,000	\$ 625,000	\$ 50,612,400	\$ 51,604,028	\$ (991,628)	98.1%	97.5%
Cleveland	8,522,500	513,700	9,551,900	760,000	256,700	19,604,800	21,422,056	(1,817,256)	91.5%	89.1%
Columbia	11,110,100	295,600	13,563,000	967,000	295,700	26,231,400	28,664,308	(2,432,908)	91.5%	90.5%
Dyersburg	6,484,800	-	8,515,000	766,600	99,400	15,865,800	17,074,789	(1,208,989)	92.9%	92.9%
Jackson	10,527,600	-	13,186,600	869,700	83,600	24,667,500	27,561,074	(2,893,574)	89.5%	89.5%
Motlow	9,569,800	-	12,091,000	828,600	283,550	22,772,950	26,849,183	(4,076,233)	84.8%	84.8%
Nashville	13,835,600	-	22,000,000	1,600,000	800,000	38,235,600	38,185,217	50,383	100.1%	100.1%
Northeast	12,072,800	-	17,942,000	1,200,000	61,700	31,276,500	32,055,581	(779,081)	97.6%	97.6%
Pellissippi	18,724,100	-	28,660,000	2,400,000	1,470,000	51,254,100	51,069,606	184,494	100.4%	100.4%
Roane	14,732,200	812,100	17,146,600	1,401,100	407,800	34,499,800	36,262,501	(1,762,701)	95.1%	92.9%
Southwest	28,532,400	3,419,100	32,501,000	3,171,000	1,368,000	68,991,500	66,214,678	2,776,822	104.2%	99.0%
Volunteer	15,236,400	88,000	20,972,000	1,410,700	620,600	38,327,700	38,986,395	(658,695)	98.3%	98.1%
Walters	15,923,700	79,200	19,348,300	1,442,200	341,600	37,135,000	40,666,504	(3,531,504)	91.3%	91.1%
Subtotal 2-Year Institutions	\$ 185,047,300	\$ 5,525,900 \$	243,421,300	\$ 18,766,900	\$ 6,713,650	\$ 459,475,050	\$ 476,615,919	\$ (17,140,869)	96.4%	95.2%
UT Chattanooga	\$ 33,260,900	\$ 205,100 \$	53,748,206	\$ 1,530,203	\$ 6,782,995	\$ 95,527,404	\$ 109,628,216	\$ (14,100,812)	87 1%	87.0%
UT Knoxville	144,003,300	Ψ 200,100 Ψ	197,618,362	5,200,000	36,439,538	383,261,200	497,625,426	(114,364,226)		77.0%
UT Martin	23,613,500	576,200	42,385,400	1,342,000	3,874,100	71,791,200	73,758,599	(1,967,399)		96.6%
Subtotal UT Universities	\$ 200,877,700		293,751,968					\$ (130,432,437)	80.8%	80.7%
Technology Centers	\$ 51,998,100	\$ - \$	24,450,600	\$ 2,019,200	\$ -	\$ 78,467,900	\$ 120,451,000	\$ (41,983,100)	65.1%	65.1%
Total Formula Units	\$ 731,362,800	\$ 15,000,000 \$	1,049,614,072	\$ 47,707,706	\$ 110,463,048	\$ 1,954,147,626	\$ 2,258,870,585	\$ (304,722,959)	86.5%	85.8%

^{*}Recurring funds only.

^{**}Non-recurring funds facilitating the phase-out of the Hold Harmless provision.

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Agenda Item: I.G.

DATE: July 28, 2011

SUBJECT: Election of Officers and Audit Committee Appointments

ACTION RECOMMENDED: Approval

BACKGROUND INFORMATION: The Commission will elect the 2011-12 officers. Article V of the Commission's rules of procedure provides:

The Commission officers shall consist of a chair, two vice-chairs, and a secretary, each elected by the Commission members from among their own number. The office of secretary may be combined with that of vice-chair. Officers shall be elected at the summer Commission meeting, and the term of office of all officers shall be one year or until their successors are elected; and their duties shall be those ordinarily performed by such officers.

No member shall serve as chair in excess of three successive one-year terms. Each vice-chair shall reside in one of the grand divisions of the state in which the chair and other vice-chair do not reside.

The current Commission officers are:

Mr. Robert White - Chairman

Mr. Cato Johnson - Vice Chairman

Mr. Charlie Mann – Vice Chairman

Mayor A C Wharton – Secretary

Audit Committee Appointments

The THEC/TSAC Audit Committee Charter outlines the requirements for membership on the audit committee. The committee and its chair shall be selected by the Executive Director of THEC/TSAC and confirmed by the Commission/Board of Directors. The audit committee shall consist of five members with representation from both organizations who are generally knowledgeable in financial, management, and auditing matters. The committee chair shall have some accounting or financial management expertise. Each member shall serve for a term not to exceed three years, and may be reappointed. Each member shall be free of any appearance of conflict and of any relationship that would interfere with his or her exercise of independent judgment.

The current composition of the audit committee is:

Claude Presnell, TSAC, Chair

Robert White, THEC Cathy Pierce, TSAC Sammy Stuard, TSAC Sharon Hayes, THEC

Re-appointment: Dr. Rhoda recommends the reappointment of Robert White to the Audit Committee for another 3-year term, beginning on July 1, 2011 ending June 30, 2014.

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Agenda Item: II.A.

DATE: July 28, 2011

SUBJECT: 2011 Lottery Scholarship Annual Report

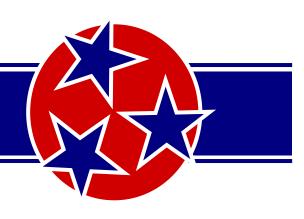
ACTION RECOMMENDED: Information

BACKGROUND INFORMATION: Pursuant to T.C.A. § 49-4-903(b), the Tennessee Higher Education Commission is to report findings related to lottery scholarship programs to the General Assembly.

Staff will present an overview of the annual legislative report, which details the postsecondary outcomes of scholarship recipients from the program's inception (Fall 2004) through Fall 2010, by student demographic and academic characteristics. As in the past, this year's report reinforces the importance of high school preparation and performance in renewing scholarship awards and collegiate success in general. Additionally, this year's report releases for the first time ever information relative to student employment of lottery scholarship recipients. The report confirms the widely-held impression about student employment - that many of scholarship recipients obtained a job to help pay for college.

The report's major sections are:

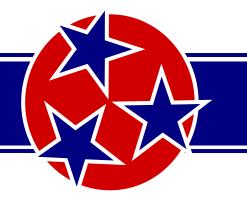
- Program Overview and Recipient Demographics
- Scholarship Renewal
- Graduation Rates with TELS Intact
- 6-year Graduation Rates for TELS Recipients
- College-retention for Scholarship Non-renewals
- Scholarship Recipients and Employment During College



TENNESSEE EDUCATION LOTTERY SCHOLARSHIP PROGRAM ANNUAL REPORT

Outcomes Through Fall 2010

COMMISSION MEMBERS



Robert White, Chair, Johnson City - 1st Congressional District
Charles Mann, Vice-Chair, Columbia - 4th Congressional District
A C Wharton, Jr., Secretary, Memphis - 9th Congressional District
Tre Hargett, Secretary of State

Justin P. Wilson, State Comptroller

David H. Lillard, Jr., State Treasurer

Gregory P. Isaacs, Knoxville - 2nd Congressional District

Jon Kinsey, Chattanooga - 3rd Congressional District

Sue Atkinson, Nashville - 5th Congressional District

Charles W. Bone, Hendersonville - 6th Congressional District

Cato Johnson, Bartlett - 7th Congressional District

Sharon L. Hayes, Brownsville - 8th Congressional District

Gary Nixon, non-voting ex-officio, Executive Director, State Board of Education

Ross Rowland, voting ex-officio, University of Tennessee, Knoxville

Zachary Ross Walden, non-voting ex-officio, East Tennessee State University

Table of Contents



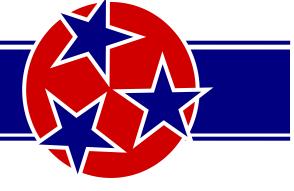
Executive	Summary	1	Į
Section 1:	Program Overview and Recipient Demographics	1	
20001011 11	110grum 010111011 unu 11001pione 20m0grupmen		
Table 1	Tennessee Education Lottery Scholarship Eligibility and Renewal Criteria, 2010-11	3	
Table 2	Major Legislative Changes in Tennessee Education Lottery Scholarship Program, 2004 to Present	4	
Table 3	Scholarship Recipients and Dollars Awarded, 2004-05 to 2009-10		
Table 4	TELS Program Reserve Balance 2003-04 to 2009-2010 (Dollars in Millions)	6 7	
Table 5	Max Award Amount of HOPE and Average Tuition & Fees for Public Institutions, 2004-05 to 2010-11	8	
Table 6	Distribution of Scholarship Recipients and Dollars by System, 2008-09 and 2009-10	9	
Table 7	Distribution of Scholarship Recipients within Each Postsecondary Sector by Major Award Type, Fall 2010	10	
Table 8	TELS Freshmen as a Percent of All First-time Freshmen, by System, Fall 2004 through Fall 2010	11	
Table 9	Lottery Scholarship Receipt by Postsecondary Sector, Fall 2004 through Fall 2010	12	
Table 10	Lottery Scholarship Receipt by Gender and Race/Ethnicity, Fall 2004 through Fall 2010	13	
Table 11	Lottery Scholarship Receipt by Family Adjusted Gross Income (AGI), Fall 2004 through Fall 2010	14	
Table 12	Median Family Adjusted Gross Income of TELS First-time Freshmen, Fall 2004 through Fall 2010	15	
Table 13	Median Family Adjusted Gross Income of TELS First-time Freshmen by Race/Ethnicity, Fall 2004 through Fall 2010	16	
Table 14	HOPE and ASPIRE Receipt by Initial Qualification Standards Met and Postsecondary Sector, Fall 2010 TELS First-time Freshmen	17	
Table 15	HOPE and ASPIRE Receipt by Initial Qualification Standards Met and Selected Demographics, Fall 2010 TELS First-time Freshmen	18	
Table 16	Percent of TELS First-time Freshmen who Took at Least One Remedial/Developmental Course, Fall 2004 through Fall 2010	20	
Table 17	Average Credit Hours Attempted by TELS Recipients by Level and Scholarship Type, Fall 2010	21	
Table 18	Percentage of Part-time TELS Recipients by Student Level and Scholarship Type, Fall 2010		
Table 19	Percent of TELS First-time Freshmen Eligible for PELL Grants, Fall 2004 through Fall 2010	22	
Table 20	Percent of TELS First-time Freshmen Receiving a Tennessee Student Assistance Award, Fall	23	
	2004 through Fall 2010	25	
Table 21	Percent of TELS First-time Freshmen with at Least One Parent with an Associate's Degree or Higher, Fall 2004 through Fall 2010	27	
Section 2:	Scholarship Renewal	30	
Table 22	1-year Scholarship Renewal Rates by Original Scholarship Type and Initial Postsecondary		
	Sector Attended, Fall 2009 TELS First-time Freshmen	31	
Table 23	1-year Scholarship Renewal Rates by Gender and Initial Postsecondary Sector Attended, Fall 2009 TELS First-time Freshmen	32	

Table 24	First-time Freshmen		33	
Table 25	1-year Scholarship Renewal Rates by Race/Ethnicity and Initial Postsecondary Sector Attended, Fall 2009 TELS Freshmen			
Table 26	1-year Scholarship Renewal Rates by Race/Ethnicity and Original Scholarship Type, Fall 2009 TELS First-time Freshmen			
Table 27	1-year Scholarship Renewal Rates by Original Scholarship Type and Family Income: Fall 2009 TELS First-time Freshmen			
Table 28	1-year Scholarship Renewal Rates of Fall 2009 TELS First-time Freshmen by Qualifications Met			
Table 29	1-year Scholarship Renewal Rates of Fall 2009 TELS First-time Freshmen with Remedial Credits, by Original Scholarship Type and Initial Postsecondary Sector Attended		38	
Table 30	1-Year Scholarship Renewal Rates for Fall 2009 TELS First-time Freshmen by ACT Composite Score and High School GPA			
Table 31	1-Year Scholarship Renewal Rate for Fall 2009 TELS First-time Freshmen by ACT Composite Score and High School GPA, Male Recipients			
Table 32	1-Year Scholarship Renewal Rate for Fall 2009 TELS First-time Freshmen by ACT Composite Score and High School GPA, Female Recipients			
Table 33	1-Year Scholarship Renewal Rate for Fall 2009 TELS First-time Freshmen by ACT Composite Score and High School GPA, Caucasian Recipients	••••		
Table 34	Second Year Scholarship Renewal Rate for Fall 2009 TELS First-time Freshmen by ACT Composite Score and High School GPA, African American Recipients			
Table 35	Longitudinal Scholarship Renewal Rates by Award Type, Fall 2006 through Fall 2009 TELS First-time Freshmen		44	
Table 36	Longitudinal Scholarship Renewal and Graduation Rates by Award Type and Family Income: Fall 2004 TELS First-time Freshmen		45	
Section 3: G	raduation Rates with TELS Intact		47	
Table 37	Graduation Rate with Scholarship Intact, by Initial Postsecondary Sector Attended, Fall 2004 and Fall 2005 Cohorts		49	
Table 38	Graduation Rate with Scholarship Intact, by Original Scholarship Type, Fall 2004 and Fall 2005 Cohorts		50	
Table 39	Graduation Rate with Scholarship Intact, by Gender, Fall 2004 and Fall 2005 Cohorts		51	
Table 40	Graduation Rate with Scholarship Intact, by Race/Ethnicity, Fall 2004 and Fall 2005 Cohorts		52	
Table 41	Graduation Rate with Scholarship Intact, by Qualifications Met, Fall 2005 TELS Cohort		53	
Table 42	Graduation Rate with Scholarship Intact, by ACT Composite Score and High School GPA, Fall 2005 Cohort		54	
Table 43	Graduation Rate with Scholarship Intact, by ACT Composite Score and High School GPA, Fall 2005 Cohort, Male Recipients		55	
Table 44	Graduation Rate with Scholarship Intact, by ACT Composite Score and High School GPA, Fall 2005 Cohort, Female Recipients		56	
Table 45	Graduation Rate with Scholarship Intact, by ACT Composite Score and High School GPA, Fall Cohort, Caucasian Recipients		57	
Table 46	Graduation Rate with Scholarship Intact, by ACT Composite Score and High School GPA, Fall 2005 Cohort, African American Recipients		58	
Section 4: 6	year Graduation Rates for TELS Recipients		59	
Table 47	6-year Graduation Rate for TELS Freshmen by Initial Postsecondary Sector Attended, Fall 2004			
Table 48	Cohort		61	
	Cohort 6-year Graduation Rate for TELS Freshmen by Original Scholarship Type, Fall 2004 Cohort	•••••		
Table 49		•••••	62	
Table 49 Table 50	6-year Graduation Rate for TELS Freshmen by Original Scholarship Type, Fall 2004 Cohort		62 63	
	6-year Graduation Rate for TELS Freshmen by Original Scholarship Type, Fall 2004 Cohort 6-year Graduation Rate for TELS Freshmen by Gender, Fall 2004 Cohort	•••••	626364	

Section 5:	College Retention for Scholarship Non-Renewals	•••••	67
Table 52	Fall-to-Fall College Retention Rate for Students who Lost Scholarship Eligibility during Freshman Year, by Initial Postsecondary Sector Attended, Fall 2004 through Fall 2009 TELS First-time Freshmen		68
Table 53	Fall-to-Fall College Retention Rate for Students who Lost Scholarship Eligibility during Freshman Year, by Original Scholarship Type, Fall 2004 through Fall 2009 TELS First-time Freshmen		69
Table 54	Fall-to-Fall College Retention Rate for Students who Lost Scholarship Eligibility during Freshman Year, by Gender, Fall 2004 through Fall 2009 TELS First-time Freshmen		
Table 55	Fall-to-Fall College Retention Rate for Students who Lost Scholarship Eligibility during Freshman Year, by Race/Ethnicity, Fall 2004 through Fall 2009 TELS First-time Freshmen		
Table 56	Fall-to-Fall College Retention Rate for Students Losing Scholarship Eligibility during Freshman Year, by Family Income Level, Fall 2009 TELS First-time Freshmen	•••••	
Table 57	Postsecondary Sector Enrollment Shifts: Fall 2004 through Fall 2009 TELS First-time Freshmen who Remained Enrolled at Public Institutions: Scholarship Renewals vs. Non-	•••••	
Table 58	renewals Fall 2004 through Fall 2009 TELS First-time Freshmen: Continued Enrollment in Subsequent Fall Terms, by Original Scholarship Type		
Section 6:	Scholarship Recipients and Employment During College	•••••	77
Table 59	Scholarship Recipients and Employment During College Percent of TELS First-time Freshmen with a Job by Sector, Fall 2004 through Fall 2009		
			79
Table 59 Table 60 Table 61	Percent of TELS First-time Freshmen with a Job by Sector, Fall 2004 through Fall 2009 Median Earnings of TELS First-time Freshmen with a Job by Sector, Fall 2004 through Fall 2010 Percent of TELS First-time Freshmen with a Job by Original Scholarship Type, Fall 2004 through Fall 2009		79 81
Table 59 Table 60 Table 61 Table 62	Percent of TELS First-time Freshmen with a Job by Sector, Fall 2004 through Fall 2009 Median Earnings of TELS First-time Freshmen with a Job by Sector, Fall 2004 through Fall 2010 Percent of TELS First-time Freshmen with a Job by Original Scholarship Type, Fall 2004 through Fall 2009 Median Earnings of TELS First-time Freshmen through Employment by Original Scholarship Type Fall 2004 through Fall 2009		79 81 82
Table 59 Table 60 Table 61 Table 62 Table 63	Percent of TELS First-time Freshmen with a Job by Sector, Fall 2004 through Fall 2009 Median Earnings of TELS First-time Freshmen with a Job by Sector, Fall 2004 through Fall 2010 Percent of TELS First-time Freshmen with a Job by Original Scholarship Type, Fall 2004 through Fall 2009 Median Earnings of TELS First-time Freshmen through Employment by Original Scholarship Type Fall 2004 through Fall 2009 Percent of TELS First-time Freshmen with a Job by Family Income Level, Fall 2004 through Fall 2009 Cohorts		79 81 82 83
Table 59 Table 60 Table 61 Table 62 Table 63 Table 64	Percent of TELS First-time Freshmen with a Job by Sector, Fall 2004 through Fall 2009 Median Earnings of TELS First-time Freshmen with a Job by Sector, Fall 2004 through Fall 2010 Percent of TELS First-time Freshmen with a Job by Original Scholarship Type, Fall 2004 through Fall 2009 Median Earnings of TELS First-time Freshmen through Employment by Original Scholarship Type Fall 2004 through Fall 2009 Percent of TELS First-time Freshmen with a Job by Family Income Level, Fall 2004 through Fall 2009 Cohorts Median Earnings of TELS First-time Freshmen with a Job by Family Income Level, Fall 2004 through Fall 2009 Cohorts		79 81 82 83 84
Table 59 Table 60 Table 61 Table 62 Table 63 Table 64 Table 65	Percent of TELS First-time Freshmen with a Job by Sector, Fall 2004 through Fall 2009 Median Earnings of TELS First-time Freshmen with a Job by Sector, Fall 2004 through Fall 2010 Percent of TELS First-time Freshmen with a Job by Original Scholarship Type, Fall 2004 through Fall 2009 Median Earnings of TELS First-time Freshmen through Employment by Original Scholarship Type Fall 2004 through Fall 2009 Percent of TELS First-time Freshmen with a Job by Family Income Level, Fall 2004 through Fall 2009 Cohorts Median Earnings of TELS First-time Freshmen with a Job by Family Income Level, Fall 2004 through Fall 2009 Cohorts Percent of TELS Recipients with a Job by Student Level, Sector, and Original Scholarship Type, Fall 2009		79 81 82 83 84 85
Table 59 Table 60 Table 61 Table 62 Table 63 Table 64 Table 65 Table 66	Percent of TELS First-time Freshmen with a Job by Sector, Fall 2004 through Fall 2009 Median Earnings of TELS First-time Freshmen with a Job by Original Scholarship Type, Fall 2004 through Fall 2010 Percent of TELS First-time Freshmen with a Job by Original Scholarship Type, Fall 2004 through Fall 2009 Median Earnings of TELS First-time Freshmen through Employment by Original Scholarship Type Fall 2004 through Fall 2009 Percent of TELS First-time Freshmen with a Job by Family Income Level, Fall 2004 through Fall 2009 Cohorts Median Earnings of TELS First-time Freshmen with a Job by Family Income Level, Fall 2004 through Fall 2009 Cohorts Percent of TELS Recipients with a Job by Student Level, Sector, and Original Scholarship Type, Fall 2009 Median Earnings of TELS Recipients with a Job by Student Level, Sector, and Scholarship Type, Fall 2009 Recipients		79 81 82 83 84 85 86
Table 59 Table 60 Table 61 Table 62 Table 63 Table 64 Table 65 Table 66 Table 67	Percent of TELS First-time Freshmen with a Job by Sector, Fall 2004 through Fall 2010 Percent of TELS First-time Freshmen with a Job by Original Scholarship Type, Fall 2004 through Fall 2009 Median Earnings of TELS First-time Freshmen through Employment by Original Scholarship Type Fall 2004 through Fall 2009 Median Earnings of TELS First-time Freshmen through Employment by Original Scholarship Type Fall 2004 through Fall 2009 Percent of TELS First-time Freshmen with a Job by Family Income Level, Fall 2004 through Fall 2009 Cohorts Median Earnings of TELS First-time Freshmen with a Job by Family Income Level, Fall 2004 through Fall 2009 Cohorts Percent of TELS Recipients with a Job by Student Level, Sector, and Original Scholarship Type, Fall 2009 Median Earnings of TELS Recipients with a Job by Student Level, Sector, and Scholarship Type, Fall 2009 Recipients Percent of TELS First-time Freshmen with a Job by Credit Hours Attempted, Fall 2004 through Fall 2009		79 81 82 83 84 85 86
Table 59 Table 60 Table 61 Table 62 Table 63 Table 64 Table 65 Table 66	Percent of TELS First-time Freshmen with a Job by Sector, Fall 2004 through Fall 2009 Median Earnings of TELS First-time Freshmen with a Job by Original Scholarship Type, Fall 2004 through Fall 2010 Percent of TELS First-time Freshmen with a Job by Original Scholarship Type, Fall 2004 through Fall 2009 Median Earnings of TELS First-time Freshmen through Employment by Original Scholarship Type Fall 2004 through Fall 2009 Percent of TELS First-time Freshmen with a Job by Family Income Level, Fall 2004 through Fall 2009 Cohorts Median Earnings of TELS First-time Freshmen with a Job by Family Income Level, Fall 2004 through Fall 2009 Cohorts Percent of TELS Recipients with a Job by Student Level, Sector, and Original Scholarship Type, Fall 2009 Median Earnings of TELS Recipients with a Job by Student Level, Sector, and Scholarship Type, Fall 2009 Recipients Percent of TELS First-time Freshmen with a Job by Credit Hours Attempted, Fall 2004		79 81 82 83 84 85 86 88

Appendices		•••••	93
Appendix A	Percentage of Freshmen Attending Public Postsecondary on a Lottery Scholarship, Fall 2004		
	through Fall 2010		94
Appendix B	Lottery Scholarship Receipt by Scholarship Type and Institution, Fall 2010		
Appendix C	Lottery Scholarship Receipt by Gender and Institution, Fall 2010	•••••	
Appendix D	Lottery Scholarship Receipt by Race/Ethnicity and Institution, Fall 2010	•••••	96
			97
Appendix E	Lottery Scholarship Receipt by Adjusted Gross Family Income and Institution, Fall 2010 First-time Freshman TELS Recipients		98
Appendix F	Qualification Standards Met by Fall 2010 First-time Freshman TELS Recipients, by Institution		
Appendix G	1-year Scholarship Renewal Rates for Fall 2008 and Fall 2009 First-time Freshman TELS	•••••	99
rr	Recipients, by Institution		100
Appendix H	Longitudinal Scholarship Renewal Rates and Graduation Rates for Fall 2004 First-time Freshman TELS Recipients, by Institution		101
Appendix I	Percentage of TELS First-time Freshmen with a Job and Median Earnings in Fall 2009, by Institution		102
			-0-

Executive Summary



In the 2009-10 academic year, more than 97,000 students received lottery funded scholarships with total award allocations in excess of \$283 million.

- Approximately 65,000 students received HOPE, ASPIRE, or General Assembly Merit Scholarship (GAMS) awards in the 2009-10 academic year, as compared to 61,000 students in 2008-09. These three programs accounted for 89.3 percent of the entire expenditure for TELS programs.
- The Dual Enrollment Grant program, which was added in 2005, continues to grow rapidly, with approximately 14,700 high school students participating.
- It is estimated that the total expense of Tennessee Education Lottery Scholarship (TELS) programs will be \$308.7 million in 2009-10.
- The end-of-year balance of the reserve fund for the TELS program was \$372.8 million as of June 30, 2010.

Fifty-six percent of TELS recipients who enrolled as first-time freshmen in Fall 2010 met the high school GPA and ACT score criteria for initial eligibility.

- Additionally, 28 percent qualified solely based on high school GPA, while 16 percent qualified on the basis of their ACT score only.
- Students who met both GPA and ACT criteria for initial eligibility were more likely to renew their scholarships than those who met only one of the criteria.

The 1-year scholarship renewal rate was 54 percent for the Fall 2009 cohort, a one percentage point decrease from the previous cohort group.

- Students at UT campuses had the highest scholarship renewal rate (62 percent), followed by TIUCA institutions at 60 percent, TBR universities at 52 percent, and community colleges at 44 percent.
- Second- and third-year renewal rates were 47 percent and 37 percent, respectively, for the most recent cohorts.
- The scholarship renewal rate increased as family income increased.

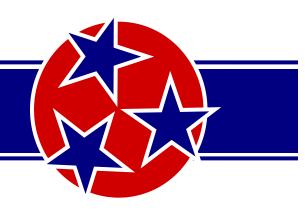
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Fifty-five percent of Fall 2004 TELS first-time freshmen graduated within six years.

- Among the Fall 2004 Cohort, GAMS recipients had the highest graduation rate at 86 percent, followed by HOPE (58 percent), ASPIRE (42 percent) and Access (28 percent).
- Approximately 30 percent of the Fall 2004 cohort graduated without losing the scholarship. The rate improved to 35 percent for the Fall 2005 cohort.

More than half of Fall 2009 TELS first-time freshmen held a job during the first semester of college.

- Their median wages were \$1,862 in Fall 2009.
- Access freshmen had the highest median earnings of all the scholarship types at \$2,185. GAMS students earned the lowest, \$1,120.
- The 1-year scholarship renewal rate for Fall 2009 TELS freshmen with a job was 52 percent, 5 percentage points lower than the renewal rate for TELS freshmen who were not employed.



Section 1: Program Overview and Recipient Demographics

Program Overview

This report is prepared pursuant to T.C.A. §49-4-903(b), which directs the Tennessee Higher Education Commission (THEC) to:

"...provide assistance to the general assembly and to the Tennessee Student Assistance Corporation (TSAC) by researching and analyzing data concerning the scholarship and grant programs created under this part, including, but not limited to, student success and scholarship renewal."

The Tennessee Education Lottery Scholarship (TELS) program was designed to meet the unique needs of the state of Tennessee while also incorporating the hallmark elements of existing merit-based aid programs in other states. Developed through a process involving elected officials and members of the academic community, the TELS program aims to address the following broad public policy objectives:

- Improve academic achievement in high school through scholarship incentive (GAMS, HOPE, ASPIRE);
- Provide financial assistance as a means of promoting access to higher education (ASPIRE, Access);
- Retain the state's "best and brightest" students in Tennessee colleges and universities (GAMS); and
- Enhance and promote economic and community development through workforce training (Wilder-Naifeh).

The Tennessee Education Lottery began operations on January 20, 2004. Lottery proceeds fund scholarships for Tennessee students attending eligible public or private colleges and universities across the state. Initial qualification and renewal criteria for the program were set in 2003. The legislature adjusted the qualification criteria in 2005 and the renewal criteria in 2008. Additionally, the legislature added a Non-traditional Student Grant and Dual Enrollment Grant in 2005 and several smaller provisions in 2006 and 2008. Finally, lottery scholarship coverage will extend to summer school enrollments of six credit hours or more beginning in Summer 2012 for students who first received the scholarship in Fall 2009 or after.

Table 1
Tennessee Education Lottery Scholarship Eligibility
and Renewal Criteria, 2010-11

	HOPE (base)	GAMS (HOPE with merit supplment)	ASPIRE (HOPE with need supplment)	Access Award	Wilder-Naifeh Technical Skills Grant
Amount (4-yr.)	\$4,000	\$5,000	\$5,500	\$2,750	N/A
Amount (2-yr.)	\$2,000	\$3,000	\$3,500	\$1,750	\$2,000
Minimum High School GPA	3.00	3.75	3.00	2.75-2.99	N/A
Minimum ACT Composite	<u>or</u> 21	<u>and</u> 29	<u>or</u> 21	<u>and</u> 18-20	N/A
Family Adjusted Gross Income	N/A	N/A	\$36,000 or less	\$36,000 or less	N/A
College		- Cumulative 2.75 ive 3.0 at 72, 96, 1	at 24 & 48 hours, 20 hours	Cumulative 2.75 at 24 hours	Satisfactory
Retention GPA		n - Cumulative 2.7 urs with 3.0 prior s	, ,	allows qualification for HOPE	academic progress

- The TELS program comprises several distinct scholarship awards, each with its own set of eligibility requirements (**Table 1**). The Wilder-Naifeh Technical Skills Grant was designed to address the final goal in the list of public policy goals above and is available to any state resident enrolled in a certificate or diploma program at a Tennessee Technology Center (TTC). All other lottery scholarships and awards require students to achieve a certain high school grade point average (GPA), standardized test score (ACT or SAT), or both.
- The renewal criteria are consistent across the three largest award types (HOPE, GAMS, ASPIRE): students must have a minimum cumulative 2.75 college GPA after attempting 24 and 48 credit hours. At each 24-hour checkpoint after that, students may renew the award by maintaining a 3.0 cumulative GPA or by achieving a cumulative 2.75 with a 3.0 GPA in the prior semester.
- The award is available for up to five years, baccalaureate degree attainment, or 120 cumulative attempted credit hours. The 120 hour cap is applicable only to students who first received in Fall 2009 or after. Also students in a program that requires more than 120 credit hours for completion are exempted from the 120 hour cap.

Table 2 Major Legislative Changes in Tennessee Education Lottery Scholarship Program, 2004 to Present

	Legislative Changes
	HOPE base set at \$3,000/1,500
	HOPE Access set at \$2,000/1,250
2004	HOPE Aspire set at \$1,000
2004	Wilder-Naifeh set at \$1,250
	GAMS set at \$1,000
	ACT requirement increased to 21 (Applicable to Fall 2005 Freshmen and After)
	HOPE base increased to \$3,300/1,650
	HOPE Access increased to \$2,400/1,575
	HOPE Aspire increased to \$1,500
2005	Wilder-Naifeh increased to \$1,300
	Created Dual Enrollment Grant
	Created HOPE Foster Child Tuition Grant
	Created Nontraditional Student award
	HOPE base increased to \$3,800/1,900
2006	HOPE Access increased to \$2,650/1,700
	Wilder-Naifeh increased to \$1,500
	HOPE base increased to \$4,000/2,000
	HOPE Access increased to \$2,750/1,750
2007	Wilder-Naifeh increased to \$2,000
	Created Math & Science Teacher's award
	Added \$10 million for TSAA (\$3.2 million non-recurring)
	Reduced 48 hour GPA to 2.75
	Created Provisional Track for retaining award
	Expanded Nontraditional Student provision
2008	Eliminated 120 hour limitation
	Created Helping Heroes Grant
	Created Tennessee Rural Health Loan Forgiveness
	Added \$6.8M for TSAA (recurring)
2009	No Major Changes
2010	No Major Changes
2011	Reinstated 120 hour limitation; expanded scholarship to summer; both provisions
2011	applicable only for the beginning cohorts of Fall 2009 and after

- The maximum award amount for the base HOPE continuously increased until 2007. After 2007, the legislature kept the amount at the same level, \$4,000 for students attending 4-year institutions and \$2,000 for 2-year institutions (**Table 2**).
- When the TELS program began its operation, the ACT threshold was set at 19. The legislature increased it to 21 in 2004, requiring a higher academic standard beginning with the Fall 2005 freshman cohort. The minimum high school GPA requirement has remained unchanged.
- The legislature added a Non-traditional Student Grant and Dual Enrollment Grant in 2005. Since then, the state has also made lottery-funded grants available to veterans of the Global War on Terror, students pursuing degrees in math and science education, and students who pursue medical education with the intention of serving a rural health shortage area.
- The 105th General Assembly in 2008 made two important changes in scholarship renewal criteria for the TELS program. One was to lower the minimum cumulative GPA at the 48 credit hour benchmark from 3.0 to 2.75, and another was to add the provisional rule, T.C.A. §49-4-911 (a)(2), to scholarship renewal criteria. Our separate special report, "Tennessee Education Lottery Scholarship Program Special Report," provides analysis of the impact of these renewal rule changes.
- The year 2011 also witnessed another set of important changes in the TELS program. First, the legislature decided to allow the lottery scholarship to be distributed during summer terms starting in 2012. Second, it reinstated the scholarship terminating event which limits scholarship receipt at 120 attempted credit hours, except for students in programs requiring more than 120 credit hours for degree attainment. Both rules are applicable only to students who first received TELS in Fall 2009 and after.

Table 3
Scholarship Recipients and Dollars Awarded,
2004-05 to 2009-10

	20	04-05	2	005-06	20	006-07
	Students	Dollars	Students	Dollars	Students	Dollars
HOPE					33,120	\$108,342,867
GAMS	included	l in Subtotal	include	d in Subtotal	3,939	\$18,221,157
ASPIRE					11,629	\$52,805,363
Subtotal (HOPE, GAMS, ASPIRE)	31,272	\$86,650,189	40,275	\$126,345,913	48,688	\$179,369,387
HOPE ACCESS Grant	108	\$152,560	265	\$490,294	315	\$639,716
HOPE Non-Traditional	n/a	n/a	n/a	n/a	n/a	n/a
Wilder-Naifeh Grant	8,815	\$6,613,273	10,023	\$7,860,163	9,725	\$8,079,913
HOPE Foster Care Grant	n/a	n/a	30	\$88,245	17	\$34,604
Dual Enrollment Grant	n/a	n/a	5,465	\$2,060,356	8,308	\$3,601,522
Math & Science Teachers	n/a	n/a	n/a	n/a	n/a	n/a
Helping Heroes Grant	n/a	n/a	n/a	n/a	n/a	n/a
Rural Health Loan Forgiveness	n/a	n/a	n/a	n/a	n/a	n/a
Total	40,195	\$93,416,022	56,058	\$136,844,971	67,053	\$191,725,142

	20	007-08	20	008-09	20	009-10
	Students	Dollars	Students	Dollars	Students	Dollars
HOPE	37,272	\$126,897,145	41,516	\$142,721,455	43,056	\$147,670,530
GAMS	4,579	\$22,047,176	5,232	\$25,377,778	5,562	\$26,901,253
ASPIRE	12,722	\$59,381,930	14,450	\$67,801,867	16,724	\$78,866,609
Subtotal (HOPE, GAMS, ASPIRE)	54,573	\$208,326,251	61,198	\$235,901,100	65,342	\$253,438,392
HOPE ACCESS Grant	345	\$720,261	411	\$877,014	408	\$894,715
HOPE Non-Traditional	n/a	n/a	1,463	\$3,262,773	2,668	\$6,052,654
Wilder-Naifeh Grant	10,429	\$11,810,022	11,604	\$13,314,583	13,435	\$15,906,073
HOPE Foster Care Grant	14	\$36,285	21	\$87,596	30	\$126,360
Dual Enrollment Grant	10,931	\$4,804,919	13,383	\$5,776,906	14,697	\$6,369,217
Math & Science Teachers	31	\$62,000	29	\$54,000	25	\$47,000
Helping Heroes Grant	n/a	n/a	260	\$365,614	367	\$513,242
Rural Health Loan Forgiveness	n/a	n/a	25	\$273,806	50	\$517,912
Total	76,292	\$225,697,738	88,394	\$259,913,392	97,022	\$283,865,565

Source: Tennessee Student Assistance Corporation (TSAC) year-end report

- The lottery scholarship program has grown steadily since its inception, reaching maturity with five classes of students in 2007-08. Monetarily, the program grew from expending \$93.4 million in its initial year to \$283.9 million in 2009-10 (**Table 3**).
- Enhanced by a new class of freshman students each year as well as the addition of a Dual Enrollment Grant for high school students, the number of students served grew from 40,000 in the program's inaugural year to 97,000 in 2009-10. The 2010-11 estimate of total recipients is 107,700.

Table 4
TELS Program Reserve Balance
2003-04 to 2009-2010 (Dollars in Millions)

Total Reserve at June 30	122.3	255.1	371.5	444.1	471.1	371.6	372.8
Reserve	1.4	3.0	0.4	9.0	12.7	=	=
Local Government	1.2	3.6	6.4	9.6	12.7	_	
Account	114.9	201.0	313.0	304.0	400.4	321.0	344.0
Lottery for Education	114.9	201.6	315.0	384.6	408.4	321.6	322.8
Reserve	0.4	30.0	30.0	30.0	30.0	30.0	30.0
General Shortfall	6.2	50.0	50.0	50.0	50.0	50.0	50.0
Reserve at June 30	2004	2005	2006	2007	2008	2009	2010
Lottery for Education	2003-	2004-	2005-	2006-	2007-	2008-	2009-

Source: Tennessee Department of Finance and Administration

• During the early years of the program, the reserve fund for lottery scholar-ships quickly grew, reaching a high point of \$471.1 million in 2007-08. After the program reached full maturity in 2008-09, however, the reserve balance started falling, decreasing to \$372.8 million in 2009-10 (**Table 4**).

Table 5
Maximum Award Amount of HOPE and Average Tuition & Fees for Public Institutions, 2004-05 to 2010-11

	HOPE Ma	ax Award	Avg Tuition	on & Fees	HOPE Cov	erage Rate
Year	4-year	2-year	4-year	2-year	4-year	2-year
2004-05	3,000	1,500	4,214	2,193	71%	68%
2005-06	3,300	1,650	4,649	2,393	71%	69%
2006-07	3,800	1,900	4,841	2,482	78%	77%
2007-08	4,000	2,000	5,227	2,628	77%	76%
2008-09	4,000	2,000	5,524	2,773	72%	72%
2009-10	4,000	2,000	5,926	2,968	67%	67%
2010-11	4,000	2,000	6,358	3,211	63%	62%
Compound						
Average	4.9%	4.9%	7.1%	6.6%		
Growth Rate						

Note: "Avg Tuition & Fees" is an unweighted average of resident tuition and fees for a full-time undergraduate student at Tennessee public institutions. Sources: TSAC year-end report and THEC Fiscal Affairs

- In order to keep up with tuition and fee growth, the state legislature increased the maximum award amount every year until 2007-08 (**Table 5**). Currently, the award amount for the HOPE scholarship is \$4,000 for 4-year institutions and \$2,000 for 2-year institutions. In 2010-11, the scholarship covered 63 percent of the average tuition and fees at public 4-year, and 62 percent at 2-year institutions.
- The purchasing power of the HOPE scholarship, defined as the percent of the HOPE maximum award amount relative to average annual tuition and fees, increased during the early years of the program, from 71 percent in 2004-05 to 78 percent in 2006-07 at public 4-year institutions. In subsequent years, however, the percentage continuously declined and currently rests at 63 percent. Public 2-year institutions have followed a similar trend.
- Over time, growth in the HOPE scholarship has been outpaced by tuition and fee increases. Since 2004, the maximum HOPE award increased by an annual average of 4.9 percent, whereas tuition and fees at public 4-year institutions grew by 7.1 percent on an annual basis. Public 2-year institutions also have increased tuition and fees at a higher pace than the HOPE scholarship.

Table 6
Distribution of Scholarship Recipients and Dollars
by System, 2008-09 and 2009-10

		Stud	ents	Alloca	ations
		Number	Percent	Dollars	Percent
	UT System	19,365	22%	\$74,973,576	29%
	TBR 4-Year	24,309	27%	\$95,727,154	37%
60	TBR 2-Year	19,393	22%	\$24,989,454	10%
-80	Independents	13,012	15%	\$49,808,943	19%
2008	Technology Centers	13,017	15%	\$13,892,296	5%
``	Private/Business	138	<1%	\$521,969	<1%
	Total	89,234	100%	259,913,392	100%
	UT System	20,179	21%	\$78,935,265	28%
	TBR 4-Year	26,296	27%	\$104,232,750	37%
10	TBR 2-Year	21,842	22%	\$28,664,201	10%
-6(Independents	14,563	15%	\$54,780,681	19%
2009	Technology Centers	15,018	15%	\$16,543,048	6%
	Private/Business	181	<1%	\$709,620	<1%
	Total	98,079	100%	283,865,565	100%

Note: Students might have enrolled in more than one system over the course of the year.

Source: TSAC year-end report

- In 2009-10, colleges and universities in the Tennessee Board of Regents (TBR) system had the largest share of scholarship recipients at 64 percent, with 27 percent attending TBR universities, 22 percent attending community colleges, and 15 percent attending Tennessee Technology Centers (TTC). Students attending University of Tennessee (UT) campuses represented 21 percent of all scholarship recipients (**Table 6**).
- The TELS program awards students attending private institutions as well. In 2009-10, more than 14,500 recipients, or 15 percent of all awardees, attended private non-profit institutions that are members of the Tennessee Independent Colleges and Universities Association (TICUA).
- Students attending for-profit private institutions are also eligible for the lottery scholarship, as long as their institutions are regionally accredited and domiciled in Tennessee. In 2009-10, 181 students enrolled in such forprofit institutions on TELS.
- Each higher education sector's share of TELS students has remained consistent for the most recent two years.

Table 7
Distribution of Scholarship Recipients within Each Postsecondary Sector by Major Award Type, Fall 2010

				Stu	ident Headco	unt	
			HOPE	GAMS	ASPIRE	ACCESS	Total
ıer	ıt	TBR Universities	5,944	290	2,437	90	8,761
hπ	ent	TBR Community Colleges	3,283	20	1,698	99	5,100
Freshmer	Student Headcount	UT Campuses	4,252	639	1,546	17	6,454
	Str lea	TICUA Institutions	2,515	343	1,174	32	4,064
TELS	H	Total	15,994	1,292	6,855	238	24,379
		TBR Universities	68%	3%	28%	1%	100%
First-time	int	TBR Community Colleges	64%	0%	33%	2%	100%
t-ti	Percent	UT Campuses	66%	10%	24%	0%	100%
irst	Pe	TICUA Institutions	62%	8%	29%	1%	100%
民		Total	66%	5%	28%	1%	100%
	i	TBR Universities	17,797	1,131	5,806	94	24,828
ts	Student Headcount	TBR Community Colleges	7,294	53	3,250	117	10,714
ien	ndo de	UT Campuses	12,185	2,524	4,014	19	18,742
idi	Stı [ea	TICUA Institutions	7,223	1,660	2,971	37	11,891
Recipients	H	Total	44,499	5,368	16,041	267	66,175
		TBR Universities	72%	5%	23%	0%	100%
TELS	int	TBR Community Colleges	68%	0%	30%	1%	100%
All T	Percent	UT Campuses	65%	13%	21%	0%	100%
A	Pe	TICUA Institutions	61%	14%	25%	0%	100%
		Total	67%	8%	24%	0%	100%

Note: Students might have enrolled in more than one system in the same fall term. Source: Tennessee Higher Education Commission (THEC) Student Information System (SIS)

- HOPE recipients had the highest representation among the major four scholarship programs for both first-time TELS freshmen and all recipients, 66 percent and 67 percent, respectively (**Table 7**).
- GAMS recipients composed 5 percent of first-time TELS freshmen and 8
 percent of overall recipients. Among the sectors, UT had the highest percentage of GAMS freshmen, accounting for 10 percent of UT freshman recipients, twice as high as the state average. In contrast, few GAMS freshman were community college students, less than 1 percent of TELS freshmen in this sector.
- The ASPIRE program was the second largest program in all sectors. TBR community colleges had the highest share of ASPIRE recipients, with 33 percent of TELS freshmen and 30 percent of overall TELS students receiving the ASPIRE award.

Table 8
TELS Freshmen as a Percent of All First-time Freshmen, by System, Fall 2004 through Fall 2010

		Fall 2004			Fall 2005	
System	On TELS	FTF*	%	On TELS	FTF*	%
TBR Universities	7,454	9,164	81%	7,093	9,304	76%
TBR Community Colleges	4,508	10,662	42%	3,966	10,782	37%
UT Campuses	5,383	6,032	89%	5,436	6,271	87%
TN Public Higher Ed Total	17,345	25,858	67%	16,495	26,357	63%
		Fall 2006			Fall 2007	
System	On TELS	FTF*	%	On TELS	FTF*	%
TBR Universities	7,680	9,702	79%	8,055	10,322	78%
TBR Community Colleges	4,892	11,443	43%	5,261	12,119	43%
UT Campuses	5,605	6,498	86%	6,002	6,749	89%
TN Public Higher Ed Total	18,177	27,643	66%	19,318	29,190	66%
		Fall 2008			Fall 2009	
System	On TELS	Fall 2008 FTF*	%	On TELS	Fall 2009 FTF*	%
System TBR Universities	On TELS 8,182		% 80%	On TELS		% 81%
· ·		FTF*		On TELS 8,737	FTF*	
TBR Universities	8,182	FTF* 10,179 12,693	80%	On TELS 8,737 5,613	FTF* 10,841 14,051	81%
TBR Universities TBR Community Colleges	8,182 5,081	FTF* 10,179 12,693	80% 40%	On TELS 8,737 5,613	FTF* 10,841 14,051	81% 40%
TBR Universities TBR Community Colleges UT Campuses	8,182 5,081 6,350	FTF* 10,179 12,693 6,872	80% 40% 92%	On TELS 8,737 5,613 6,178	FTF* 10,841 14,051 6,669	81% 40% 93%
TBR Universities TBR Community Colleges UT Campuses	8,182 5,081 6,350	FTF* 10,179 12,693 6,872 29,744	80% 40% 92%	On TELS 8,737 5,613 6,178	FTF* 10,841 14,051 6,669	81% 40% 93%
TBR Universities TBR Community Colleges UT Campuses TN Public Higher Ed Total	8,182 5,081 6,350 19,613	FTF* 10,179 12,693 6,872 29,744 Fall 2010	80% 40% 92% 66%	On TELS 8,737 5,613 6,178	FTF* 10,841 14,051 6,669	81% 40% 93%
TBR Universities TBR Community Colleges UT Campuses TN Public Higher Ed Total System	8,182 5,081 6,350 19,613 On TELS	FTF* 10,179 12,693 6,872 29,744 Fall 2010 FTF*	80% 40% 92% 66%	On TELS 8,737 5,613 6,178	FTF* 10,841 14,051 6,669	81% 40% 93%
TBR Universities TBR Community Colleges UT Campuses TN Public Higher Ed Total System TBR Universities	8,182 5,081 6,350 19,613 On TELS 8,761	FTF* 10,179 12,693 6,872 29,744 Fall 2010 FTF* 11,048	80% 40% 92% 66% % 79%	On TELS 8,737 5,613 6,178	FTF* 10,841 14,051 6,669	81% 40% 93%

^{*} FTF = First-time Freshmen. Limited to Tennessee resident first-time freshmen who were 19 or younger; public institutions only. TELS includes HOPE, GAMS, ASPIRE, and Access awards only. Source: THEC SIS

- Sixty-six percent of state resident, traditional aged first-time freshmen attending Tennessee public institutions received a lottery scholarship in Fall 2010 (**Table 8**). The percentage of TELS freshmen relative to overall freshmen has remained fairly constant over time.
- By sector, the percentage of TELS freshmen was higher at 4-year universities than at community colleges, 93 percent of freshmen at UT and 79 percent at TBR Universities compared to 40 percent at community colleges.

Table 9
Lottery Scholarship Receipt by Postsecondary Sector,
Fall 2004 through Fall 2010

TELS First-time Freshmen

		2004	2005	2006	2007	2008	2009	2010
	Public 4-year	12,836	12,529	13,285	14,057	14,532	14,914	15,215
Enrollment	Public 2-year	4,508	3,966	4,892	5,261	5,081	5,613	5,099
Emonnent	TICUA	3,109	3,312	3,538	3,469	3,946	4,131	4,064
	Total	20,453	19,807	21,715	22,787	23,559	24,658	24,378
	Public 4-year	63%	63%	61%	62%	62%	60%	62%
Enrollment	Public 2-year	22%	20%	23%	23%	22%	23%	21%
Share	TICUA	15%	17%	16%	15%	17%	17%	17%
	Total	100%	100%	100%	100%	100%	100%	100%
1 *****	Public 4-year		-2%	6%	6%	3%	3%	2%
1-year	Public 2-year		-12%	23%	8%	-3%	10%	-9%
Growth	TICUA		7%	7%	-2%	14%	5%	-2%
Rate	Total		-3%	10%	5%	3%	5%	-1%

TELS All Recipients

		2004	2005	2006	2007	2008	2009	2010
	Public 4-year	18,714	24,372	31,093	34,744	39,050	41,588	43,570
Emmoline on t	Public 2-year	6,251	6,500	7,983	8,814	8,595	10,201	10,713
Enrollment	TICUA	5,156	6,657	8,743	8,640	10,618	11,379	11,891
	Total	30,121	37,529	47,819	52,198	58,263	63,168	66,174
	Public 4-year	62%	65%	65%	67%	67%	66%	66%
Enrollment	Public 2-year	21%	17%	17%	17%	15%	16%	16%
Share	TICUA	17%	18%	18%	17%	18%	18%	18%
	Total	100%	100%	100%	100%	100%	100%	100%
1 *****	Public 4-year		30%	28%	12%	12%	6%	5%
1-year	Public 2-year		4%	23%	10%	-2%	19%	5%
Growth	TICUA		29%	31%	-1%	23%	7%	4%
Rate	Total		25%	27%	9%	12%	8%	5%

Notes: Students might have enrolled in more than one system over the course of the year. Data are inclusive of HOPE, GAMS, ASPIRE, and Access recipients. Source: THEC SIS

- Since the inception of the scholarship program, the distribution of TELS freshmen by postsecondary sector has remained relatively consistent. In 2010, the share of first-time TELS freshmen at public 4-year institutions was 62 percent, as compared to 21 percent at public 2-year institutions and 17 percent at independent institutions (**Table 9**).
- The distribution of overall TELS recipients has shifted slightly toward public 4-year institutions over time. In 2004, 62 percent of TELS recipients attended public 4-year institutions. Their share increased gradually in subsequent years, peaking at 67 percent in 2010. The inverse is true of recipients at public 2-year institutions, whose share declined from 21 percent to 16 percent between 2004 and 2010.

Table 10
Lottery Scholarship Receipt by Gender and Race/Ethnicity, Fall
2004 through Fall 2010

		2004	2005	2006	2007	2008	2009	2010
First-time Freshmen on	Female	56%	58%	57%	56%	56%	57%	56%
TELS	Male	44%	42%	43%	44%	44%	43%	44%
All TELC Designate	Female	58%	60%	60%	59%	59%	59%	59%
All TELS Recipients	Male	42%	40%	40%	41%	41%	41%	41%
First-time Freshmen on	African American	12%	10%	11%	12%	12%	12%	13%
	Caucasian	84%	86%	85%	83%	84%	83%	80%
TELS	Others	4%	4%	4%	6%	4%	5%	6%
	African American	11%	9%	9%	9%	9%	10%	10%
All TELS Recipients	Caucasian	85%	87%	87%	86%	86%	85%	84%
_	Others*	4%	4%	4%	5%	4%	5%	5%

^{*} Includes Native American, Asian, Hispanic, and students of multiple races. Students whose ethnicity is unknown are excluded. Data are inclusive of HOPE, GAMS, ASPIRE, and Access. Source: THEC SIS

Scholarship Recipients by Gender

• In Fall 2010, female recipients constituted 56 percent of first-time freshmen and 59 percent of all recipients, which aligns with female representation in Tennessee's college population at large (**Table 10**).

Scholarship Recipients by Race/Ethnicity

- The racial composition of scholarship recipients also has remained stable over the years. Caucasian students consistently composed the majority group, with their share ranging between 80 and 86 percent of first-time TELS freshmen and 84-87 percent of all recipients. African American students form the second largest group among TELS recipients, representing 13 percent of first-time freshmen in Fall 2010, a one percentage-point increase from the previous year.
- Native American, Asian, Hispanic and students of multiple races accounted for between 4-5 percent of first-time freshmen and all recipients over the life of the program.

Table 11
Lottery Scholarship Receipt by Family Adjusted Gross Income (AGI), Fall 2004 through Fall 2010

reshmen	Adjusted Gross Income (AGI)	2004	2005	2006	2007	2008	2009	2010
- ihi	\$12,000 or less	7%	6%	6%	6%	6%	7%	8%
l ë	12,001-24,000	10%	9%	9%	9%	9%	9%	11%
Ē	24,001-36,000	11%	10%	11%	10%	10%	11%	11%
	36,001-48,000	11%	10%	9%	9%	9%	9%	9%
TELS	48,001-60,000	11%	11%	10%	10%	10%	9%	9%
-	60,001-72,000	11%	10%	10%	10%	10%	9%	9%
ii	72,001-84,000	10%	10%	10%	9%	10%	9%	8%
- -	84,001-96,000	8%	8%	8%	8%	8%	8%	7%
First-time	above \$96,000	22%	25%	26%	28%	29%	30%	28%
臣	Total	100%	100%	100%	100%	100%	100%	100%
Recipients	Adjusted Gross Income (AGI)	2004	2005	2006	2007	2008	2009	2010
ieı	\$12,000 or less	6%	6%	6%	6%	6%	7%	8%
ip	12,001-24,000	9%	8%	8%	8%	8%	8%	10%
Sec	24,001-36,000	10%	10%	10%	9%	9%	9%	10%
	36,001-48,000	11%	10%	9%	9%	8%	8%	9%
TELS	48,001-60,000	11%	11%	10%	9%	9%	8%	9%
TE	60,001-72,000	11%	10%	10%	10%	9%	9%	9%
1	72,001-84,000	10%	10%	10%	9%	9%	9%	8%
era	84,001-96,000	8%	9%	9%	9%	8%	8%	8%
Overall	above \$96,000	23%	26%	29%	32%	33%	34%	31%
	Total	100%	100%	100%	100%	100%	100%	100%

Source: TSAC Free Application for Federal Student Aid (FAFSA) Data File

- Students from families that meet the ASPIRE or Access income criterion (i.e. AGI \$36,000 or less) accounted for 30 percent of first-time TELS freshmen in Fall 2010 (**Table 11**).
- The share of TELS freshmen from families in the highest income bracket increased by 8 percentage points between 2004 and 2009, from 22 percent to 30 percent, then declined by 2 percentage points, to 28 percent in 2010.
- The proportion of overall TELS recipients with an AGI of \$96,000 or more has remained higher as compared to TELS freshmen in the same income bracket. This result indicates higher scholarship renewal rates for high income students compared to low-to-mid income students.

Table 12
Median Family Adjusted Gross Income of TELS Firsttime Freshmen, Fall 2004 through Fall 2010

	Sector	2004	2005	2006	2007	2008	2009	2010
s	TBR Universities	\$ 58,625	\$ 61,220	\$ 62,472	\$ 65,547	\$ 65,000	\$ 62,659	\$ 57,740
ren	TBR Community Colleges	\$ 50,102	\$ 51,930	\$ 53,196	\$ 53,685	\$ 56,801	\$ 56,886	\$ 53,770
Current Dollars	UT Campuses	\$ 72,684	\$ 76,646	\$ 77,867	\$ 80,233	\$ 83,319	\$ 82,145	\$ 79,220
	TICUA Institutions	\$ 61,250	\$ 68,345	\$ 64,951	\$ 70,357	\$ 69,618	\$ 67,775	\$ 62,643
	Total	\$ 60,000	\$ 63,719	\$ 63,739	\$ 66,254	\$ 68,084	\$ 65,994	\$ 62,581
	TBR Universities	\$ 67,674	\$ 68,353	\$ 67,571	\$ 68,934	\$ 65,831	\$ 63,686	\$ 57,740
and rs 0)	TBR Community Colleges	\$ 57,835	\$ 57,981	\$ 57,538	\$ 56,459	\$ 57,527	\$ 57,819	\$ 53,770
Constant Dollars (2010)	UT Campuses	\$ 83,903	\$ 85,577	\$ 84,223	\$ 84,378	\$ 84,384	\$ 83,492	\$ 79,220
\(\frac{1}{2} \) \(\frac{1}{2} \)	TICUA Institutions	\$ 70,704	\$ 76,308	\$ 70,253	\$ 73,992	\$ 70,508	\$ 68,886	\$ 62,643
	Total	\$ 69,261	\$ 71,143	\$ 68,942	\$ 69,678	\$ 68,955	\$ 67,076	\$ 62,581

	Scholarship Type	2004	2005	2006	2007	2008	2009	2010
s st	HOPE	\$ 74,947	\$ 77,725	\$ 78,281	\$ 81,044	\$ 81,240	\$ 81,606	\$ 79,886
rent lars	GAMS	\$ 77,952	\$ 88,269	\$ 94,191	\$ 98,367	\$ 100,800	\$ 100,593	\$ 99,000
ur	ASPIRE	\$ 20,661	\$ 21,297	\$ 21,191	\$ 20,902	\$ 21,233	\$ 20,717	\$ 20,008
Ω O	ACCESS	\$ 21,852	\$ 21,658	\$ 21,040	\$ 19,618	\$ 19,759	\$ 20,238	\$ 19,053
	Total	\$ 60,000	\$ 63,719	\$ 63,739	\$ 66,254	\$ 68,084	\$ 65,994	\$ 62,581
4	HOPE	\$ 86,515	\$ 86,781	\$ 84,671	\$ 85,232	\$ 82,279	\$ 82,945	\$ 79,886
	GAMS	\$ 89,984	\$ 98,554	\$ 101,879	\$ 103,450	\$ 102,089	\$ 102,243	\$ 99,000
nst olla 01	ASPIRE	\$ 23,850	\$ 23,778	\$ 22,920	\$ 21,982	\$ 21,504	\$ 21,057	\$ 20,008
Consta Dolla (2010	ACCESS	\$ 25,224	\$ 24,181	\$ 22,757	\$ 20,632	\$ 20,012	\$ 20,569	\$ 19,053
	Total	\$ 69,261	\$ 71,143	\$ 68,942	\$ 69,678	\$ 68,955	\$ 67,076	\$ 62,581

Note: Dollars are adjusted for inflation using CPI for all urban consumers.

Sources: THEC SIS, TSAC FAFSA Data File, and US Department of Labor Bureau of Labor Statistics (BLS).

- In 2010 constant dollars, the median family AGI of TELS freshmen continuously declined every year since 2007, when it reached a peak of \$69,678. The longitudinal pattern of median family AGI reflects the general economic trend of the country (**Table 12**).
- In Fall 2010, TELS recipients at UT campuses had the highest median family AGI of all sectors at \$79,220. The second highest median income was \$62,643 at independent institutions, followed by TBR universities at \$57,740, and community colleges at \$53,770.
- Each scholarship program attracted a different type of student by income level. In Fall 2010, many GAMS recipients were from affluent families, with the median AGI of \$99,000. The HOPE award has been distributed primarily to mid-to-high income recipients, with a median income of \$79,886. ASPIRE and Access, both of which are designed to award low-income students, had median family incomes of \$20,008 and \$19,053, respectively.

Table 13

Median Family Adjusted Gross Income of TELS First-time Freshmen by Race/Ethnicity, Fall 2004 through Fall 2010

	Race/Ethnicity	2004	2005	2006	2007	2008	2009	2010
	African American	\$ 34,141	\$ 36,533	\$ 34,016	\$ 33,247	\$ 35,217	\$ 33,106	\$ 32,753
S.	Asian	\$ 48,545	\$ 52,890	\$ 57,119	\$ 59,946	\$ 52,875	\$ 44,725	\$ 46,500
la ₁	Caucasian	\$ 63,415	\$ 67,204	\$ 67,727	\$ 71,233	\$ 72,637	\$ 71,500	\$ 68,339
00]	Hispanic	\$ 46,920	\$ 52,102	\$ 56,113	\$ 54,605	\$ 58,293	\$ 51,600	\$ 47,443
l It	Native American	\$ 46,448	\$ 52,700	\$ 39,667	\$ 47,355	\$ 47,858	\$ 57,202	\$ 55,910
Current Dollars	Total	\$ 60,000	\$ 63,719	\$ 63,739	\$ 66,254	\$ 68,084	\$ 65,994	\$ 62,581
, dr	Difference between the							
	highest and the lowest	\$ 29,274	\$ 30,672	\$ 33,711	\$ 37,986	\$ 37,420	\$ 38,394	\$ 35,587
	medians							
	African American	\$ 39,410	\$ 40,789	\$ 36,793	\$ 34,965	\$ 35,667	\$ 33,649	\$ 32,753
L S	Asian	\$ 56,038	\$ 59,053	\$ 61,781	\$ 63,044	\$ 53,551	\$ 45,459	\$ 46,500
ollars	Caucasian	\$ 73,202	\$ 75,034	\$ 73,255	\$ 74,913	\$ 73,565	\$ 72,673	\$ 68,339
0 D	Hispanic	\$ 54,162	\$ 58,173	\$ 60,693	\$ 57,426	\$ 59,038	\$ 52,446	\$ 47,443
ant (201	Native American	\$ 53,617	\$ 58,841	\$ 42,905	\$ 49,802	\$ 48,469	\$ 58,140	\$ 55,910
sta (2	Total	\$ 69,261	\$ 71,143	\$ 68,942	\$ 69,678	\$ 68,955	\$ 67,076	\$ 62,581
Constant (201	Difference between the							
ŭ	highest and the lowest	\$ 33,792	\$ 34,245	\$ 36,462	\$ 39,948	\$ 37,898	\$ 39,024	\$ 35,587
	medians							

Note: Dollars are adjusted for inflation using CPI for all urban consumers.

Sources: THEC SIS, TSAC FAFSA Data File, BLS.

- The median AGI varies widely across racial/ethnic groups. In Fall 2010, Caucasian recipients had the highest median AGI of all groups at \$68,339, more than double the amount of the median income of African American recipients, which was \$32,753 (**Table 13**).
- In the same fall term, Native American recipients, though composing the smallest percentage of recipients, had the second highest median income at \$55,910. Hispanic students followed as the third highest at \$47,443, and Asian students as the fourth at \$46,500. However, the median family AGI of Native American students was not consistently high across the years, moving up and down in ranking.

Table 14
HOPE and ASPIRE Receipt by Initial Qualification Standards Met and Postsecondary Sector, Fall 2010 TELS First-time Freshmen

q	Sector	Both GPA and ACT	GPA Only	ACT Only	Total
and RE	TBR Universities	53%	30%	17%	100%
	TBR Community Colleges	38%	45%	17%	100%
HOPE ASPI	UT Campuses	67%	15%	18%	100%
Т	TICUA Institutions	72%	19%	9%	100%
	Total	56%	28%	16%	100%
	Sector	Both GPA and ACT	GPA Only	ACT Only	Total
E ह्	TBR Universities	56%	26%	18%	100%
HOPE	TBR Community Colleges	40%	43%	17%	100%
H	UT Campuses	69%	13%	18%	100%
	TICUA Institutions	75%	16%	9%	100%
	Total	59%	24%	16%	100%
	Sector	Both GPA and ACT	GPA Only	ACT Only	Total
Æ	TBR Universities	43%	41%	16%	100%
ASPIRE	TBR Community Colleges	34%	49%	17%	100%
AS	UT Campuses	60%	21%	20%	100%
	TICUA Institutions	65%	25%	9%	100%
	Total	48%	36%	16%	100%

Note: Table excludes students with missing ACT or High School GPA data.

Source: THEC SIS

- Under current rules, students can receive a lottery scholarship by either attaining a composite ACT score of at least 21 or a final overall high school grade point average of at least 3.0. In Fall 2010, 56 percent of first-time TELS freshmen satisfied both academic criteria. An additional 28 percent qualified solely on the basis of ACT, and the remaining 16 percent met the GPA requirement alone (**Table 14**).
- HOPE recipients had a higher percentage of students meeting both academic requirements (59 percent) compared to ASPIRE recipients (48 percent).
- The percentage of TELS freshmen meeting both academic criteria was highest at TICUA institutions with 72 percent, as compared to 67 percent at UT campuses, 53 percent at TBR universities, and 38 percent at TBR community colleges.

Table 15 HOPE and ASPIRE Receipt by Initial Qualification Standards Met and Selected Demographics, Fall 2010 TELS First-time Freshmen

	Standard Met	HOPE	ASPIRE	Both
	GPA and ACT	59%	48%	56%
Overall TELS	GPA Only	24%	36%	28%
Freshmen	ACT Only	16%	16%	16%
	Total	100%	100%	100%
	GPA and ACT	58%	49%	55%
Male	GPA Only	20%	28%	22%
Male	ACT Only	22%	23%	23%
	Total	100%	100%	100%
	GPA and ACT	61%	48%	57%
Female	GPA Only	28%	41%	32%
remale	ACT Only	11%	11%	11%
	Total	100%	100%	100%
	GPA and ACT	62%	56%	60%
Caucasian	GPA Only	22%	28%	24%
Caucasian	ACT Only	16%	16%	16%
	Total	100%	100%	100%
	GPA and ACT	60%	54%	58%
Caucasian Male	GPA Only	19%	22%	20%
Caucasian Maie	ACT Only	22%	24%	22%
	Total	100%	100%	100%
	GPA and ACT	63%	57%	62%
Caucasian	GPA Only	25%	32%	27%
Female	ACT Only	11%	11%	11%
	Total	100%	100%	100%
	GPA and ACT	40%	29%	34%
African	GPA Only	42%	57%	50%
American	ACT Only	18%	13%	15%
	Total	100%	100%	100%
	GPA and ACT	39%	30%	35%
African	GPA Only	33%	48%	40%
American Male	ACT Only	28%	22%	25%
	Total	100%	100%	100%
African	GPA and ACT	40%	29%	34%
American	GPA Only	48%	61%	56%
Female	ACT Only	12%	10%	11%
remate	Total	100%	100%	100%

Note: Table excludes students with missing ACT or High School GPA data.

Source: THEC SIS

Both HOPE and ASPIRE Recipients

- When combining HOPE and ASPIRE populations, 56 percent met both ACT and High School GPA criteria in qualifying for the scholarship.
- While Caucasian students were more likely to meet both criteria than were African American students (60 percent compared to 34 percent), African Americans were much more likely to qualify solely on the basis of high school GPA alone (50 percent to 24 percent). Caucasian and African American students were similar in their likelihood to qualify by meeting only the ACT standard (**Table 15**).
- Among students who qualified by meeting only one standard as opposed to both, females were more likely to qualify on the basis of high school GPA standard, while males were more likely to qualify on the basis of an ACT composite score.

HOPE Recipients

- Among HOPE recipients, 59 percent met both ACT and High School GPA standards in qualifying for the scholarship. One-fourths qualified on the basis of High School GPA alone; it was unlikely for students to qualify by meeting the ACT standard alone.
- The percentage of Caucasian recipients who met both criteria exceeded the percentage of African American recipients meeting both criteria by 22 points (62 percent compared to 40 percent). Conversely, 42 percent of African American recipients qualified for HOPE by meeting the high school GPA requirement alone, compared to 22 percent of Caucasians.

ASPIRE Recipients

- Among ASPIRE recipients, 48 percent met both ACT and High School GPA standards in qualifying for the scholarship.
- The percentage of Caucasian recipients who met both criteria exceeded the percentage of African American recipients meeting both criteria (56 percent compared to 29 percent). Alternatively, African American recipients were more than twice as likely as Caucasians to have qualified by meeting the high school GPA requirement only (57 percent to 28 percent).

Table 16
Percent of TELS First-time Freshmen who Took at Least One Remedial/Developmental Course, Fall 2004 through Fall 2010

	Sector	2004	2005	2006	2007	2008	2009	2010
en	TBR Universities	7,454	7,093	7,680	8,055	8,182	8,737	8,761
TELS	TBR Community Colleges	4,508	3,966	4,892	5,261	5,081	5,613	5,099
	UT Campuses	5,383	5,436	5,605	6,002	6,350	6,178	6,454
F ₁	Total	17,345	16,495	18,177	19,318	19,613	20,528	20,314
&D es	TBR Universities	2,164	1,638	1,302	1,011	1,052	1,010	1,137
rs Kg	TBR Community Colleges	2,259	1,735	2,133	2,159	2,103	2,288	2,344
with	UT Campuses	638	554	574	669	833	810	773
₩ 0	Total	5,061	3,927	4,009	3,839	3,988	4,108	4,254
	TBR Universities	29.0%	23.1%	17.0%	12.6%	12.9%	11.6%	13.0%
\ 0	TBR Community Colleges	50.1%	43.7%	43.6%	41.0%	41.4%	40.8%	46.0%
%	UT Campuses	11.9%	10.2%	10.2%	11.1%	13.1%	13.1%	12.0%
	Total	29.2%	23.8%	22.1%	19.9%	20.3%	20.0%	20.9%

	Scholarship Type	2004	2005	2006	2007	2008	2009	2010
_	HOPE	11,594	11,183	12,071	13,148	13,542	13,861	13,479
S	GAMS	717	764	826	913	1,054	1,026	949
TELS Freshmen	ASPIRE	4,930	4,303	4,949	4,934	4,623	5,444	5,681
Fre	Access	100	242	331	320	393	196	206
	Total	17,341	16,492	18,177	19,315	19,612	20,527	20,315
	HOPE	3,023	2,387	2,298	2,339	2,476	2,581	2,617
R&D rses	GAMS	1	1	-	1	1	2	-
h R urs	ASPIRE	1,963	1,389	1,517	1,318	1,288	1,424	1,521
with R&D Courses	Access	74	149	194	181	223	101	116
	Total	5,061	3,926	4,009	3,839	3,988	4,108	4,254
	HOPE	26.1%	21.3%	19.0%	17.8%	18.3%	18.6%	19.4%
	GAMS	0.1%	0.1%	0.0%	0.1%	0.1%	0.2%	0.0%
%	ASPIRE	39.8%	32.3%	30.7%	26.7%	27.9%	26.2%	26.8%
	Access	74.0%	61.6%	58.6%	56.6%	56.7%	51.5%	56.3%
	Total	29.2%	23.8%	22.1%	19.9%	20.3%	20.0%	20.9%

Note: Public Institutions Only. Some students attended more than one institution simultaneously as first-time freshmen, which explains the discrepancy in the total enrollment counts between the first and second parts of the table. Source: THEC SIS

• In Fall 2010, 20.9 percent of first-time TELS freshmen at public institutions took at least one remedial/developmental course (**Table 16**). By sector, TBR community colleges had the highest percentage of TELS recipients with remedial/developmental credits at 46.0 percent, compared to 13.0 percent at TBR universities and 12.0 percent at UT campuses. Over time, the state average percentage of remedial/developmental course-takers on TELS declined from 29.2 percent to 19.9 percent for Fall 2004 through Fall 2007. The average gradually rose again in subsequent years, resting at 20.9 percent as of Fall 2010.

Table 17
Average Credit Hours Attempted by TELS Recipients by Level and Scholarship Type, Fall 2010

System	Freshman	Sophomore	Junior	Senior	5th Year	Total
TBR Universities	14.4	14.7	14.6	14.6	13.6	14.5
TBR Community Colleges	13.0	13.6	13.1	13.8	13.8	13.2
UT Campuses	14.9	14.9	14.8	14.8	13.9	14.8
Public Total	14.2	14.5	14.4	14.6	13.8	14.3

System	Freshman	Sophomore	Junior	Senior	5th Year	Total
HOPE	14.3	14.5	14.4	14.6	13.7	14.4
GAMS	15.1	15.4	14.9	14.8	14.3	15.0
ASPIRE	14.0	14.3	14.1	14.3	13.7	14.1
Access	13.3	14.1	13.7	13.6	12.8	13.5
Public Total	14.2	14.5	14.4	14.6	13.8	14.3
	_	<u> </u>	<u> </u>		_	_

Notes: The figures in the table reflect public institutions only. Average credit hours are the sum of credit hours attempted in the fall term divided by the number of students in that term. Non-lottery students include Tennessee resident students whose age was 19 or less at the college entry. Student level is determined by the length of years since the first year of enrollment. Source: THEC SIS

12.8

12.6

12.7

12.4

12.6

12.3

Non-Lottery Students

- In Fall 2010, the average credit hours attempted by overall lottery recipients were 14.3. By student level, all but 5th-year students had average credit hours exceeding 14, with the senior recipients attempting the highest average credit hours at 14.6 (**Table 17**).
- TELS recipients at 4-year institutions attempted higher credit hours than community college students. TELS recipients at UT campuses and TBR universities had average attempted credit hours of 14.8 and 14.5, respectively, compared to 13.2 at TBR community colleges.
- By scholarship type, GAMS recipients had the highest average attempted credit hours at 15.0, followed by HOPE recipients at 14.4 and ASPIRE at 14.1. Access recipients had the lowest average credit hours of 13.5. This implies that academically high-achieving students tend to attempt more credit hours than their peers who are academically less achieving.
- TELS recipients attempted more credit hours than non-TELS students at all student levels. The overall average credit hours for non-TELS student was 12.6, 1.7 credit hours fewer than the state average for TELS recipients.

Table 18
Percentage of Part-time TELS Recipients by Student Level and Scholarship Type, Fall 2010

	Sector	Freshmen	Sophomores	Juniors	Seniors	5th Year	Total
	TBR Universities	8,761	4,541	3,722	3,018	1,371	21,413
TELS	TBR Community Colleges	5,099	2,412	1,562	859	484	10,416
Recipients	UT Campuses	6,454	3,794	3,526	2,766	1,021	17,561
	Public Total	20,314	10,747	8,810	6,643	2,876	49,390
Dant time	TBR Universities	99	34	50	54	62	299
Part-time TELS	TBR Community Colleges	318	156	176	85	36	771
Recipients	UT Campuses	18	34	51	40	43	186
Recipients	Public Total	435	224	277	179	141	1,256
	TBR Universities	1.1%	0.7%	1.3%	1.8%	4.6%	1.4%
Part time %	TBR Community Colleges	6.2%	6.1%	11.0%	10.1%	7.5%	7.3%
Part-time %	UT Campuses	0.3%	0.9%	1.5%	1.4%	4.2%	1.1%
	Public Total	2.1%	2.0%	3.1%	2.7%	4.9%	2.5%

	Scholarship Type	Freshmen	Sophomores	Juniors	Seniors	5th Year	Total
	HOPE	13,479	7,337	6,144	4,661	1,974	33,595
TEL O	GAMS	949	940	910	717	231	3,747
TELS Recipients	ASPIRE	5,681	2,429	1,697	1,248	659	11,714
Recipients	Access	206	40	59	16	12	333
	Public Total	20,315	10,746	8,810	6,642	2,876	49,389
	HOPE	263	158	182	132	105	840
Part-time	GAMS	1	7	16	9	5	38
TELS	ASPIRE	158	58	74	36	31	357
Recipients	Access	13	1	5	2	-	21
	Public Total	435	224	277	179	141	1256
	HOPE	1.9%	2.0%	2.9%	2.8%	5.3%	2.5%
	GAMS	0.1%	0.7%	1.8%	1.3%	2.2%	1.0%
Part-time %	ASPIRE	2.7%	2.2%	4.1%	2.8%	4.7%	3.0%
	Access	6.3%	2.6%	8.8%	12.5%	0.0%	6.4%
	Public Total	2.1%	2.0%	3.1%	2.7%	4.9%	2.5%

Notes: Public institutions only. A percentage figure represents the number of part-time recipients relative to the sum of all recipients in each student level and sector (or scholarship type). Students were grouped by higher education sector and scholarship type at the entry of college. Student level is determined by the length of years since the first year of enrollment. Source: THEC SIS

• Almost universally, TELS recipients attend college full-time. In Fall 2010, the overall percentage of part-time TELS recipients was 2.5 percent. TELS freshmen and sophomores had a slightly lower percentage of part-time students than the overall average at 2.1 and 2.0 percent (**Table 18**).

Table 19
Percent of TELS First-time Freshmen Eligible for Pell Grants,
Fall 2004 through Fall 2010

A11		Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009	Fall 2010
t- ت	TBR Universities	7,454	7,093	7,680	8,055	8,182	8,737	8,761
irst- e nen	TBR Community Colleges	4,508	3,966	4,892	5,261	5,081	5,613	5,099
LS Fir time eshm	UT Campuses	5,383	5,436	5,605	6,002	6,350	6,178	6,454
TELS tir Fresh	TICUA Institutions	3,109	3,312	3,538	3,469	3,946	4,131	4,064
Ţ	Total	20,454	19,807	21,715	22,787	23,559	24,659	24,378
le	TBR Universities	2,379	2,068	2,345	2,607	2,686	3,555	4,220
Eligible	TBR Community Colleges	1,724	1,398	1,781	1,938	1,838	2,420	2,674
Eli	UT Campuses	1,344	1,202	1,295	1,522	1,485	1,899	2,248
Pell	TICUA Institutions	959	847	1,063	1,062	1,309	1,623	1,832
Ğ	Total	6,406	5,515	6,484	7,129	7,318	9,497	10,974
<u>e</u>	TBR Universities	31.9%	29.2%	30.5%	32.4%	32.8%	40.7%	48.2%
gib	TBR Community Colleges	38.2%	35.2%	36.4%	36.8%	36.2%	43.1%	52.4%
Elig %	UT Campuses	25.0%	22.1%	23.1%	25.4%	23.4%	30.7%	34.8%
	TICUA Institutions	30.8%	25.6%	30.0%	30.6%	33.2%	39.3%	45.1%
Ğ	Total	31.3%	27.8%	29.9%	31.3%	31.1%	38.5%	45.0%

Caucasi	ian	Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009	Fall 2010
r, u	TBR Universities	5,695	5,587	5,922	6,144	6,099	6,484	6,084
13. e	TBR Community Colleges	4,114	3,666	4,475	4,737	4,404	4,882	4,309
S Fir time	UT Campuses	4,515	4,640	4,692	4,983	5,356	5,082	4,726
TELS tir Fresh	TICUA Institutions	1,775	2,663	2,683	1,732	3,213	3,392	3,308
Ţ	Total	16,099	16,556	17,772	17,596	19,072	19,840	18,427
le	TBR Universities	1,455	1,307	1,415	1,546	1,569	2,174	2,451
Eligible	TBR Community Colleges	1,500	1,250	1,532	1,664	1,507	1,996	2,161
Elij	UT Campuses	912	837	843	989	1,003	1,309	1,399
Pell]	TICUA Institutions	530	603	719	367	903	1,134	1,298
Pe	Total	4,397	3,997	4,509	4,566	4,982	6,613	7,309
le	TBR Universities	25.5%	23.4%	23.9%	25.2%	25.7%	33.5%	40.3%
Eligible %	TBR Community Colleges	36.5%	34.1%	34.2%	35.1%	34.2%	40.9%	50.2%
Elig %	UT Campuses	20.2%	18.0%	18.0%	19.8%	18.7%	25.8%	29.6%
Pell]	TICUA Institutions	29.9%	22.6%	26.8%	21.2%	28.1%	33.4%	39.2%
P	Total	27.3%	24.1%	25.4%	25.9%	26.1%	33.3%	39.7%

African	American	Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009	Fall 2010
t-	TBR Universities	1,273	1,061	1,231	1,331	1,354	1,457	1,603
First- ne nmen	TBR Community Colleges	200	127	217	250	242	286	249
	UT Campuses	652	562	646	722	625	660	786
1 \(\text{7} \)	TICUA Institutions	251	243	263	195	410	418	430
TE E	Total	2,376	1,993	2,357	2,498	2,631	2,821	3,068
le	TBR Universities	749	607	728	837	829	1,000	1,176
Eligible	TBR Community Colleges	133	74	152	165	158	202	195
Eli	UT Campuses	356	296	375	442	375	431	451
Pell]	TICUA Institutions	160	135	152	119	259	310	356
P	Total	1,398	1,112	1,407	1,563	1,621	1,943	2,178
<u>e</u>	TBR Universities	58.8%	57.2%	59.1%	62.9%	61.2%	68.6%	73.4%
gib	TBR Community Colleges	66.5%	58.3%	70.0%	66.0%	65.3%	70.6%	78.3%
Eligible %	UT Campuses	54.6%	52.7%	58.0%	61.2%	60.0%	65.3%	57.4%
Pell]	TICUA Institutions	63.7%	55.6%	57.8%	61.0%	63.2%	74.2%	82.8%
P	Total	58.8%	55.8%	59.7%	62.6%	61.6%	68.9%	71.0%

Notes: The figures represent Pell-eligible students, not Pell recipients. Data are inclusive of HOPE, GAMS, ASPIRE, and Access students. Sources: THEC SIS and TSAC FAFSA Data

- In Fall 2010, 45.0 percent of first-time TELS freshmen were also eligible for the federal Pell Grant. In each system, TBR community colleges had the highest percentage of Pell-eligible TELS recipients at 52.4 percent, compared to 48.2 percent at TBR universities, 34.8 percent at UT campuses, and 45.1 percent at TICUA institutions (**Table 19**).
- 71.0 percent of African American freshmen receiving the lottery scholarship were also eligible for the Pell grant, almost twice as high as the eligibility rate for Caucasian students.
- The state average percentage of Pell-eligible TELS freshmen increased from 31.3 percent to 45.0 percent from Fall 2004 to Fall 2010. Particularly, the rate has shown precipitous growth over the last two years. The sudden increase in the percentage is probably due to the recent economic recession in the country.

Table 20
Percent of TELS First-time Freshmen Receiving a Tennessee
Student Assistance Award, Fall 2004 through Fall 2010

A11		Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009	Fall 2010
it- n	TBR Universities	7,454	7,093	7,680	8,055	8,182	8,737	8,761
5 e	TBR Community Colleges	4,508	3,966	4,892	5,261	5,081	5,613	5,099
S ii d	UT Campuses	5,383	5,436	5,605	6,002	6,350	6,178	6,454
TELS t Free	TICUA Institutions	3,109	3,312	3,538	3,469	3,946	4,131	4,064
T	Total	20,454	19,807	21,715	22,787	23,559	24,659	24,378
	TBR Universities	1,100	876	925	1,366	1,421	1,415	1,093
Received	TBR Community Colleges	581	336	402	709	723	697	639
eceive	UT Campuses	694	545	643	928	882	879	715
Rec	TICUA Institutions	536	460	575	680	809	797	786
	Total	2,911	2,217	2,545	3,683	3,835	3,788	3,233
	TBR Universities	14.8%	12.4%	12.0%	17.0%	17.4%	16.2%	12.5%
%	TBR Community Colleges	12.9%	8.5%	8.2%	13.5%	14.2%	12.4%	12.5%
AA	UT Campuses	12.9%	10.0%	11.5%	15.5%	13.9%	14.2%	11.1%
Received TSAA %	TICUA Institutions	17.2%	13.9%	16.3%	19.6%	20.5%	19.3%	19.3%
	Total	14.2%	11.2%	11.7%	16.2%	16.3%	15.4%	13.3%

Caucasi	ian	Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009	Fall 2010
st- n	TBR Universities	5,695	5,587	5,922	6,144	6,099	6,484	6,084
rs e	TBR Community Colleges	4,114	3,666	4,475	4,737	4,404	4,882	4,309
S Fir time	UT Campuses	4,515	4,640	4,692	4,983	5,356	5,082	4,726
TELS t Free	TICUA Institutions	1,775	2,663	2,683	1,732	3,213	3,392	3,308
T	Total	16,099	16,556	17,772	17,596	19,072	19,840	18,427
	TBR Universities	633	502	517	735	789	792	697
zed A	TBR Community Colleges	508	303	350	611	594	572	506
SA	UT Campuses	440	353	375	548	569	561	412
Received TSAA	TICUA Institutions	289	326	391	227	554	557	555
	Total	1,870	1,484	1,633	2,121	2,506	2,482	2,170
	TBR Universities	11.1%	9.0%	8.7%	12.0%	12.9%	12.2%	11.5%
/ed	TBR Community Colleges	12.3%	8.3%	7.8%	12.9%	13.5%	11.7%	11.7%
Zeiy AA	UT Campuses	9.7%	7.6%	8.0%	11.0%	10.6%	11.0%	8.7%
Received TSAA %	TICUA Institutions	16.3%	12.2%	14.6%	13.1%	17.2%	16.4%	16.8%
	Total	11.6%	9.0%	9.2%	12.1%	13.1%	12.5%	11.8%

African	American	Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009	Fall 2010
٦ +	TBR Universities	1,273	1,061	1,231	1,331	1,354	1,457	1,603
First- ne ımen	TBR Community Colleges	200	127	217	250	242	286	249
	UT Campuses	652	562	646	722	625	660	786
J. J.	TICUA Institutions	251	243	263	195	410	418	430
TE	Total	2,376	1,993	2,357	2,498	2,631	2,821	3,068
	TBR Universities	402	321	352	530	506	499	250
Received TSAA	TBR Community Colleges	46	19	29	67	78	69	65
eceive	UT Campuses	220	159	238	326	255	248	184
Rec	TICUA Institutions	84	76	91	91	164	153	164
	Total	752	575	710	1,014	1,003	969	663
	TBR Universities	31.6%	30.3%	28.6%	39.8%	37.4%	34.2%	15.6%
ceived 3AA %	TBR Community Colleges	23.0%	5 15.0%	13.4%	26.8%	32.2%	24.1%	26.1%
Receiv	UT Campuses	33.7%	28.3%	36.8%	45.2%	40.8%	37.6%	23.4%
Rec	TICUA Institutions	33.5%	31.3%	34.6%	46.7%	40.0%	36.6%	38.1%
	Total	31.6%	28.9%	30.1%	40.6%	38.1%	34.3%	21.6%

Note: Data are inclusive of HOPE, GAMS, ASPIRE, and Access students.

Sources: THEC SIS and TSAC FAFSA Data

- Over time, the percent of TELS freshmen that have also received the Tennessee Student Assistance Award (TSAA), the state's need-based financial aid program has ranged from 11 to 17 percent. In Fall 2010, students who received both awards accounted for 13.3 percent of TELS freshmen (**Table 20**).
- TICUA institutions had a relatively higher proportion of students who received both TELS and TSAA throughout the life of the lottery scholarship. In Fall 2010, the percentage of such students at independent institutions was 19.3 percent.
- African American students tended to receive both awards simultaneously
 more than Caucasian students. In Fall 2010, 21.6 percent of African
 American TELS freshmen received TSAA, compared to 11.8 percent of their
 Caucasian counterparts. However, the percentage of African Americans
 with both awards dropped precipitously in Fall 2010, from 31.6 percent to
 21.6 percent.

Table 21
Percent of TELS First-time Freshmen with at Least One Parent with an Associate's Degree or Higher, Fall 2004 through Fall 2010

	A11	Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009	Fall 2010
r r	TBR Universities	7,317	6,938	7,456	7,823	7,957	8,511	8,567
e Le	TBR Community Colleges	4,387	3,827	4,670	4,830	4,881	5,359	4,952
H d H	UT Campuses	5,297	5,373	5,520	5,912	6,265	6,092	6,349
TELS tir Fresh	TICUA Institutions	3,027	3,215	3,427	3,316	3,844	4,009	3,953
T	Total	20,028	19,353	21,073	21,881	22,947	23,971	23,821
r s	TBR Universities	4,464	4,273	4,502	4,837	4,725	5,180	5,252
arent with ssociate's or Higher	TBR Community Colleges	2,122	1,776	2,198	2,331	2,352	2,678	2,455
	UT Campuses	3,817	3,940	4,016	4,250	4,644	4,500	4,646
Parent Associ or Hig	TICUA Institutions	2,045	2,160	2,285	2,231	2,539	2,667	2,610
Pe A	Total	12,448	12,149	13,001	13,649	14,260	15,025	14,963
s %	TBR Universities	61.0%	61.6%	60.4%	61.8%	59.4%	60.9%	61.3%
wit ate'	TBR Community Colleges	48.4%	46.4%	47.1%	48.3%	48.2%	50.0%	49.6%
arent with sssociate's r Higher %	UT Campuses	72.1%	73.3%	72.8%	71.9%	74.1%	73.9%	73.2%
Parent Associ or High	TICUA Institutions	67.6%	67.2%	66.7%	67.3%	66.1%	66.5%	66.0%
P _e A or	Total	62.2%	62.8%	61.7%	62.4%	62.1%	62.7%	62.8%

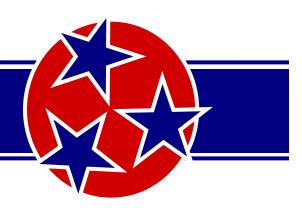
	Caucasian	Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009	Fall 2010
st- n	TBR Universities	5,609	5,483	5,777	5,992	5,961	6,359	5,989
6 5 e	TBR Community Colleges	4,017	3,547	4,292	4,364	4,250	4,695	4,208
S Fir time	UT Campuses	4,450	4,592	4,629	4,924	5,293	5,034	4,675
TEL: t Free	TICUA Institutions	1,733	2,601	2,618	1,698	3,137	3,304	3,243
T	Total	15,809	16,223	17,316	16,978	18,641	19,392	18,115
d s c	TBR Universities	3,500	3,458	3,588	3,804	3,610	3,961	3,841
ent with ociate's Higher	TBR Community Colleges	1,944	1,625	2,012	2,094	2,054	2,363	2,107
nt ocis	UT Campuses	3,267	3,446	3,473	3,648	4,025	3,802	3,505
Parent with Associate's or Higher	TICUA Institutions	1,135	1,752	1,757	1,271	2,122	2,285	2,191
A A	Total	9,846	10,281	10,830	10,817	11,811	12,411	11,644
s %	TBR Universities	62.4%	63.1%	62.1%	63.5%	60.6%	62.3%	64.1%
with ate's ner %	TBR Community Colleges	48.4%	45.8%	46.9%	48.0%	48.3%	50.3%	50.1%
nt wi ociate igher	UT Campuses	73.4%	75.0%	75.0%	74.1%	76.0%	75.5%	75.0%
Parent Associa or High	TICUA Institutions	65.5%	67.4%	67.1%	74.9%	67.6%	69.2%	67.6%
Pe As or	Total	62.3%	63.4%	62.5%	63.7%	63.4%	64.0%	64.3%

	African American	Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009	Fall 2010
-t	TBR Universities	1,246	1,030	1,177	1,281	1,305	1,398	1,555
S First- ime shmen	TBR Community Colleges	189	121	196	232	224	255	236
	UT Campuses	638	551	629	701	611	637	769
TELS tir Fresh	TICUA Institutions	244	235	249	188	396	403	413
T	Total	2,317	1,937	2,251	2,402	2,536	2,693	2,973
r s	TBR Universities	686	555	629	712	712	769	849
ent with sociate's Higher	TBR Community Colleges	86	62	88	96	102	107	105
	UT Campuses	389	326	366	385	355	387	484
ss.	TICUA Institutions	140	147	151	110	228	202	238
P. A	Total	1,301	1,090	1,234	1,303	1,397	1,465	1,676
h s %	TBR Universities	55.1%	53.9%	53.4%	55.6%	54.6%	55.0%	54.6%
with ate's ner %	TBR Community Colleges	45.5%	51.2%	44.9%	41.4%	45.5%	42.0%	44.5%
	UT Campuses	61.0%	59.2%	58.2%	54.9%	58.1%	60.8%	62.9%
	TICUA Institutions	57.4%	62.6%	60.6%	58.5%	57.6%	50.1%	57.6%
Pe As or	Total	56.2%	56.3%	54.8%	54.2%	55.1%	54.4%	56.4%

Note: TELS First-time Freshmen exclude students for whom parents' educational attainment was not re-

Sources: THEC SIS and TSAC FAFSA Data

- In Fall 2010, 62.8 percent of first-time TELS freshmen had at least one parent with an associate's degree or higher. The rate has been remarkably consistent since the inception of the scholarship program (**Table 21**).
- By system, UT campuses had the highest proportion of TELS freshmen with at least one parent holding a college degree, at 73.2 percent in Fall 2010, compared to 61.3 percent at TBR universities, and 66.0 percent at independent institutions. Just over half of community college TELS freshmen were first-generation college students in Fall 2010.
- Parental educational attainment of African American recipients tended to be lower than for Caucasian students. The racial gap in parental education between these two ethnic groups has remained consistent over time.



Section 2: Scholarship Renewal

Renewal Requirements

- TELS recipients are evaluated at every 24 attempted credit hours in college for scholarship renewal.
- At the 24- and 48-hour check points, students must maintain a minimum cumulative 2.75 college GPA to maintain scholarship eligibility.
- Upon accumulating 72 credit hours, a minimum cumulative 3.0 college GPA is required to keep scholarship eligibility; this continues at every subsequent 24 credit hours up to 120 credit hours.
- Limited to those with 72 credit cumulative hours or above, state law allows students to maintain eligibility even if their cumulative GPA was less than 3.0, as long as they:
 - have maintained a cumulative grade point average of at least 2.75;
 - have earned a semester grade point average of at least 3.0 for the semester in which continuing eligibility was reviewed;
 - have enrolled full-time in the semester when continuing eligibility was reviewed; and
 - will enroll full-time in the subsequent semester.

This is referred to as "provisional" renewal.

• The award is available for up to five years, baccalaureate degree attainment, or 120 cumulative attempted credit hours, whichever comes first. The 120 hour cap is applicable only to students who first received TELS in Fall 2009 and after. Students in a program requiring more than 120 credit hours for completion are exempted from the 120 hour cap. They can receive a scholarship until they have attempted the number of hours required to earn the degree, but no more than 136 credit hours.

Table 22
1-year Scholarship Renewal Rates by Original Scholarship Type and Initial Postsecondary Sector Attended, Fall 2009 TELS First-time Freshmen

Fall 2009 Freshmen on TELS

	HOPE	GAMS	ASPIRE	ACCESS	Total
TBR Universities	5,698	382	2,556	101	8,737
TBR Community Colleges	3,796	19	1,715	83	5,613
UT Campuses	4,368	625	1,173	12	6,178
TICUA Institutions	2,556	363	1,163	49	4,131
Total	16,418	1,389	6,607	245	24,659

Fall 2009 Freshmen who Renewed Scholarship in Fall 2010

	HOPE	GAMS	ASPIRE	ACCESS	Total
TBR Universities	3,100	350	1,098	21	4,569
TBR Community Colleges	1,713	17	708	17	2,455
UT Campuses	2,604	575	643	3	3,825
TICUA Institutions	1,570	328	585	8	2,491
Total	8,987	1,270	3,034	49	13,340

Scholarship Renewal rate

	HOPE	GAMS	ASPIRE	ACCESS	Total
TBR Universities	54%	92%	43%	21%	52%
TBR Community Colleges	45%	89%	41%	20%	44%
UT Campuses	60%	92%	55%	25%	62%
TICUA Institutions	61%	90%	50%	16%	60%
Total	55%	91%	46%	20%	54%

Source: THEC SIS

- The first-to-second year renewal rate for the Fall 2009 freshman cohort was 54 percent (**Table 22**), a decline of one percentage point from the previous year's cohort.
- By sector, the renewal rate for the overall Fall 2009 cohort was highest for UT campuses at 62 percent, compared to 60 percent at TICUA institutions and 52 percent at TBR universities. The freshman cohort in the TBR community colleges had a renewal rate of 44 percent.
- Scholarship renewal rates vary by program, with the highest renewal rates for GAMS recipients at 91 percent. HOPE recipients had the second highest renewal rate at 55 percent, followed by ASPIRE and Access recipients at 46 and 20 percent, respectively.

Table 23
1-year Scholarship Renewal Rates by Gender and Initial Postsecondary
Sector Attended, Fall 2009 TELS First-time Freshmen

		TBR Univ	TBR CC	UT	TICUA	Total
Fall 2009	Female	4,840	3,348	3,268	2,481	13,937
Cohort	Male	3,897	2,265	2,910	1,650	10,722
Conort	Total	8,737	5,613	6,178	4,131	24,659
Renewed in	Female	2,748	1,556	2,146	1,613	8,063
Fall 2010	Male	1,821	899	1,684	882	5,286
ran 2010	Total	4,569	2,455	3,830	2,495	13,349
Cabalanahin	Female	57%	46%	66%	65%	58%
Scholarship Renewal Rate	Male	47%	40%	58%	53%	49%
Reflewal Rate	Total	52%	44%	62%	60%	54%

Note: Some students attended more than one institution simultaneously as first-time freshmen, which explains the discrepancy in the total counts between Table 23 and 24. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs.

Source: THEC SIS

- Overall, female scholarship recipients demonstrated a higher scholarship renewal rate than male recipients. The 1-year scholarship renewal rate for the female freshman cohort in Fall 2009 was 58 percent, 9 percentage points higher than for their male counterparts (**Table 23**).
- Female recipients were more likely to renew a scholarship than male recipients across all postsecondary sectors. The Fall 2009 female freshman cohort in the UT sector held the highest renewal rate at 66 percent, closely followed by the female freshman cohort at TICUA institutions, 65 percent. Female recipients at TBR universities and community colleges had relatively lower scholarship renewal rates at 57 percent and 46 percent, respectively.
- Contrastingly, the scholarship renewal rates for male recipients were lower than for females across all sectors. Among male recipients, the highest renewal rate was 58 percent at UT campuses, compared to 53 percent at TICUA institutions, 47 percent at TBR universities, and 40 percent at TBR community colleges.

Table 24
1-year Scholarship Renewal Rates by Gender and
Original Scholarship Type, Fall 2009 TELS First-time Freshmen

	HOPE	GAMS	ASPIRE	Access	Total
Female	8,962	708	4,101	164	13,935
Male	7,454	681	2,505	81	10,721
Total	16,416	1,389	6,606	245	24,656
Female	5,367	663	1,995	36	8,061
Male	3,622	609	1,042	13	5,286
Total	8,989	1,272	3,037	49	13,347
Female	60%	94%	49%	22%	58%
Male	49%	89%	42%	16%	49%
Total	55%	92%	46%	20%	54%

Note: Public and TICUA institutions are included.

- Across all scholarship types, female freshman recipients in Fall 2009 had higher percentages of scholarship renewal than male recipients (**Table 24**).
- Among female students, GAMS recipients demonstrated the highest 1-year scholarship renewal rate of all scholarship types at 94 percent. Female students with HOPE renewed their scholarships at a rate of 60 percent, the second highest of all programs.
- The table reveals that the base HOPE award had the widest difference in scholarship renewal rates between the genders with 60 percent of females and 49 percent of males renewing a scholarship in the second year. The 11 percentage point gap was larger than in any other program.

Table 25
1-year Scholarship Renewal Rates by Race/Ethnicity and Initial Postsecondary Sector Attended, Fall 2009 TELS Freshmen

	TBR Univ	TBR CC	UT	TICUA	Total
African American, not Hispanic	1,457	286	660	418	2,821
Alaskan Native	8		6		14
American Indian	40	13	11	13	77
Asian or Pacific Islander	167	50	126	57	400
Caucasian, not Hispanic	6,484	4,882	5,082	3,392	19,840
Hispanic	192	103	110	79	484
Unknown	389	279	183	172	1,023
Total	8,737	5,613	6,178	4,131	24,659
	TBR Univ	TBR CC	UT	TICUA	Total
African American, not Hispanic	537	99	283	164	1,083
Alaskan Native	1		2		3
American Indian	17	4	4	7	32
Asian or Pacific Islander	91	23	91	41	246
Caucasian	3,646	2,163	3,265	2,155	11,229
Hispanic	93	46	60	51	250
Unknown	184	120	125	77	506
Total	4,569	2,455	3,830	2,495	13,349
	TBR Univ	TBR CC	UT	TICUA	Total
African American, not Hispanic	37%	35%	43%	39%	38%
Alaskan Native	13%		33%		21%
American Indian	43%	31%	36%	54%	42%
Asian or Pacific Islander	54%	46%	72%	72%	62%
Caucasian, not Hispanic	56%	44%	64%	64%	57%
Hispanic	48%	45%	55%	65%	52%
Unknown	47%	43%	68%	45%	49%
Total	52%	44%	62%	60%	54%

Note: Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs. Public and TICUA institutions are

included.

Source: THEC SIS

• The 1-year scholarship renewal rate varies by race/ethnicity. The statewide averages for Asian/Pacific Islander and Caucasian recipients were higher than the overall state average at 62 percent and 57 percent, respectively. The other groups' renewal rates fell below the overall renewal rate, with 52 percent of Hispanic, 42 percent of American Indian, and 38 percent of African American freshman recipients renewing a scholarship in the second year (**Table 25**).

Table 26
1-year Scholarship Renewal Rates by Race/Ethnicity and Original Scholarship Type, Fall 2009 TELS First-time Freshmen

	HOPE	GAMS	ASPIRE	Access	Total
African American, not Hispanic	1,273	13	1,457	78	2,821
Alaskan Native	7	-	7	-	14
American Indian	53	1	20	3	77
Asian or Pacific Islander	216	24	154	6	400
Caucasian, not Hispanic	13,936	1,279	4,476	146	19,837
Hispanic	291	18	172	3	484
Unknown	640	54	320	9	1,023
Total	16,416	1,389	6,606	245	24,656
	HOPE	GAMS	ASPIRE	Access	Total
African American, not Hispanic	538	12	515	18	1,083
Alaskan Native	-	-	3	-	3
American Indian	21	1	10	-	32
Asian or Pacific Islander	126	21	98	1	246
Caucasian, not Hispanic	7,835	1,175	2,190	27	11,227
Hispanic	150	16	83	1	250
Unknown	319	47	138	2	506
Total	8,989	1,272	3,037	49	13,347
	HOPE	GAMS	ASPIRE	Access	Total
African American, not Hispanic	42%	92%	35%	23%	38%
Alaskan Native	0%		43%		21%
American Indian	40%	100%	50%	0%	42%
Asian or Pacific Islander	58%	88%	64%	17%	62%
Caucasian, not Hispanic	56%	92%	49%	18%	57%
Hispanic	52%	89%	48%	33%	52%
Unknown	50%	87%	43%	22%	49%
Total	55%	92%	46%	20%	54%

Note: Public and TICUA institutions are included.

Source: THEC SIS

Within each scholarship program, there is wide variation in scholarship renewal rates among race/ethnicity groups. The gap in renewal rates between the highest and lowest groups in the basic HOPE award, Asians/Pacific Islanders and African Americans, was 16 percentage points. A greater disparity was observed in the ASPIRE program, with a difference of 29 percentage points between Asian/Pacific Islanders and African American recipients (Table 26).

Table 27
1-year Scholarship Renewal Rates by Original Scholarship Type and Family Income: Fall 2009 TELS First-time Freshmen

		HOPE	GAMS	ASPIRE	ACCESS	Total
0 70	\$12000 or less	Ctudont	s receive	1,521	55	1,576
t-time TELS	12,001-24,000			2,013	79	2,092
T. T.	24,001-36,000	ASPIRE or Access		2,309	76	2,385
irs	36,001-48,000	1,961	90			2,051
F G	48,001-60,000	2,079	134	Duo ano no	a maarrima	2,213
NO H	60,001-72,000	1,998	127	Program family ir	2,125	
Fall 2009 First-time Freshmen on TELS	72,001-84,000	1,953	144		or less	2,097
all Fre	84,001-96,000	1,686	142	φ30,000	1,828	
F #	Over \$96,000	6,086	743		6,829	
	Total	15,763	1,380	5,843 210		23,196
	\$12000 or less	Student	s receive	676 15 916 15		691
2010	12,001-24,000	ASPIRE of				931
	24,001-36,000	ASTREE OF Access		1,157	15	1,172
Fall	36,001-48,000	940	81		1,021	
	48,001-60,000	1,057 117		Programs require		1,174
l in	60,001-72,000	1,099	119	•	ncome of	1,218
Ae (72,001-84,000	1,050	133	3	or less	1,183
Renewed	84,001-96,000	943	125	\$50,000 of icss		1,068
Se1	Over \$96,000	3,654	688			4,342
	Total	8,743	1,263	2,749	45	12,800
L_	\$12,000 and below	Students	receive	44%	27%	44%
wa]	12,001-24,000	ASPIRE of		46%	19%	45%
ne.	24,001-36,000	TIOT INLE OF RECESS		50%	20%	49%
Rei	36,001-48,000	48%	90%			50%
ship l Rate	48,001-60,000	51%	87%	Drogram	s require	53%
Scholarship Renewal Rate	60,001-72,000	55%	94%)	s require acome of	57%
lar	72,001-84,000	54%	92%		or less	56%
ho]	84,001-96,000	56%	88%	ψ50,000	7 01 1033	58%
Sc	Over \$96,000	60%	93%			64%
	Total	55%	91%	46%	20%	54 %

Note: Students with missing income data are excluded. Public and TICUA institutions are included. Sources: THEC SIS and TSAC FAFSA data

- Overall, there was a difference of 20 percentage points in scholarship renewal rates between the highest and lowest income groups (**Table 27**).
- HOPE students from families earning over \$96,000 renewed their awards at a 60 percent rate, compared to 44 percent for ASPIRE recipients from families earning \$12,000 and below.
- Regardless of income level, GAMS recipients demonstrated high renewal rates, ranging from 87 percent to 94 percent.

Table 28
1-year Scholarship Renewal Rates of
Fall 2009 TELS First-time Freshmen by Qualifications Met

		HOPE	ASPIRE	HOPE & ASPIRE
	GPA and ACT	65%	58%	63%
Total	GPA Only	49%	39%	45%
	ACT Only	23%	21%	22%
	GPA and ACT	69%	60%	67%
Female	GPA Only	50%	40%	46%
	ACT Only	27%	23%	26%
	GPA and ACT	60%	55%	58%
Male	GPA Only	46%	38%	43%
	ACT Only	20%	19%	20%
	GPA and ACT	55%	50%	53%
African American	GPA Only	41%	32%	36%
	ACT Only	19%	17%	19%
Caucasian	GPA and ACT	66%	59%	64%
	GPA Only	50%	44%	48%
	ACT Only	23%	22%	23%
African American	GPA and ACT	58%	52%	55%
African American Female	GPA Only	42%	34%	37%
remate	ACT Only	25%	22%	24%
	GPA and ACT	49%	44%	47%
African American Male	GPA Only	40%	25%	31%
	ACT Only	15%	14%	15%
	GPA and ACT	70%	61%	68%
Caucasian Female	GPA Only	52%	44%	50%
	ACT Only	27%	23%	26%
	GPA and ACT	60%	55%	59%
Caucasian Male	GPA Only	46%	44%	46%
	ACT Only	21%	21%	21%

Note: Public and TICUA institutions are included. This analysis is limited to HOPE and ASPIRE recipients because their academic eligibility requirements are identical. Source: THEC SIS

- Within the basic HOPE award, the scholarship renewal rate for Fall 2009 first-time freshmen was 65 percent for students who qualified by meeting both academic criteria, 49 percent for students who qualified solely on the basis of high school GPA, and 23 percent for students who qualified by ACT score alone (**Table 28**).
- Within the need-based ASPIRE award, the scholarship renewal rate for Fall 2009 first-time freshmen was 58 percent for students who qualified by meeting both academic criteria, 39 percent for students who qualified solely on the basis of high school GPA, and 21 percent for students who qualified by ACT score alone.

Table 29

1-year Scholarship Renewal Rates of Fall 2009 TELS First-time Freshmen with Remedial Credit by Original Scholarship Type and Initial Postsecondary Sector Attended

TELS students with remedial/developental credits

		HOPE	GAMS	ASPIRE	Access	Total
Fall 2009	TBR4	442	-	334	34	810
Freshman	TBR2	1,429	-	798	61	2,288
	UT	638	2	165	5	810
Cohort	Total	2,509	2	1,297	100	3,908
Renewed	TBR4	186	I	120	9	315
	TBR2	585	-	317	11	913
Scholarship in Fall 2010	UT	233	2	59	1	295
Fall 2010	Total	1,004	2	496	21	1,523
	TBR4	42%		36%	26%	39%
Renewal Rate	TBR2	41%		40%	18%	40%
Reliewal Kale	UT	37%	100%	36%	20%	36%
	Total	40%	100%	38%	21%	39%

TELS students without remedial/developental credits

		HOPE	GAMS	ASPIRE	Access	Total
Fall 2009	TBR4	5,256	382	2,222	67	7,927
Freshman	TBR2	2,367	19	917	22	3,325
	UT	3,730	623	1,008	7	5,368
Cohort	Total	11,353	1,024	4,147	96	16,620
Renewed	TBR4	2,914	350	978	12	4,254
	TBR2	1,128	17	391	6	1,542
Scholarship in Fall 2010	UT	2,371	573	584	2	3,530
Fall 2010	Total	6,413	940	1,953	20	9,326
	TBR4	55%		44%	18%	54%
Renewal Rate	TBR2	48%		43%	27%	46%
Reliewal Kale	UT	64%	92%	58%	29%	66%
	Total	56%	92%	47%	21%	56 %

Note: Public institutions only

Source: THEC SIS

• The first-year renewal rates of HOPE and ASPIRE students are substantially lower for TELS recipients with remedial/developmental courses than for those without such courses (**Table 29**).

Table 30
1-Year Scholarship Renewal Rates for Fall 2009 TELS First-time
Freshmen by ACT Composite Score and High School GPA

			ACT Composite Score					
			29 or higher	25-28	21-24	17-20	17 or less	Total
ეტ		3.75 or above	1,562	1,911	2,024	671	90	6,258
ing		3.50-3.74	493	989	1,804	1,003	205	4,494
Beginning 10rt		3.25-3.49	305	760	1,590	1,336	388	4,379
		3.00-3.24	252	560	1,508	1,560	707	4,587
09 Beg Cohort		2.75-2.99	171	320	876	330		1,697
2009 Col		2.50-2.74	97	247	487			831
1 20		2.25-2.49	71	136	242	Not Qualifie	ed for TELS	449
Fall		2.24 or less	40	100	170			310
I		Total	2,991	5,023	8,701	4,900	1,390	23,005
0		3.75 or above	1,384	1,630	1,563	471	51	5,099
2010	٨	3.50-3.74	340	688	1,157	602	113	2,900
11 2	GPA	3.25-3.49	164	406	789	606	163	2,128
Fа	To 3	3.00-3.24	101	247	575	476	217	1,616
ii.	School	2.75-2.99	52	93	230	76		451
eq		2.50-2.74	27	42	99			168
eW	High	2.25-2.49	16	19	37	Not Qualifie	ed for TELS	72
Renewed in Fall	H	2.24 or less	8	9	19			36
22		Total	2,092	3,134	4,469	2,231	544	12,470
		3.75 or above	89%	85%	77%	70%	57%	81%
		3.50-3.74	69%	70%	64%	60%	55%	65%
ate		3.25-3.49	54%	53%	50%	45%	42%	49%
Renewal Rate		3.00-3.24	40%	44%	38%	31%	31%	35%
		2.75-2.99	30%	29%	26%	23%		27%
ne		2.50-2.74	28%	17%	20%			20%
Re		2.25-2.49	23%	14%	15%	Not Qualifie	ed for TELS	16%
		2.24 or less	20%	9%	11%			12%
		Total	70%	62%	51%	46%	39%	54%

Exceeds the statewide, overal average renewal rate, 54 percent

Average ACT and High School GPA for those who Renewed a Scholarship

Average High School GPA	3.59
Average ACT	23.8

Note: Public and TICUA institutions are included. Students with missing ACT score or high school GPA were excluded. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs. Source: THEC SIS

• This table shows scholarship renewal rates based upon the combination of ACT score and High School GPA. It demonstrates a higher GPA or ACT composite score leads to a better chance of scholarship renewal in the second year (**Table 30**).

Section 2: Scholarship Renewal

Table 31
1-Year Scholarship Renewal Rate for Fall 2009 TELS First-time
Freshmen by ACT Composite Score and High School GPA,
Male Recipients

				ACT Composite Score						
			29 or higher	25-28	21-24	17-20	17 or less	Total		
ρΩ		3.75 or above	690	704	643	202	26	2,265		
2009 Beginning Cohort		3.50-3.74	273	421	651	322	63	1,730		
inr		3.25-3.49	177	408	679	479	125	1,868		
eg		3.00-3.24	156	318	718	604	233	2,029		
09 Beg Cohort		2.75-2.99	108	201	476	163		948		
000		2.50-2.74	68	164	292			524		
1 2(2.25-2.49	55	95	171	Not Qualifie	ed for TELS	321		
Fall		2.24 or less	32	70	128			230		
Н		Total	1,559	2,381	3,758	1,770	447	9,915		
0		3.75 or above	595	587	482	141	11	1,816		
2010	Ϋ́	3.50-3.74	174	287	405	180	39	1,085		
	GPA	3.25-3.49	98	208	320	213	47	886		
Fall	100	3.00-3.24	68	124	252	184	76	704		
ij	School	2.75-2.99	29	48	117	29		223		
eq		2.50-2.74	19	29	55			103		
ew	High	2.25-2.49	14	14	27	Not Qualifie	ed for TELS	55		
Renewed	Н	2.24 or less	6	5	9			20		
R		Total	1,003	1,302	1,667	747	173	4,892		
		3.75 or above	86%	83%	75%	70%	42%	80%		
		3.50-3.74	64%	68%	62%	56%	62%	63%		
Renewal Rate		3.25-3.49	55%	51%	47%	44%	38%	47%		
l R		3.00-3.24	44%	39%	35%	30%	33%	35%		
wa]		2.75-2.99	27%	24%	25%	18%		24%		
nev		2.50-2.74	28%	18%	19%			20%		
Re:		2.25-2.49	25%	15%	16%	Not Qualifie	ed for TELS	17%		
		2.24 or less	19%	7%	7%			9%		
		Total	64%	55%	44%	42%	39%	49%		

Exceeds the statewide, overal average renewal rate, 54 percent

Average ACT and High School GPA for those who Renewed a Scholarship

Average High School GPA	3.55
Average ACT	24.4

Note: Public and TICUA institutions are included. Students with missing ACT score or high school GPA were excluded. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs. Source: THEC SIS

• Male recipients tended to demonstrate a lower scholarship renewal rate than overall recipients in most ACT and High School GPA combinations (**Table 31**).

Table 32
1-Year Scholarship Renewal Rate for Fall 2009 TELS First-time
Freshmen by ACT Composite Score and High School GPA,
Female Recipients

			ACT Composite Score					
			29 or higher	25-28	21-24	17-20	17 or less	Total
ከበ		3.75 or above	872	1,207	1,381	469	64	3,993
ing		3.50-3.74	220	568	1,153	681	142	2,764
2009 Beginning Cohort		3.25-3.49	128	352	911	857	263	2,511
egi		3.00-3.24	96	242	790	956	474	2,558
09 Beg		2.75-2.99	63	119	400	167		749
S Z		2.50-2.74	29	83	195			307
		2.25-2.49	16	41	71	Not Qualifie	ed for TELS	128
Fall		2.24 or less	8	30	42			80
И		Total	1,432	2,642	4,943	3,130	943	13,090
0		3.75 or above	789	1,043	1,081	330	40	3,283
Renewed in Fall 2010	Ϋ́	3.50-3.74	166	401	752	422	74	1,815
= 5	ool GPA	3.25-3.49	66	198	469	393	116	1,242
Fа		3.00-3.24	33	123	323	292	141	912
. !	School	2.75-2.99	23	45	113	47		228
eq		2.50-2.74	8	13	44			65
eW	High	2.25-2.49	2	5	10	Not Qualifie	ed for TELS	17
en	Н	2.24 or less	2	4	10			16
<u> </u>		Total	1,089	1,832	2,802	1,484	371	7,578
		3.75 or above	90%	86%	78%	70%	63%	82%
		3.50-3.74	75%	71%	65%	62%	52%	66%
ate		3.25-3.49	52%	56%	51%	46%	44%	49%
N N		3.00-3.24	34%	51%	41%	31%	30%	36%
×a.		2.75-2.99	37%	38%	28%	28%		30%
Renewal Rate		2.50-2.74	28%	16%	23%			21%
Re		2.25-2.49	13%	12%	14%	Not Qualifie	ed for TELS	13%
		2.24 or less	25%	13%	24%			20%
		Total	76%	69%	57%	47%	39%	58%

Exceeds the statewide, overal average renewal rate, 54 percent

Average ACT and High School GPA for those who Renewed a Scholarship

Average High School GPA	3.63
Average ACT	23.5

Note: Public and TICUA institutions are included. Students with missing ACT score or high school GPA were

• Contrary to male recipients, female students tended to renew scholarships at a higher rate than overall recipients in most ACT and high school GPA combinations (**Table 32**).

Table 33
1-Year Scholarship Renewal Rate for Fall 2009 TELS First-time
Freshmen by ACT Composite Score and High School GPA,
Caucasian Recipients

			ACT Composite Score					
			29 or higher	25-28	21-24	17-20	17 or less	Total
20		3.75 or above	1,417	1,722	1,704	499	52	5,394
ing		3.50-3.74	435	881	1,534	745	131	3,726
nn		3.25-3.49	263	667	1,321	973	227	3,451
Beginning nort		3.00-3.24	226	478	1,220	1,093	382	3,399
09 Beg Cohort		2.75-2.99	143	266	679	217		1,305
2009 Col		2.50-2.74	82	198	371			651
2(2.25-2.49	60	110	183	Not Qualifie	ed for TELS	353
Fall		2.24 or less	35	80	121			236
I		Total	2,661	4,402	7,133	3,527	792	18,515
0		3.75 or above	1,260	1,481	1,343	359	36	4,479
2010	Ą	3.50-3.74	304	617	989	467	75	2,452
11 2	GPA	3.25-3.49	142	363	669	457	102	1,733
Fall	ool	3.00-3.24	91	200	477	361	123	1,252
in	School	2.75-2.99	44	86	182	45		357
eq	Š	2.50-2.74	23	31	77			131
ew	High	2.25-2.49	13	17	29	Not Qualifie	ed for TELS	59
Renewed in	Η	2.24 or less	8	8	11			27
R		Total	1,885	2,803	3,777	1,689	336	10,490
		3.75 or above	89%	86%	79%	72%	69%	83%
		3.50-3.74	70%	70%	64%	63%	57%	66%
ate		3.25-3.49	54%	54%	51%	47%	45%	50%
l R		3.00-3.24	40%	42%	39%	33%	32%	37%
<i>v</i> aj		2.75-2.99	31%	32%	27%	21%		27%
Renewal Rate		2.50-2.74	28%	16%	21%			20%
Re		2.25-2.49	22%	15%	16%	Not Qualifie	ed for TELS	17%
		2.24 or less	23%	10%	9%			11%
		Total	71%	64%	53%	48%	42%	57%

Exceeds the statewide, overal average renewal rate, 54 percent

Average ACT and High School GPA for those who Renewed a Scholarship

Average High School GPA	3.61
Average ACT	24.2

Note: Public and TICUA institutions are included. Students with missing ACT score or high school GPA were excluded. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs. Source: THEC SIS

• Limited to Caucasian recipients alone, this table shows that Caucasian recipients were more likely to renew scholarships than overall recipients in most ACT and high school GPA combinations (**Table 33**).

Table 34
Second Year Scholarship Renewal Rate for Fall 2009 TELS First-time
Freshmen by ACT Composite Score and High School GPA,
African American Recipients

			ACT Composite Score					
			29 or higher	25-28	21-24	17-20	17 or less	Total
50		3.75 or above	18	66	177	116	28	405
ing		3.50-3.74	10	42	145	185	57	439
Beginning nort		3.25-3.49	11	34	152	250	120	567
egi ort		3.00-3.24	5	37	140	343	265	790
09 Beg Cohort		2.75-2.99	10	28	105	93		236
2009 Col		2.50-2.74	4	20	68			92
1 20		2.25-2.49	5	12	42	Not Qualifie	ed for TELS	59
Fall		2.24 or less	2	13	28			43
I		Total	65	252	857	987	470	2,631
0		3.75 or above	16	47	116	69	10	258
2010	Ą	3.50-3.74	6	24	86	87	29	232
	GF	3.25-3.49	6	14	59	98	41	218
Renewed in Fall	School GPA	3.00-3.24	2	20	48	84	70	224
in		2.75-2.99	4	3	20	24		51
eq	S	2.50-2.74	1	6	15			22
ew	High	2.25-2.49	1	1	4	Not Qualifie	ed for TELS	6
en	H	2.24 or less	-	1	5			6
R		Total	36	116	353	362	150	1,017
		3.75 or above	89%	71%	66%	59%	36%	64%
		3.50-3.74	60%	57%	59%	47%	51%	53%
Renewal Rate		3.25-3.49	55%	41%	39%	39%	34%	38%
l R		3.00-3.24	40%	54%	34%	24%	26%	28%
<i>∾</i> aJ		2.75-2.99	40%	11%	19%	26%		22%
nev		2.50-2.74	25%	30%	22%			24%
Re:		2.25-2.49	20%	8%	10%	Not Qualifie	ed for TELS	10%
		2.24 or less	0%	8%	18%			14%
		Total	55%	46%	41%	37%	32%	39%

Exceeds the statewide, overal average renewal rate, 54 percent

Average ACT and High School GPA for those who Renewed a Scholarship

Average High School GPA	3.46
Average ACT	20.5

Note: Public and TICUA institutions are included. Students with missing ACT score or high school GPA were excluded. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs. Source: THEC SIS

 African American students were less likely to renew scholarships than overall recipients in most ACT and high school GPA combinations (**Table 34**).

Section 2: Scholarship Renewal

Table 35
Longitudinal Scholarship Renewal Rates by Award Type, Fall 2006
through Fall 2009 TELS First-time Freshmen

Fall 2006 First-time Freshman Renewal Rate						
	Fall 2006 N =	Fall 2007	Fall 2008	Fall 2009	Fall 2010	
HOPE	14,245	53%	45%	39%	17%	
GAMS	1,210	89%	86%	82%	22%	
ASPIRE	5,915	44%	35%	29%	14%	
ACCESS	344	15%	10%	7%	3%	
Total	21,714	52%	44%	38%	16%	
	Fall 200	7 First-time Fr	eshman Renew	val Rate		
	Fall 2007 N =	Fall 2008	Fall 2009	Fall 2010		
HOPE	15,281	53%	47%	38%		
GAMS	1,315	90%	86%	72%		
ASPIRE	5,830	44%	36%	28%		
ACCESS	358	15%	8%	6%		
Total	22,784	52%	46%	37%		
	Fall 200	8 First-time Fr	eshman Renew	val Rate		
	Fall 2008 N =	Fall 2009	Fall 2010			
HOPE	16,089	55%	48%			
GAMS	1,407	90%	84%			
ASPIRE	5,638	47%	39%			
ACCESS	423	24%	16%			
Total	23,557	55%	47%			
		9 First-time Fr	eshman Renew	val Rate		
	Fall 2009 N =	Fall 2010				
HOPE	16,416	55%				
GAMS	1,389	91%				
ASPIRE	6,606	46%				
ACCESS	245	20%				
Total	24,656	54%				

Note: Public and TICUA institutions are included.

Source: THEC SIS

- The most comprehensive longitudinal renewal rates for TELS first-time freshmen were 54 percent in the second year, 47 percent in the third year, and 37 percent in the fourth year. The low renewal rate in the fifth year (15 percent) is partially attributed to TELS recipients who graduated within four years (**Table 35**).
- Because the HOPE program enroll the largest number of students, the overall renewal rates tend to mirror the HOPE renewal rates.

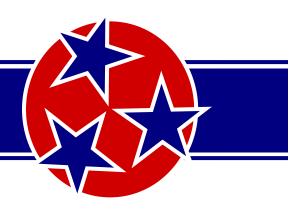
Section 2: Scholarship Renewal

Table 36
Longitudinal Scholarship Renewal and Graduation Rates by Award
Type and Family Income: Fall 2004 TELS First-time Freshmen

	HOPE and ASPIRE Students Only						
	Beginning Cohort in Fall 2004	Renewal Rate in Year 2	Renewal Rate in Year 3	Renewal Rate in Year 4	Obtained Degree Within 6 Years		
\$12,000 or less	1,053	41%	27%	23%	39%		
12,001-24,000	1,599	40%	25%	21%	41%		
24,001-36,000	1,700	44%	29%	25%	42%		
36,001-48,000	1,777	47%	33%	28%	50%		
48,001-60,000	1,796	45%	32%	27%	48%		
60,001-72,000	1,702	49%	35%	30%	53%		
72,001-84,000	1,552	51%	36%	35%	57%		
84,001-96,000	1,280	55%	41%	37%	59%		
over \$96,000	3,314	54%	41%	38%	64%		
Total	15,773	48%	34%	30%	52%		

Notes: "Obtained Degree" includes associate's and bachelor's. Students who lost the scholarship before graduation are also included in the "Obtained Degree" column. Students with missing income data are excluded. Public and TICUA institutions are included. Source: THEC SIS

- The gap in scholarship renewal by income has persisted over time. This table covers only HOPE and ASPIRE students, as their academic qualification criteria are equivalent (**Table 36**).
- For Fall 2004 first-time freshmen, there was a 2nd-year renewal difference of 13 percentage points between students from the lowest and highest income groups.
- For third year renewal rates, the gap between the highest and lowest income groups was 14 percentage points, and the linear relationship remained. The gap slightly increased to 15 percentage points as students moved to their fourth year.
- The six-year graduation rate ranged from 39 percent for the lowest income group to 64 percent for the highest income group. The graduation rate includes students who graduated on TELS and those who lost the scholar-ship before graduation.



Section 3: Graduation Rates with TELS Intact

This section provides analysis of graduation rates for lottery scholarship recipients who kept their scholarships throughout college. Because the lottery scholarship expires after five years of enrollment, scholarship recipients must finish their coursework within five years in order to earn a degree without losing the scholarship. Therefore, all graduation rates presented in this section refer to five-year graduation rates, not the six-year graduation rates that may be familiar to many.

Technical Notes:

- The graduation rate with TELS intact is defined as the percent of TELS first -time freshmen who attained either an associate's or bachelor's degree within five years of enrollment without losing scholarship eligibility.
- The graduation outcome is credited to the institution where students initially enrolled as first-time freshmen.
- Likewise, the graduation rate with TELS intact is calculated for the initial scholarship type awarded during the freshman year. The analysis is limited to HOPE, GAMS, ASPIRE, or Access recipients.
- Unless otherwise specified, the analysis includes both public and TICUA institutions.

Table 37
Graduation Rate with Scholarship Intact, by Initial Postsecondary
Sector Attended, Fall 2004 and Fall 2005 Cohorts

Fall 2004 Cohort

	Freshman	Graduated on	%
	Cohort	TELS	70
TBR Universities	7,454	2,047	27.5%
TBR Community Colleges	4,508	983	21.8%
UT Campuses	5,383	1,939	36.0%
TICUA Institutions	3,109	1,255	40.4%
Total	20,454	6,224	30.4%

Fall 2005 Cohort

	Freshman	Graduated on	%
	Cohort	TELS	70
TBR Universities	7,093	2,292	32.3%
TBR Community Colleges	3,966	983	24.8%
UT Campuses	5,436	2,282	42.0%
TICUA Institutions	3,312	1,513	45.7%
Total	19,807	7,070	35.7%

Notes: Graduation rates are attributed to institutions of initial enrollment. Students who earned either associate's or bachelor's degree, whichever is higher, are counted as completers. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs. Source: THEC SIS

- 30.4 percent of the Fall 2004 TELS freshman cohort graduated with their scholarships intact. The graduation rate for the Fall 2005 cohort increased by approximately 5 percentage points, to 35.7 percent (**Table 37**).
- For the Fall 2005 cohort, TICUA institutions demonstrated the highest graduation rate with TELS intact at 45.7 percent, followed by the UT sector at 42.0 percent. TBR universities' graduation rate was 32.3 percent. Lastly, TBR community colleges had the lowest graduation rate, at 24.8 percent.

Table 38
Graduation Rate with Scholarship Intact, by Original Scholarship
Type, Fall 2004 and Fall 2005 Cohorts

Fall 2004 Cohort

	Freshman	Graduated on	%
	Cohort	TELS	/0
HOPE	13,554	4,254	31.4%
GAMS	1,064	767	72.1%
ASPIRE	5,721	1,193	20.9%
ACCESS	110	9	8.2%
Total	20,449	6,223	30.4%

Fall 2005 Cohort

	Freshman	Graduated on	%
	Cohort	TELS	70
HOPE	13,278	4,789	36.1%
GAMS	1,229	914	74.4%
ASPIRE	5,034	1,354	26.9%
ACCESS	263	13	4.9%
Total	19,804	7,070	35.7%

Notes: Graduation rates are attributed to scholarship type awarded at the entry of college. Students who earned either associate's or bachelor's degrees, whichever is higher, are counted as completers. Public and TICUA institutions are included. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs.

Sources: THEC SIS

- For the Fall 2004 cohort, GAMS recipients graduated with their scholar-ships intact at the highest rate of all award types, 72.1 percent, more than twice as high as the graduation rate for HOPE recipients at 31.4 percent. ASPIRE recipients graduated without losing their scholarships at a lower rate than HOPE and GAMS recipients, 20.9 percent. Only 8.2 percent of Access freshmen graduated without losing scholarship eligibility (**Table 38**).
- The Fall 2005 cohort improved graduation rates from the previous year's cohort across all award types except Access. GAMS recipients demonstrated the highest graduation rate, followed by HOPE, ASPIRE, and Access recipients.

Table 39 Graduation Rate with Scholarship Intact, by Gender, Fall 2004 and Fall 2005 Cohorts

Fall 2004 Cohort

	Freshman	Graduated on	%
	Cohort	TELS	70
Female	11,443	3,909	34.2%
Male	9,006	2,314	25.7%
Total	20,449	6,223	30.4%

Fall 2005 Cohort

	Freshman	Graduated on	%
	Cohort	TELS	70
Female	11,407	4,546	39.9%
Male	8,397	2,524	30.1%
Total	19,804	7,070	35.7%

Notes: Students who earned either associate's or bachelor's degrees, whichever is higher, are counted as completers. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs. Public and private institutions are included.

Sources: THEC SIS

- TELS female first-time freshmen in Fall 2004 graduated without losing their scholarship at a rate of 34.2 percent, 8.5 percentage points higher than their male counterparts (**Table 39**).
- Both male and female cohorts in Fall 2005 increased their graduation rates with TELS intact from the previous year, to 30.1 percent for males and 39.9 percent for females. However, the gender gap in the graduation rates widened to 9.8 percentage points.

Table 40
Graduation Rate with Scholarship Intact by Race/Ethnicity, Fall 2004 and Fall 2005 Cohorts

Fall 2004 Freshman Cohort

	Freshman	Graduated on	%
	Cohort	TELS	/0
African American, not Hispanic	2,375	318	13.4%
Alaskan Native	50	42	84.0%
American Indian	56	26	46.4%
Asian or Pacific Islander	375	121	32.3%
Caucasian, not Hispanic	16,096	4,837	30.1%
Hispanic	257	63	24.5%
Unknown	1,240	816	65.8%
Total	20,449	6,223	30.4%

Fall 2005 Freshman Cohort

	Freshman Cohort	Graduated on TELS	%
African American, not Hispanic	1,993	444	22.3%
Alaskan Native	18	3	16.7%
American Indian	53	11	20.8%
Asian or Pacific Islander	357	163	45.7%
Caucasian, not Hispanic	16,553	6,202	37.5%
Hispanic	272	78	28.7%
Unknown	557	168	30.2%
Total	19,803	7,069	35.7%

Notes: Students who earned either associate's or bachelor's degree are counted as completers. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs. Public and private institutions are included. Sources: THEC SIS

- A wide variation in the graduation rate with TELS intact exists among race/ethnicity groups. Caucasian freshmen of the Fall 2004 cohort, the largest group, had a graduation rate of 30.1 percent, almost the same as the overall graduation rate. African American recipients, the second largest group, graduated on scholarship at a rate of 13.4 percent, the lowest among the groups examined. Alaskan natives of this year's cohort had a remarkably high graduation rate at 84 percent, though their cohort size was small (**Table 40**).
- The Fall 2005 cohort increased graduation rates across most race/ethnicity groups. Among such groups, Asian/Pacific Islander demonstrated the highest graduation rate with their scholarships intact at 45.7 percent, followed by Caucasian, Hispanic, and African American recipients.

Table 41
Graduation Rate with Scholarship Intact, by Qualifications Met, Fall
2005 Cohort

		HOPE	ASPIRE	HOPE & ASPIRE
	GPA and ACT	47%	39%	45%
Total	GPA Only	26%	18%	23%
	ACT Only	18%	14%	17%
	GPA and ACT	52%	42%	49%
Female	GPA Only	28%	20%	25%
	ACT Only	27%	18%	25%
	GPA and ACT	40%	33%	39%
Male	GPA Only	21%	14%	19%
	ACT Only	13%	12%	13%
	GPA and ACT	38%	33%	36%
African American	GPA Only	21%	15%	18%
	ACT Only	23%	10%	17%
	GPA and ACT	48%	40%	46%
Caucasian	GPA Only	27%	20%	25%
	ACT Only	18%	15%	17%
African American	GPA and ACT	41%	35%	38%
Female	GPA Only	24%	17%	19%
remaie	ACT Only	40%	14%	25%
	GPA and ACT	31%	28%	30%
African American Male	GPA Only	14%	10%	12%
	ACT Only	14%	6%	11%
	GPA and ACT	53%	43%	51%
Caucasian Female	GPA Only	29%	22%	27%
	ACT Only	27%	19%	25%
	GPA and ACT	41%	34%	40%
Caucasian Male	GPA Only	21%	16%	20%
	ACT Only	13%	13%	13%

Note: Public and TICUA institutions are included. This analysis is limited to HOPE and ASPIRE recipients because their academic eligibility requirements are identical. Students who earned either associate's or bachelor's degree are counted as completers. Source: THEC SIS

- Within the basic HOPE award, the graduation rate with TELS intact for Fall 2005 first-time freshmen was 47 percent for students who qualified by meeting both academic criteria, 26 percent for students who qualified solely on the basis of high school GPA, and 18 percent for students who qualified by ACT score alone (**Table 41**).
- Within the need-based ASPIRE award, the graduation rate with TELS intact
 for Fall 2005 first-time freshmen was 39 percent for students who qualified
 by meeting both academic criteria, 18 percent for students who qualified
 solely on the basis of high school GPA, and 14 percent for students who
 qualified by ACT score alone.

Table 42
Graduation Rate with Scholarship Intact by ACT Composite Score and High School GPA, Fall 2005 Cohort

				ACT Composite Score					
			29 or higher	25-28	21-24	17-20	17 or less	Total	
bn		3.75 or above	1,042	1,853	1,674	421	18	5,008	
ing		3.50-3.74	218	826	1,488	815	61	3,408	
uu		3.25-3.49	104	517	1,447	1,168	169	3,405	
egi		3.00-3.24	89	503	1,490	1,551	301	3,934	
05 Beg Cohort		2.75-2.99	28	233	919	277		1,457	
ÖÖ		2.50-2.74	23	111	594			728	
1 20		2.25-2.49	6	53	334	Not Qualifie	ed for TELS	393	
Fall 2005 Beginning Cohort		2.24 or less	6	48	257			311	
Н		Total	1,516	4,144	8,203	4,232	549	18,644	
\sqrt{3}		3.75 or above	784	1,273	1,015	195	4	3,271	
Ĕ	Α̈́	3.50-3.74	115	416	644	248	13	1,436	
Graduated with TELS Intact	GPA	3.25-3.49	32	188	433	275	21	949	
vitl	001	3.00-3.24	30	120	327	258	24	759	
ted wit Intact	School	2.75-2.99	10	47	126	13		196	
ate Ir		2.50-2.74	4	13	50			67	
du	High	2.25-2.49	-	4	25	Not Qualifie	ed for TELS	29	
rra	H	2.24 or less	-	3	13			16	
O		Total	975	2,064	2,633	989	62	6,723	
		3.75 or above	75%	69%	61%	46%	22%	65%	
te		3.50-3.74	53%	50%	43%	30%	21%	42%	
Ra		3.25-3.49	31%	36%	30%	24%	12%	28%	
'n		3.00-3.24	34%	24%	22%	17%	8%	19%	
atic		2.75-2.99	36%	20%	14%	5%		13%	
Graduation Rate		2.50-2.74	17%	12%	8%			9%	
rac		2.25-2.49	0%	8%	7%	Not Qualifie	ed for TELS	7%	
5		2.24 or less	0%	6%	5%			5%	
		Total	64%	50%	32%	23%	11%	36.1%	

Average ACT and High School GPA for those who Graduated with their Scholarship Intact

Average High School GPA	3.65	
Average ACT	24.1	

Note: Students for whom both GPA and ACT were not reported were excluded from this analysis, which explains the reason for the disparity in the graduation rate with TELS intact between this table and other tables. Public and TICUA institutions are included. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs. Source: THEC SIS

• This matrix displays graduation rates with scholarships intact for the Fall 2005 cohort based upon the combination of ACT score and high school GPA. Students with a higher ACT score or high school GPA were more likely to graduate without losing a scholarship (**Table 42**).

Section 3: Graduation Rate with TELS Intact

Table 43
Graduation Rate with Scholarship Intact, by ACT Composite Score and High School GPA, Fall 2005 Cohort, Male Recipients

				ACT Composite Score				
			29 or higher	25-28	21-24	17-20	17 or less	Total
ካባ		3.75 or above	486	668	484	101	2	1,741
Beginning 10rt		3.50-3.74	136	383	504	216	14	1,253
		3.25-3.49	78	278	594	360	58	1,368
005 Begi Cohort		3.00-3.24	64	294	688	561	104	1,711
5 B		2.75-2.99	25	161	524	92		802
2005 Coł		2.50-2.74	21	86	370			477
		2.25-2.49	5	44	222	Not Qualific	ed for TELS	271
Fall		2.24 or less	3	40	195			238
H		Total	818	1,954	3,581	1,330	178	7,861
δ		3.75 or above	341	429	248	41	-	1,059
TELS	٨	3.50-3.74	65	188	202	52	1	507
ıΤ	School GPA	3.25-3.49	19	96	168	75	5	363
with		3.00-3.24	20	56	123	80	10	289
		2.75-2.99	10	30	57	3		100
ate Ir		2.50-2.74	3	10	24			37
du	High	2.25-2.49	-	3	14	Not Qualific	ed for TELS	17
Graduated Int	H	2.24 or less	-	2	9			11
9		Total	458	814	845	251	15	2,383
		3.75 or above	70%	64%	51%	41%	0%	61%
te		3.50-3.74	48%	49%	40%	24%	0%	40%
Ra		3.25-3.49	24%	35%	28%	21%	9%	27%
no		3.00-3.24	31%	19%	18%	14%	10%	17%
Graduation Rate		2.75-2.99	40%	19%	11%	3%		12%
		2.50-2.74	14%	12%	6%			8%
rac		2.25-2.49	0%	7%	6%	Not Qualific	ed for TELS	6%
G		2.24 or less	0%	5%	5%			5%
		Total	56%	42%	24%	19%	8%	30%

Average ACT and High School GPA for those who Graduated with their Scholarship Intact

Average High School GPA	3.61
Average ACT	24.9

Notes: Students for whom both GPA and ACT were not reported were excluded from this analysis, which explains the reason for the disparity in the graduation rate with TELS intact between this table and other tables. Public and TICUA institutions are included. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs. Source: THEC SIS

• Male recipients were less likely to graduate with their scholarships intact compared to overall recipients in most ACT and high school GPA combinations (**Table 43**).

Table 44
Graduation Rate with Scholarship Intact by ACT Composite Score and High School GPA, Fall 2005 Cohort,
Female Recipients

					ACT Composi	te Score		
			29 or higher	25-28	21-24	17-20	17 or less	Total
ბი		3.75 or above	556	1,185	1,190	320	16	3,267
2005 Beginning Cohort		3.50-3.74	82	443	984	599	47	2,155
		3.25-3.49	26	239	853	808	111	2,037
egi ırt		3.00-3.24	25	209	802	990	197	2,223
005 Begi Cohort		2.75-2.99	3	72	395	185		655
)) (C		2.50-2.74	2	25	224			251
		2.25-2.49	1	9	112	Not Qualifie	ed for TELS	122
Fall		2.24 or less	3	8	62			73
I		Total	698	2,190	4,622	2,902	371	10,783
Ñ		3.75 or above	441	841	767	154	4	2,207
TELS	Α̈́	3.50-3.74	50	228	442	195	13	928
n T	GPA	3.25-3.49	13	92	265	200	16	586
with	School	3.00-3.24	10	64	204	178	14	470
ted wit Intact		2.75-2.99	-	17	69	10		96
ate Ir		2.50-2.74	1	3	26			30
du	High	2.25-2.49	-	1	11	Not Qualifie	ed for TELS	12
Graduated Int	Н	2.24 or less	-	1	4			5
5		Total	515	1,247	1,788	737	47	4,334
		3.75 or above	79%	71%	64%	48%	25%	68%
te		3.50-3.74	61%	51%	45%	33%	28%	43%
Ra		3.25-3.49	50%	38%	31%	25%	14%	29%
no		3.00-3.24	40%	31%	25%	18%	7%	21%
Graduation Rate		2.75-2.99	0%	24%	17%	5%		15%
		2.50-2.74	50%	12%	12%			12%
rac		2.25-2.49	0%	11%	10%	Not Qualifie	ed for TELS	10%
5		2.24 or less	0%	13%	6%			7%
		Total	74%	57 %	39%	25%	13%	40%

Average ACT and High School GPA for Graduates with Scholarship Intact

Average High School GPA	3.68
Average ACT	23.7

Notes: Students for whom both GPA and ACT were not reported were excluded from this analysis, which explains the reason for the disparity in the graduation rate with TELS intact between this table and other tables. Public and TICUA institutions are included. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs. Source: THEC SIS

• Female recipients were more likely to graduate with their scholarships intact compared to overall recipients in most ACT and high school GPA combinations (**Table 44**).

Section 3: Graduation Rate with TELS Intact

Table 45
Graduation Rate with Scholarship Intact, by ACT Composite Score and High School GPA, Fall Cohort,
Caucasian Recipients

					ACT Composi	ite Score		
			29 or higher	25-28	21-24	17-20	17 or less	Total
ኮ በ		3.75 or above	961	1,659	1,430	297	6	4,353
ing		3.50-3.74	203	738	1,310	676	28	2,955
Beginning 10rt		3.25-3.49	95	459	1,247	920	90	2,811
egi irt		3.00-3.24	80	434	1,251	1,181	178	3,124
05 Beg Cohort		2.75-2.99	25	209	793	181		1,208
2005 Col		2.50-2.74	20	103	501			624
		2.25-2.49	6	47	287	Not Qualifie	ed for TELS	340
Fall		2.24 or less	5	40	211			256
I		Total	1,395	3,689	7,030	3,255	302	15,671
Ŵ		3.75 or above	735	1,154	891	147	1	2,928
TELS	۲	3.50-3.74	107	377	579	222	3	1,288
	GPA	3.25-3.49	30	165	386	223	12	816
with	100	3.00-3.24	28	104	274	202	16	624
	School	2.75-2.99	8	44	109	12		173
ate In	Š	2.50-2.74	4	12	42			58
due	High	2.25-2.49	-	3	22	Not Qualifie	ed for TELS	25
Graduated Int	Ĥ	2.24 or less	-	2	12			14
g		Total	912	1,861	2,315	806	32	5,926
		3.75 or above	76%	70%	62%	49%	17%	67%
Ę.		3.50-3.74	53%	51%	44%	33%	11%	44%
Ra		3.25-3.49	32%	36%	31%	24%	13%	29%
, H		3.00-3.24	35%	24%	22%	17%	9%	20%
ttio		2.75-2.99	32%	21%	14%	7%		14%
due		2.50-2.74	20%	12%	8%			9%
Graduation Rate		2.25-2.49	0%	6%	8%	Not Qualifie	ed for TELS	7%
Ö		2.24 or less	0%	5%	6%			5%
		Total	65%	50%	33%	25%	11%	38%

Average ACT and High School GPA for Graduates with Scholarship Intact

Average High School GPA	3.66
Average ACT	24.3

Notes: Students for whom both GPA and ACT were not reported were excluded from this analysis, which explains the reason for the disparity in the graduation rates with TELS intact between this table and other tables. Public and TICUA institutions are included. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs. Source: THEC SIS

 Caucasian students were more likely to graduate with their scholarships intact compared to overall recipients in most ACT and high school GPA combinations (**Table 45**).

Table 46
Graduation Rate with Scholarship Intact, by ACT Composite Score and High School GPA, Fall 2005 Cohort,
African American Recipients

					ACT Composi	te Score		
			29 or higher	25-28	21-24	17-20	17 or less	Total
2005 Beginning Cohort		3.75 or above	9	66	134	90	8	307
		3.50-3.74	4	34	114	103	24	279
inn		3.25-3.49	1	28	126	184	67	406
egi		3.00-3.24	3	22	133	277	100	535
05 Beg Cohort		2.75-2.99	2	9	76	75		162
ဗွိ ပ		2.50-2.74	-	3	62			65
		2.25-2.49	-	1	30	Not Qualifi	ed for TELS	31
Fall		2.24 or less	-	1	35			36
H		Total	19	164	710	729	199	1,821
νį		3.75 or above	5	36	71	34	2	148
TELS	Ϋ́	3.50-3.74	2	14	33	16	8	73
T	GPA	3.25-3.49	-	12	30	39	7	88
vitl	School	3.00-3.24	1	8	32	40	5	86
ted wit Intact	Shc	2.75-2.99	1	2	12	ı		15
ate Ir		2.50-2.74	-	1	7			8
du	High	2.25-2.49	-	-	1	Not Qualifi	ed for TELS	1
Graduated with Intact	H	2.24 or less	-	-	-			-
S		Total	9	73	186	129	22	419
		3.75 or above	56%	55%	53%	38%	25%	48%
ę t		3.50-3.74	50%	41%	29%	16%	33%	26%
Ra		3.25-3.49	0%	43%	24%	21%	10%	22%
п		3.00-3.24	33%	36%	24%	14%	5%	16%
Graduation Rate		2.75-2.99	50%	22%	16%	0%		9%
dus		2.50-2.74		33%	11%			12%
rac		2.25-2.49		0%	3%	Not Qualific	ed for TELS	3%
5		2.24 or less		0%	0%			0%
		Total	47%	45%	26%	18%	11%	23%

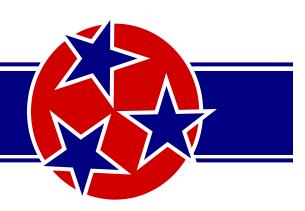
Average ACT and High School GPA for African American Graduates with Scholarship Intact

Average High School GPA	3.54
Average ACT	21.6

Notes: Students for whom both GPA and ACT were not reported were excluded from this analysis, which explains the reason for the disparity in the graduation rates with TELS intact between this table and other tables. Public and TICUA institutions are included. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs. Source: THEC SIS

 African American recipients were less likely to graduate with their scholarships intact compared to overall recipients in most ACT and high school GPA combinations (**Table 46**).

Section 3: Graduation Rate with TELS Intact



Section 4: 6-year Graduation Rates for TELS Recipients

This section presents analysis of six-year graduation rates for lottery scholar-ship recipients, including those who lost the scholarship before graduation. The purpose of this analysis is to understand the extent to which the state's investment ultimately resulted in student success, by assessing the academic progress of students who received a lottery scholarship at least once. Therefore, this section concerns six-year graduation rates, not five-year rates as discussed in the previous section*.

Technical Notes:

- The six-year graduation rate is defined as the percent of TELS first-time freshmen who attained either an associate's or bachelor's degree within six years of enrollment regardless of scholarship status at graduation.
- The graduation out come is credited to the institution where students enrolled as first-time freshmen.
- Likewise, the graduation rate is attributed to the initial scholarship type awarded during the freshman year. The analysis is limited to HOPE, GAMS, ASPIRE, and Access recipients.
- Unless otherwise specified, the analysis includes both public and private institutions.

^{*} Table 51 in this section includes five-year graduation rates. However, the rates in this case reflect all scholarship recipients, including those who lost a scholarship before graduation. The previous section was limited to students who graduated with scholarships intact.

Table 47
6-year Graduation Rate for TELS Freshmen by Initial Postsecondary
Sector Attended, Fall 2004 Cohort

	Freshman Cohort	Graduated	Graduation Rate	Graduation Rate for All Freshmen
TBR Universities	7,454	3,915	52.5%	46.3%
TBR Community Colleges	4,508	1,767	39.2%	30.2%
UT Campuses	5,383	3,504	65.1%	61.0%
TICUA Institutions	3,109	2,100	67.5%	N/A
Total	20,454	11,286	55.2%	N/A

Notes: "Graduated" represents TELS students who received an associate's or bachelor's degree, whichever is higher, including those who lost the scholarship before attaining the degree. Graduation rates are attributed to institutions of initial enrollment. Some students attended more than one institution simultaneously as first-time freshmen, which explains the discrepancy in the total cohort counts between this table and others. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs. Source: THEC SIS and THEC Factbool 2010-11 p.44

- The statewide six-year graduation rate for the Fall 2004 TELS first-time freshman cohort was 55.2 percent. By postsecondary sector, TICUA institutions led all sectors at 67.5 percent, closely followed by UT campuses at 65.1 percent. TBR Universities' graduation rate was 52.5 percent, slightly below the statewide average. TBR community colleges had a six-year graduation rate of 39.2 percent (**Table 47**).
- "Graduation Rate for All Freshmen" represents six-year graduation rates for all Fall 2004 first-time, full-time freshmen at public institutions including non-TELS students. In all sectors, TELS student demonstrated higher graduation rates than overall freshmen.

Table 48
6-year Graduation Rate for TELS Freshmen by Scholarship Type,
Fall 2004 Cohort

	Freshman Cohort	Graduated	%
HOPE	13,554	7,919	58.4%
GAMS	1,064	918	86.3%
ASPIRE	5,721	2,415	42.2%
ACCESS	110	31	28.2%
Total	20,449	11,283	55.2%

Note: "Graduated" represents students who received an associate's or bachelor's degree, whichever is higher, including those who lost the scholarship before attaining the degree. The graduation rate is attributed to the initial scholarship type awarded during the freshman year. Public and TICUA institutions are included. Source: THEC SIS

• GAMS recipients demonstrated the highest six-year graduation rate at 86.3 percent for the Fall 2004 cohort. The second highest graduation rate was for base HOPE recipients, with 58.4 percent graduating within 6 years of enrollment. Students with the need-based ASPIRE award, which requires the same academic criteria as the base HOPE award, graduated at a substantially lower rate than HOPE recipients, 42.2 percent. Access recipients' graduation rate was 28.2 percent, the lowest of all award types (**Table 48**).

Table 49
6-year Graduation Rate for TELS Freshmen by Gender,
Fall 2004 Cohort

	Freshman Cohort	Graduated	%
Female	11,443	6,647	58.1%
Male	9,006	4,636	51.5%
Total	20,449	11,283	55.2%

Note: "Graduated" represents students who received an associate's or bachelor's degree, whichever is higher, including those who lost the scholarship before attaining the degree. Public and TICUA institutions are included. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs.

Source: THEC SIS

• Female recipients held a higher 6-year graduation rate compared to male recipients for the Fall 2004 freshman cohort, with 58.1 percent of female freshmen and 51.5 percent of male freshmen graduating within six years of enrollment (**Table 49**).

Table 50
6-year Graduation Rate for TELS Freshmen by Race/Ethnicity,
Fall 2004 Cohort

	Freshman Cohort	Graduated	%
African American, not Hispanic	2,375	1,001	42.1%
Alaskan Native	50	45	90.0%
American Indian	56	37	66.1%
Asian or Pacific Islander	375	222	59.2%
Caucasian, not Hispanic	16,096	8,852	55.0%
Hispanic	257	131	51.0%
Unknown	1,240	995	80.2%
Total	20,449	11,283	55.2%

Note: "Graduated" represents students who received an associate's or bachelor's degree, including those who lost the scholarship before attaining the degree. Public and TICUA institutions are included. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs.

Source: THEC SIS

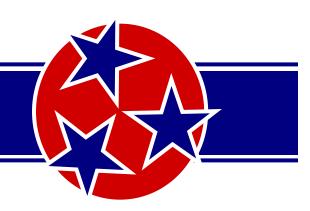
• By race, a wide variation exists in six-year graduation rates for the Fall 2004 TELS freshman cohort. Caucasian recipients, the largest group, graduated at a rate of 55.0 percent, almost the same as the overall state average. African American recipients' graduation rate was 42.1 percent, a difference of 12.9 percentage points from the graduation rate of Caucasian students. Asian/Pacific Islanders had a graduation rate of 59.2 percent, 4.0 percentage points higher than the state average, while 51.0 percent of Hispanic recipients graduated within 6 years of enrollment. Alaskan natives, though composing a small group, had a remarkably high graduation rate, 90.0 percent (**Table 50**).

Table 51
4, 5, and 6-year Graduation Rates for TELS First-time Freshmen,
Fall 2004 and 2005 Cohorts

					Gradu	ated			Graduat	ion Rate	
0.1	0	0.111	First-time	within	within	within	On TELS	within	within	within	On TELS
Cohort	Sector	Scholarship Type	Freshmen	4-yr	5-yr	6-yr	On TELS	4-yr	5-yr	6-yr	On IELS
		HOPE	4,995	1,026	2,318	2,827	1,463	21%	46%	57%	29%
	TBR Universities	GAMS	251	144	195	208	169	57%	78%	83%	67%
	1 DK Ulliversities	ASPIRE	2,173	288	688	868	411	13%	32%	40%	19%
		ACCESS	35	3	9	12	4	9%	26%	34%	11%
	TBR Universities		7,454	1,461	3,210	3,915	2,047	20%	43%	53%	27%
		HOPE	2,877	849	1,108	1,240	700	30%	39%	43%	24%
	TBR Community		11	5	6	6	6	45%	55%	55%	55%
ort	Colleges	ASPIRE	1,570	366	452	510	273	23%	29%	32%	17%
Fall 2004 Cohort		ACCESS	50	5	9	11	4	10%	18%	22%	8%
ŭ	TBR Community		4,508	1,225	1,575	1,767	983	27%	35%	39%	22%
04		HOPE	3,726	960	2,137	2,496	1,318	26%	57%	67%	35%
20	UT Campuses	GAMS	455	247	371	394	332	54%	82%	87%	73%
표	or campases	ASPIRE	1,187	215	495	611	288	18%	42%	51%	24%
굕		ACCESS	15	1	3	3	1	7%	20%	20%	7%
	UT Total		5,383	1,423	3,006	3,504	1,939	26%	56%	65%	36%
		HOPE	1,960	873	1,245	1,358	773	45%	64%	69%	39%
	TICUA	GAMS	348	262	304	311	261	75%	87%	89%	75%
	Institutions	ASPIRE	791	275	396	426	221	35%	50%	54%	28%
		ACCESS	10		4	5	-	0%	40%	50%	0%
	TICUA Total		3,109	1,410	1,949	2,100	1,255	45%	63%	68%	40%
	Grand Total		20,454	5,519	9,740	11,286	6,224	27%	48%	55%	30%
		HOPE	4,743	1,033	2,258		1,583	22%	48%		33%
	TBR Universities	GAMS	269	151	209		193	56%	78%		72%
	TER Offiverblied	ASPIRE	1,937	309	702		508	16%	36%		26%
		ACCESS	144	10	24		8	7%	17%		6%
	TBR Universities		7,093	1,503	3,193		2,292	21%	45%		32%
		HOPE	2,601	872	1,106		712	34%	43%		27%
	TBR Community	GAMS	11	7	8		5	64%	73%		45%
ort	Colleges	ASPIRE	1,292	338	425		264	26%	33%		20%
ohe		ACCESS	62	7	9		2	11%	15%		3%
Fall 2005 Cohort	TBR Community		3,966	1,224	1,548		983	31%	39%		25%
0.2		HOPE	3,840	1,123	2,288		1,579	29%	60%		41%
20	UT Campuses	GAMS	484	258	401		366	53%	83%		76%
all	or campases	ASPIRE	1,076	256	537		334	24%	50%		31%
压		ACCESS	36	2	8		3	6%	22%		8%
	UT Total		5,436	1,639	3,234		2,282	30%	59%		42%
		HOPE	2,095	948	1,369		915	45%	65%		44%
	TICUA	GAMS	465	338	401		350	73%	86%		75%
	Institutions	ASPIRE	731	266	409		248	36%	56%		34%
		ACCESS	21	4	7		-	19%	33%		0%
	TICUA Total		3,312	1,556	2,186		1,513	47%	66%		46%
	Grand Total		19,807	5,922	10,161		7,070	30%	51%		36%

Source: THEC SIS

• **Table 51** presents the most comprehensive set of information about graduation rates for the TELS program. It breaks down graduation rates for the Fall 2004 and 2005 cohorts by postsecondary sector, scholarship type, and length of years taken for graduation, including the rate of graduation with scholarships intact.



Section 5: College Retention for Scholarship Non-Renewals

Table 52

Fall-to-Fall College Retention Rate for Students who Lost Scholarship Eligibility during Freshman Year, by Initial Postsecondary Sector Attended, Fall 2004 through Fall 2009 TELS First-time Freshmen

			Freshman Cohort					
		Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009	
	TBR Univ	3,798	3,323	3,794	3,822	3,868	4,168	
Non-	TBR CC	2,691	2,107	2,805	3,279	2,768	3,158	
Renewals	UT Campuses	2,444	2,225	2,232	2,409	2,520	2,348	
	Total	8,933	7,655	8,831	9,510	9,156	9,674	
	TBR Univ	2,555	2,212	2,485	2,495	2,655	2,873	
Returned	TBR CC	1,392	1,096	1,414	1,721	1,576	1,722	
Next Fall	UT Campuses	1,886	1,709	1,736	1,810	1,986	1,793	
	Total	5,833	5,017	5,635	6,026	6,217	6,388	
	TBR Univ	67%	67%	65%	65%	69%	69%	
Retention	TBR CC	52%	52%	50%	52%	57%	55%	
Rate	UT Campuses	77%	77%	78%	75%	79%	76%	
	Total	65%	66%	64%	63%	68%	66%	

Notes: The table reflects public institutions only, as the data THEC collected from TICUA institutions are limited to scholarship recipients only. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs. Source: THEC SIS

- "Non-renewals" represents students in public postsecondary institutions who did not renew scholarship eligibility in the second year. For instance, the Fall 2009 cohort had a total of 9,674 first-time freshmen who lost the scholarship by the end of academic year 2009-10. "Returned Next Fall" stands for those who returned to any public institution in the following fall, and the "Retention Rate" corresponds to the percent of such students relative to those who lost the scholarship during the freshman year (**Table 52**).
- For the Fall 2009 cohort, 66 percent of non-renewals remained enrolled in Fall 2010. The retention rate has been relatively stable over the past six years, ranging from 63 percent to 68 percent. In other words, approximately two-thirds of non-renewals at public institutions continued to enroll in the second year.
- The retention rate for non-renewals varies by postsecondary sector. For the Fall 2009 cohort, UT campuses had the highest retention rate at 76 percent, followed by TBR universities at 69 percent. TBR community colleges had a lower retention rate compared to the other two sectors, at 55 percent.

Table 53
Fall-to-Fall College Retention Rate for Students who Lost Scholar-ship Eligibility during Freshman Year, by Original Scholarship Award, Fall 2004 through Fall 2009 TELS First-time Freshmen

		Freshman Cohort					
		Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009
	HOPE	5,834	5,061	5,686	6,330	6,262	6,443
Non-	GAMS	77	76	75	92	105	83
	ASPIRE	2,945	2,328	2,791	2,808	2,489	2,993
Renewals	Access	75	188	279	278	299	155
	Total	8,931	7,653	8,831	9,508	9,155	9,674
	HOPE	4,034	3,476	3,815	4,139	4,329	4,346
Returned	GAMS	53	47	55	64	77	57
Next Fall	ASPIRE	1,705	1,381	1,587	1,658	1,612	1,887
Next Fall	Access	40	113	178	164	199	98
	Total	5,832	5,017	5,635	6,025	6,217	6,388
	HOPE	69%	69%	67%	65%	69%	67%
Retention	GAMS	69%	62%	73%	70%	73%	69%
	ASPIRE	58%	59%	57%	59%	65%	63%
Rate	Access	53%	60%	64%	59%	67%	63%
	Total	65%	66%	64%	63%	68%	66%

Note: The table reflects public institutions only, as the data THEC collected from TICUA institutions are limited to scholarship recipients only.

Source: THEC SIS

- There is minor variation in the college retention rates for non-renewals among the scholarship types. For the Fall 2009 cohort, the retention rate was the highest for GAMS non-renewals, with 69 percent returning in the following fall semester. HOPE non-renewals had a similar retention rate at 67 percent, followed by ASPIRE and Access non-renewals, both of whom remained enrolled in Fall 2010 at a rate of 63 percent (**Table 53**).
- Over time, the retention rates for non-renewals of the need-based ASPIRE
 and Access awards have shown visible improvement. Since the Fall 2004
 cohort, the retention rate for ASPIRE non-renewals improved by 5 percentage points from 58 percent to 63 percent. A greater improvement in retention rate was observed among Access non-renewals, whose retention rate
 went up from 53 percent to 63 percent during the same period.

Table 54
Fall-to-Fall College Retention Rate for Students who Lost Scholarship Eligibility during Freshman Year, by Gender,
Fall 2004 through Fall 2009 TELS First-time Freshmen

		Freshman Cohort									
		Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009				
Non-	Female	4,612	4,024	4,653	4,899	4,638	5,006				
	Male	4,319	3,629	4,178	4,608	4,517	4,668				
Renewals	Total	8,931	7,653	8,831	9,507	9,155	9,679				
Returned	Female	2,991	2,620	2,933	3,092	3,133	3,286				
Next Fall	Male	2,841	2,397	2,702	2,933	3,084	3,102				
Next Fall	Total	5,832	5,017	5,635	6,025	6,217	6,388				
Retention	Female	65%	65%	63%	63%	68%	66%				
	Male	66%	66%	65%	64%	68%	66%				
Rate	Total	65%	66%	64%	63%	68%	66%				

Notes: The table reflects public institutions only, as the data THEC collected from TICUA institutions are limited to scholarship recipients only. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs. Source: THEC SIS

• The retention rates for non-renewals have been almost identical by gender over the years. Most recently, 5,006 females and 4,668 males of the Fall 2009 TELS freshman cohort did not renew their scholarships in the second year. Equally, 66 percent of each group returned in Fall 2010 (**Table 54**).

Table 55
Fall-to-Fall College Retention Rate for Students who Lost Scholar-ship Eligibility during Freshman Year by Race/Ethnicity,
Fall 2004 through Fall 2009 TELS First-time Freshmen

		Freshman Cohort								
		Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009			
	African American, not Hispanic	1,436	1,017	1,334	1,446	1,306	1,484			
	Alaskan Native	4	5	3	4	11	11			
	American Indian	15	21	24	29	20	39			
Non-	Asian or Pacific Islander	143	98	136	160	140	138			
Renewals	Caucasian, not Hispanic	7,032	6,229	6,998	7,506	7,142	7,374			
110110 0110	Hispanic	127	123	165	169	182	206			
	Unknown	174	160	171	194	354	422			
	Total	8,931	7,653	8,831	9,508	9,155	9,674			
	African American, not Hispanic	1,046	768	985	1,054	996	1,111			
	Alaskan Native	3	4	2	4	9	9			
	American Indian	9	15	15	13	12	24			
Returned	Asian or Pacific Islander	113	68	103	106	108	105			
Next Fall	Caucasian, not Hispanic	4,479	3,987	4,327	4,624	4,733	4,745			
	Hispanic	91	71	98	100	126	143			
	Unknown	91	104	105	124	233	251			
	Total	5,832	5,017	5,635	6,025	6,217	6,388			
	African American, not Hispanic	73%	76%	74%	73%	76%	75%			
	Alaskan Native	75%	80%	67%	100%	82%	82%			
	American Indian	60%	71%	63%	45%	60%	62%			
Retention	Asian or Pacific Islander	79%	69%	76%	66%	77%	76%			
Rate	Caucasian, not Hispanic	64%	64%	62%	62%	66%	64%			
	Hispanic	72%	58%	59%	59%	69%	69%			
	Unknown	52%	65%	61%	64%	66%	59%			
	Total	65%	66%	64%	63%	68%	66%			

Notes: The table reflects public institutions only, as the data THEC collected from TICUA institutions are limited to scholarship recipients only. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access programs. Source: THEC SIS

• Moderate variation exists by race in the college retention rates for non-renewals. With the exception of Alaskan Natives and American Indians with small enrollment sizes, Asian/Pacific Islanders had the highest retention rate of 76 percent for non-renewals, closely followed by African American non-renewals, with 75 percent remaining enrolled in Fall 2010. While Hispanic non-renewals returned at a rate of 69 percent, the retention rate for Caucasian non-renewals, the largest group, was 64 percent, slightly lower than the statewide average. This variation pattern has been relatively consistent over the years (**Table 55**).

Table 56
Fall-to-Fall College Retention Rate for Students Losing Scholarship Eligibility during Freshman Year, by Family Income Level,
Fall 2009 TELS First-time Freshmen

	HOPE	GAMS	ASPIRE	ACCESS	Total
\$12000 or less	Students	#0.00i0	58%	58%	58%
12,001-24,000	ASPIRE of		64%	65%	64%
24,001-36,000	ASFIRE O	Access	67%	67%	67%
36,001-48,000	65%	60%			65%
48,001-60,000	65%	54%	D		64%
60,001-72,000	65%	100%	Programs red income of \$		66%
72,001-84,000	66%	86%			66%
84,001-96,000	65%	54%	less		64%
above \$96,000	73%	69%			73%
Total	68%	67%	64%	64%	67%

Notes: Public institutions only, as the data THEC collected from TICUA institutions are limited to scholarship recipients only.

Sources: THEC SIS and TSAC FAFSA Data

• Students who remained in school after losing their TELS award were more likely to come from the highest income families. Nearly three-quarters of Fall 2009 TELS first-time freshmen from the highest family income group who did not renew their scholarship returned to school anyway. Among such students from the lowest income families, the rate of students returning to college was only 58 percent, a difference of 15 percentage points relative to the highest income group. Income does not seem to matter except at the extremes (**Table 56**).

Table 57

Postsecondary Sector Enrollment Shifts by Fall 2004 through Fall 2009 TELS First-time Freshmen who Remained Enrolled at Public Institutions: Scholarship Renewals vs. Non-renewals

Fall 2004 Fre		Freshmen	Fall 2005 Freshmen		Fall 2006 Freshmen		Fall 2007 Freshmen		Fall 2008 Freshmen		Fall 2009 Freshmen		
		Fall04	Fall05	Fall05	Fall06	Fall06	Fall07	Fall07	Fall08	Fall08	Fall09	Fall09	Fall10
	TBR Univ.	3,630	3,672	3,740	3,805	3,857	3,869	4,194	4,277	4,281	4,354	4,540	4,627
_ ig	TBR CC	1,787	1,739	1,823	1,869	2,065	2,126	1,953	1,891	2,286	2,202	2,413	2,346
red shij	UT Campuses	2,924	2,930	3,190	3,079	3,352	3,279	3,558	3,537	3,789	3,800	3,796	3,776
I K L	Total	8,341	8,341	8,753	8,753	9,274	9,274	9,705	9,705	10,356	10,356	10,749	10,749
Renev	TBR Univ.	44%	44%	43%	43%	42%	42%	43%	44%	41%	42%	42%	43%
S G	TBR CC	21%	21%	21%	21%	22%	23%	20%	19%	22%	21%	22%	22%
Š	UT Campuses	35%	35%	36%	35%	36%	35%	37%	36%	37%	37%	35%	35%
	Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	TBR Univ.	2,555	1,984	2,212	2,024	2,485	2,323	2,495	2,299	2,655	2,333	2,873	2,607
ed	TBR CC	1,391	2,304	1,096	1,545	1,412	1,820	1,720	2,234	1,576	2,320	1,722	2,343
ewed ship	UT Campuses	1,886	1,544	1,709	1,448	1,736	1,490	1,810	1,492	1,986	1,564	1,791	1,436
	Total	5,832	5,832	5,017	5,017	5,633	5,633	6,025	6,025	6,217	6,217	6,386	6,386
ot R	TBR Univ.	44%	34%	44%	40%	44%	41%	41%	38%	43%	38%	45%	41%
	TBR CC	24%	40%	22%	31%	25%	32%	29%	37%	25%	37%	27%	37%
	UT Campuses	32%	26%	34%	29%	31%	26%	30%	25%	32%	25%	28%	22%
	Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Note: Those who enrolled in 2-year and 4-year institutions at the same time are considered attending the 4-year institution. This table reflects public institutions only, as the data THEC collected from TICUA institutions are limited to scholarship recipients. Students attending TICUA institutions, including transfers from public institutions, are excluded from the analysis. TELS freshmen who did not return in the second year are not included either.

Source: THEC SIS

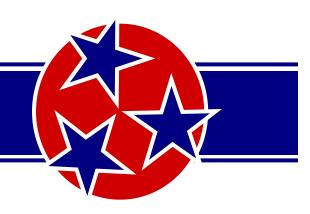
- **Table 57** groups TELS first-time freshmen who remained enrolled at public institutions in their second year according to their scholarship eligibility in the second year: 1) students who renewed the scholarship and 2) those who did not renew the scholarship. Then it traces them back to the first year, examining whether there was a visible enrollment shift by scholarship renewals and non-renewals, respectively. This analysis limits its scope to students who started at and returned to public institutions only.
- Among Fall 2009 TELS freshmen who renewed the scholarship, no major enrollment shifts occurred. This pattern has been stable over the years.
- In contrast, the subsequent enrollment patterns for students who did not renew their award are in the anticipated direction, as students transfer from public four-year sectors into less expensive, open access community colleges.

Table 58
Fall 2004 through Fall 2009 TELS First-time Freshmen:
Continued Enrollment in Subsequent Fall Terms, by Original Award

						Fa	11 2004 F	irst-tim	e Freshm	en						
	Year 1		Year 2			Year 3			Year 4			Year 5*			d Associate bove withir	
		With TELS	Without TELS	Overall	With TELS	Without TELS	Overall	With TELS	Without TELS	Overall	With TELS	Without TELS	Overall	With TELS	Without TELS	Overall
HOPE	11,594	50%	35%	84%	36%	40%	76%	32%	36%	69%	14%	35%	49%	29%	27%	57%
GAMS	717	89%	7%	97%	84%	10%	94%	77%	15%	91%	20%	30%	50%	70%	15%	85%
ASPIRE	4,930	40%	35%	75%	26%	37%	63%	22%	32%	54%	11%	30%	40%	19%	21%	40%
ACCESS	100	25%	40%	65%	9%	39%	48%	9%	31%	40%	6%	25%	31%	9%	17%	26%
Total	17,341	48%	34%	82%	35%	38%	73%	31%	34%	65%	13%	33%	46%	28%	25%	53%
	1					Fa	11 2005 F	irst-tim	e Freshm	en				Obtains	d Associate	la Dasmaa
	Year 1		Year 2			Year 3			Year 4*			Year 5		or a	bove withir	0
		With TELS	Without TELS	Overall	With TELS	Without TELS	Overall	With TELS	Without TELS	Overall	With TELS	Without TELS	Overall	With TELS	Without TELS	Overall
HOPE	11,183	55%	31%	86%	40%	37%	77%	38%	33%	71%	17%	33%	50%	34%	16%	50%
GAMS	764	90%	6%	96%	83%	12%	95%	78%	12%	90%	23%	31%	54%	73%	8%	81%
ASPIRE	4,303	46%	32%	78%	32%	35%	67%	28%	31%	59%	14%	30%	44%	25%	14%	39%
ACCESS	242	22%	47%	69%	9%	46%	55%	10%	38%	48%	5%	35%	40%	5%	12%	17%
Total	16,492	54%	30%	84%	40%	35%	75%	37%	32%	68%	16%	32%	48%	33%	15%	48%
	1					Fa	11 2006 F	irst-tim	e Freshm	en						
	Year 1		Year 2			Year 3			Year 4*			Year 5			d Associate bove withir	0
		With TELS	Without TELS	Overall	With TELS	Without TELS	Overall	With TELS	Without TELS	Overall	With TELS	Without TELS	Overall	With TELS	Without TELS	Overall
HOPE	12,071	53%	32%	85%	44%	32%	76%	38%	33%	71%	17%	32%	50%	20%	6%	26%
GAMS	826	91%	7%	98%	87%	10%	97%	82%	12%	94%	29%	29%	58%	51%	1%	52%
ASPIRE	4,949	44%	32%	76%	33%	32%	65%	27%	32%	59%	14%	30%	44%	14%	5%	19%
ACCESS	331	16%	54%	69%	10%	46%	56%	7%	44%	51%	4%	35%	39%	4%	8%	12%
Total	18,177	51%	31%	82%	42%	31%	74%	36%	32%	68%	17%	32%	48%	19%	5%	25%
	I					Fa	11 2007 F	irst-time	e Freshm	en	<u> </u>			Ohtoino	d Ai-t-	la Dasmaa
	Year 1		Year 2			Year 3		Year 4*					Obtained Associate's Degree or above within 3-yr			
		With TELS	Without TELS	Overall	With TELS	Without TELS	Overall	With TELS	Without TELS	Overall				With TELS	Without TELS	Overall
HOPE	13,148	52%	31%	83%	46%	31%	77%	37%	33%	70%				5%	2%	6%
GAMS	913	90%	7%	97%	86%	8%	94%	79%	12%	91%				3%	0%	3%
ASPIRE	4,934	43%	34%	77%	35%	33%	68%	27%	32%	59%				4%	2%	6%
ACCESS	320	13%	51%	64%	7%	44%	51%	5%	43%	48%				2%	1%	3%
Total	19,315	51%	31%	82%	44%	31%	75% 11 2008 F	36%	32%	68%				4%	2%	6%
	Year 1		Year 2			Year 3	11 2008 F	irst-tiiii	e Freshin	еп				<u> </u>		
	10011	With	Without	O-remall	With	Without	O-10-mg-11									
		TELS	TELS	Overall	TELS	TELS	Overall									
HOPE	13,542	54%	32%	86%	47%	31%	78%									
GAMS	1,054	90%	7%	97%	87%	8%	95%									
ASPIRE	4,623	46%	35%	81%	38%	32%	70%									
ACCESS	393	24%	51%	75%	16%	43%	59%									
Total	19,612	53%	32%	85%	46%	30%	76% 11 2009 F	irot tim	e Fresh	en	L			<u> </u>		
	Year 1		Year 2			га	11 2009 г	II St-tIIII	e riesiiii	en				ı		
	rear r	With	Without	Overall												
HORE	10.001	TELS	TELS													
HOPE	13,861	54%	32%	86%										I		
GAMS	1,026	90%	7%	97%				No	te: The	e data	includ	de pub	lic ins	titutio	ns only	
ASPIRE ACCESS	5,444 196	46% 24%	35% 51%	81% 75%				So	urce: '	THEC	SIS					
Total	20,527	53%	32%	85%										1		
	,0_,						oholor									

Section 5: College Retention for Scholarship Non-renewers

- The fall-to-fall college retention rate of the Fall 2009 TELS cohort was 85 percent (**Table 58**).
- Longitudinal college retention rates do not vary more than a few percentage points from cohort to cohort. Students are staying in college at about the same rate regardless of changes in scholarship renewal rates. This indicates the scholarship is not the primary factor in the decision to remain in school for most students.
- Overall: The latest college retention rates for TELS recipients -- those who renewed awards and those who did not -- was 85 percent in their second year, 76 percent in their third year, 68 percent in their fourth year, and 48 percent in the fifth year of college, excluding graduates.
- HOPE: The latest college retention rate for HOPE recipients was 86 percent in the second year, 78 percent in the third year, 70 percent in the fourth year, and 50 percent in the fifth year.
- GAMS: The latest college retention rate for GAMS recipients was 97 percent in the second year, 95 percent in the third year, 91 percent in the fourth year, and 58 percent in the fifth year.
- ASPIRE: The latest college retention rate for ASPIRE recipients was 81 percent in the second year, 70 percent in the third year, 59 percent in the fourth year, and 44 percent in the fifth year.
- Access: The latest college retention rate for Access recipients was 75 percent in the second year, 59 percent in the third year, 48 percent in the fourth year, and 39 percent in the fourth year.



Section 6: Scholarship Recipients and Employment During College

Scholarship Recipients and Employment During College

Many students obtain a job to help pay for college. However, until recently, no official data were available on student employment. Last year, THEC and the Tennessee Department of Labor and Workforce Development (TDLWD) reached an agreement that allows THEC to link its student data with workforce information collected through the state's unemployment insurance system. This agreement substantially enhanced THEC's research capacity, enabling it to better understand patterns of student employment. The following section provides information relative to student employment of lottery scholarship recipients.

The following individuals are not part of the unemployment insurance system and are therefore excluded from the analysis:

- Military personnel;
- Self-employed residents; and
- Those employed outside the state.

Table 59
Percent of TELS First-time Freshmen with a Job by Sector, Fall 2004 through Fall 2009

	Sector	Student Type	Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009
	TBR Universities	TELS	7,454	7,093	7,680	8,055	8,182	8,737
	TER Universities	Non-TELS	1,710	2,211	2,022	2,267	1,997	2,104
en	TBR Community	TELS	4,508	3,966	4,892	5,261	5,081	5,613
l mt	Colleges	Non-TELS	6,154	6,816	6,551	6,858	7,612	8,438
est	UT Campuses	TELS	5,383	5,436	5,605	6,002	6,350	6,178
Fr	or campuses	Non-TELS	649	835	893	747	522	491
ne	Public Total	TELS	17,345	16,495	18,177	19,318	19,613	20,528
ţi.	rubiic Total	Non-TELS	8,513	9,862	9,466	9,872	10,131	11,033
First-time Freshmen	TICUA Institutions	TELS	3,109	3,312	3,538	3,469	3,946	4,131
Fi		Non-TELS			Not Av			
	Higher Education	TELS	20,454	19,807	21,715	22,787	23,559	24,659
	Total	Non-TELS			Not Av			
ಹ	TBR Universities	TELS	5,287	3,311	5,420	5,564	5,320	4,948
		Non-TELS	1,216	1,073	1,493	1,680	1,323	1,233
wit	TBR Community	TELS	3,525	2,749	3,863	4,091	3,747	3,719
r H	Colleges	Non-TELS	4,887	4,614	5,349	5,450	5,658	5,436
ШÉ	UT Campuses	TELS	3,531	1,804	3,739	3,816	3,911	3,314
resh Job	or campuses	Non-TELS	434	342	617	511	335	276
Fre	Public Total	TELS	12,343	7,864	13,022	13,471	12,978	11,981
le]	Tubiic Total	Non-TELS	6,537	6,029	7,459	7,641	7,316	6,945
tim	TICUA Institutions	TELS	1,856	1,092	2,114	2,040	2,143	1,921
st-		Non-TELS			Not Av			
First-time Freshmen with Job	Higher Education		14,199	8,956	15,136	15,511	15,121	13,902
	Total	Non-TELS			Not Av			
ಹ	TBR Universities	TELS	70.9%	46.7%	70.6%	69.1%	65.0%	56.6%
		Non-TELS	71.1%	48.5%	73.8%	74.1%	66.2%	58.6%
wit	TBR Community	TELS	78.2%	69.3%	79.0%	77.8%	73.7%	66.3%
g g	Colleges	Non-TELS	79.4%	67.7%	81.7%	79.5%	74.3%	64.4%
) me	UT Campuses	TELS	65.6%	33.2%	66.7%	63.6%	61.6%	53.6%
Freshn Job (%)	or campuses	Non-TELS	66.9%	41.0%	69.1%	68.4%	64.2%	56.2%
Fre ob	Public Total	TELS	71.2%	47.7%	71.6%	69.7%	66.2%	58.4%
le]	Tubiic Total	Non-TELS	76.8%	61.1%	78.8%	77.4%	72.2%	62.9%
tiri	TICUA Institutions	TELS	59.7%	33.0%	59.8%	58.8%	54.3%	46.5%
st-1		Non-TELS			Not Av			
First-time Freshmen with Job (%)	Higher Education	TELS	69.4%	45.2%	69.7%	68.1%	64.2%	56.4%
I	Total	Non-TELS			Not Av	ailable		

Notes: These figures may understate the actual percentage as the unemployment insurance database does not track students who are employees of out-of-state employers, military personnel, or self-employed. Non-lottery students correspond to Tennessee residents without a lottery scholarship, whose age was 19 or less when they entered college. Any freshmen who worked during the 3rd or 4th quarter of a given calendar year overlapping the first fall term are considered job holders.

Sources: THEC SIS, TSAC FAFSA Data, TDLWD

- The rates represent the percent of TELS freshmen who were employed during the fall term of the freshman year (**Table 59**).
- The proportion of TELS freshmen with a job declined over the past four years, decreasing from nearly 70 percent to 56.4 percent for the Fall 2009 cohort, the all-time low since the inception of the TELS program.
- In Fall 2009, TBR community colleges had the highest percentage of job holders at 66.3 percent, followed by TBR universities at 56.6 percent and UT campuses at 53.6 percent. TICUA institutions had the lowest percentage of such students, at 46.5 percent.
- Non-TELS freshmen in the public sector had a slightly higher percentage of employed students than their counterparts on a lottery scholarship, though the employment rate for non-TELS freshmen is also declining. It reached its highest point in Fall 2006, 78.8 percent, but declined continuously in subsequent years. This trend probably reflects the labor market environment of the country, suggesting that obtaining a part-time job might have become harder for students.

Table 60

Median Earnings of TELS First-time Freshmen with a Job by Sector, Fall 2004 through Fall 2010

	Sector	Student Type	Fa	11 2004	Fa	11 2005	Fa	11 2006	Fa	11 2007	Fa	all 2008	Fa	11 2009
	TBR Universities	TELS	\$	2,015	\$	2,014	\$	1,930	\$	1,862	\$	1,863	\$	1,858
		Non-TELS	\$	2,765	\$	2,826	\$	2,363	\$	2,222	\$	1,881	\$	1,881
	TBR Community	TELS	\$	3,341	\$	3,068	\$	3,401	\$	3,376	\$	3,366	\$	3,303
ars	Colleges	Non-TELS	\$	3,433	\$	3,519	\$	3,403	\$	3,410	\$	3,335	\$	3,121
Dollars	UT Campuses	TELS	\$	1,333	\$	1,126	\$	1,314	\$	1,290	\$	1,278	\$	1,201
		Non-TELS	\$	1,741	\$	1,953	\$	1,725	\$	1,449	\$	1,489	\$	1,465
Current	Public Total	TELS	\$	2,229	\$	1,834	\$	2,144	\$	1,936	\$	2,093	\$	1,884
rre		Non-TELS	\$	2,489	\$	2,754	\$	2,497	\$	2,543	\$	2,510	\$	2,211
Cu	TICUA Institutions	TELS	\$	1,496	\$	1,388	\$	1,372	\$	1,327	\$	1,440	\$	1,377
		Non-TELS						Not Av	aila	ıble				
	Higher Education	TELS	\$	2,000	\$	2,089	\$	1,911	\$	1,896	\$	1,868	\$	1,862
	Total	Non-TELS						Not Av	aila	ıble				
	TBR Universities	TELS	\$	2,288	\$	2,213	\$	2,054	\$	1,926	\$	1,856	\$	1,858
6		Non-TELS	\$	3,141	\$	3,104	\$	2,515	\$	2,299	\$	1,874	\$	1,881
(2009)	TBR Community	TELS	\$	3,794	\$	3,371	\$	3,619	\$	3,493	\$	3,354	\$	3,303
	Colleges	Non-TELS	\$	3,899	\$	3,865	\$	3,621	\$	3,529	\$	3,323	\$	3,121
ars	UT Campuses	TELS	\$	1,514	\$	1,237	\$	1,398	\$	1,335	\$	1,273	\$	1,201
olle		Non-TELS	\$	1,977	\$	2,145	\$	1,835	\$	1,500	\$	1,484	\$	1,465
Ŏ	Public Total	TELS	\$	2,532	\$	2,014	\$	2,281	\$	2,003	\$	2,085	\$	1,884
ınt		Non-TELS	\$	2,827	\$	3,025	\$	2,657	\$	2,631	\$	2,501	\$	2,211
ste	TICUA Institutions	TELS	\$	1,699	\$	1,525	\$	1,460	\$	1,373	\$	1,435	\$	1,377
Constant Dollars		Non-TELS						Not Av						
\circ	Higher Education		\$	2,271	\$	2,295	\$	2,034			\$	1,861	\$	1,862
	Total	Non-TELS						Not Av	aila	ıble				

Notes: Dollar figures are for the third and fourth quarters of a given calendar year. The unemployment insurance database does not track students who are employees of out-of-state employers, military personnel, or self -employed. Non-lottery students correspond to Tennessee residents without a lottery scholarship, whose age was 19 or less when they entered college. Any freshmen who worked during the 3rd or 4th quarter of a given calendar year overlapping the first fall term are considered job holders. Dollars are adjusted for inflation using CPI for all urban consumers.

Sources: THEC SIS, TSAC FAFSA Data, TDLWD, BLS

- The median earnings of TELS freshmen have declined in constant dollars since Fall 2005. Fall 2009 TELS freshmen earned median wages of \$1,862 in 2009 dollars during the first term of enrollment, \$433 less than the amount earned by the Fall 2005 cohort, the group that had the highest median earnings (**Table 60**).
- At public institutions, median annual earnings were consistently higher for non-TELS freshmen compared to TELS freshmen. The Fall 2009 non-TELS freshman cohort had median earnings of \$2,211, approximately \$300 higher than the median amount earned by TELS recipients.

Table 61
Percent of TELS First-time Freshmen with a Job by Original Scholarship Type, Fall 2004 through Fall 2009

	Scholarship Type	Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009
-	HOPE	13,558	13,279	14,246	15,283	16,091	16,418
S	GAMS	1,065	1,229	1,210	1,315	1,407	1,389
TELS	ASPIRE	5,721	5,036	5,915	5,831	5,638	6,607
TELS Freshmen	Access	110	263	344	358	423	245
Щ.	Total	20,454	19,807	21,715	22,787	23,559	24,659
٦ -	HOPE	9,528	6,117	10,074	10,543	10,449	9,417
S. men Job	GAMS	615	301	701	724	781	678
TELS eshme / a Jo	ASPIRE	3,978	2,401	4,109	3,981	3,609	3,664
TELS Freshmen w/ a Job	Access	78	137	252	263	282	143
H	Total	14,199	8,956	15,136	15,511	15,121	13,902
n (%)	HOPE	70.3%	46.1%	70.7%	69.0%	64.9%	57.4%
S nei b (°	GAMS	57.7%	24.5%	57.9%	55.1%	55.5%	48.8%
TELS eshmen a Job (%	ASPIRE	69.5%	47.7%	69.5%	68.3%	64.0%	55.5%
. ⊢.	Access	70.9%	52.1%	73.3%	73.5%	66.7%	58.4%
F w/	Total	69.4%	45.2%	69.7%	68.1%	64.2%	56.4 %

Notes: These figures may understate the actual percentage as the unemployment insurance database does not track students who are employees of out-of-state employers, military personnel, or self-employed. Any freshmen who worked during the 3rd or 4th quarter of a given calendar year overlapping the first fall term are considered job holders. The table includes public and TICUA institutions.

Sources: THEC SIS, TSAC FAFSA Data, TDLWD

- By scholarship type, the proportion of employed TELS freshmen in Fall 2009 was highest for Access recipients at 58.4 percent, though they composed only one percent of TELS freshmen. The GAMS program had 48.8 percent of students with employment (**Table 61**).
- Access recipients always had the highest percentage of employed students, while the GAMS program was consistently the lowest. The trend in the proportion of job holders within each scholarship type mirrored the trajectory for the overall TELS program.

Table 62
Median Earnings of TELS First-time Freshmen by Original Scholarship Type, Fall 2004 through Fall 2009

	Scholarship Type	Fa	11 2004	Fa	all 2005	F	all 2006	Fa	ıll 2007	Fa	11 2008	Fa	11 2009
	HOPE	\$	1,968	\$	2,046	\$	1,880	\$	1,879	\$	1,861	\$	1,876
int	GAMS	\$	1,276	\$	859	\$	1,215	\$	1,250	\$	1,320	\$	1,120
Current Dollars	ASPIRE	\$	2,191	\$	2,371	\$	2,178	\$	2,106	\$	2,058	\$	2,068
Cu	Access	\$	2,556	\$	2,181	\$	2,326	\$	2,466	\$	2,735	\$	2,185
	Total	\$	2,000	\$	2,089	\$	1,911	\$	1,896	\$	1,868	\$	1,862
	HOPE	\$	2,235	\$	2,248	\$	2,001	\$	1,944	\$	1,855	\$	1,876
ant rs 9)	GAMS	\$	1,450	\$	944	\$	1,293	\$	1,293	\$	1,315	\$	1,120
18t 11a 00	ASPIRE	\$	2,488	\$	2,604	\$	2,318	\$	2,179	\$	2,051	\$	2,068
Cor Do	Access	\$	2,903	\$	2,395	\$	2,475	\$	2,552	\$	2,725	\$	2,185
	Total	\$	2,271	\$	2,295	\$	2,034	\$	1,962	\$	1,861	\$	1,862

Notes: The dollars figures are for the third and fourth quarters of a given calendar year. The unemployment insurance database does not track students who are employees of out-of-state employers, military personnel, or self-employed. Any freshmen who worked during the 3rd or 4th quarter of a given calendar year overlapping the first fall term are considered job holders regardless of earnings. The table includes both TICUA and public institutions. Dollars are adjusted for inflation by using CPI for all urban consumers.

Sources: THEC SIS, TSAC FAFSA Data, TN DLWD, BLS

- Among the Fall 2009 cohort, Access freshmen had the highest median earnings of all the scholarship types at \$2,185. ASPIRE and HOPE freshmen earned relatively lower amounts, with median earnings of \$1,876 and \$2,068, respectively. GAMS students earned the lowest, at \$1,120 (**Table 62**).
- Over time, the constant dollar earnings of freshman recipients declined across all scholarship programs. In Fall 2004, HOPE freshmen earned median wages of \$2,235 from a job. The median earnings slightly increased to 2,248 in the following year, then dropped again to \$2,001 in Fall 2006. Over the next three years, the median earnings declined to \$1,876 in Fall 2009. Recipients in the other programs also experienced a similar trend.

Table 63
Percent of TELS First-time Freshmen with a Job by Income Level, Fall 2004 through Fall 2009 Cohorts

Adjusted Gross Income (AGI)	Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009
\$12,000 or less	70.2%	46.4%	67.4%	70.8%	63.0%	58.1%
12,001-24,000	68.9%	48.5%	70.7%	69.0%	64.6%	55.0%
24,001-36,000	70.3%	49.4%	71.4%	69.5%	66.2%	56.9%
36,001-48,000	73.1%	50.4%	70.5%	69.9%	67.4%	58.8%
48,001-60,000	72.1%	50.9%	72.5%	70.8%	66.5%	60.1%
60,001-72,000	72.0%	49.2%	72.2%	70.3%	67.3%	58.5%
72,001-84,000	70.8%	46.8%	72.3%	71.0%	66.4%	58.2%
84,001-96,000	68.7%	43.1%	68.9%	68.6%	64.3%	57.7%
above \$96,000	65.1%	36.4%	66.6%	64.5%	60.9%	54.0%
Total	69.4%	45.2%	69.7%	68.1%	64.2%	56.4%

Highest Percentage

Notes: These figures may understate the actual percentage as the unemployment insurance database does not track students who are employees of out-of-state employers, military personnel, or self-employed. Any freshmen who worked during the 3rd or 4th quarter of a given calendar year overlapping the first fall term are considered job holders regardless of earnings. Students with missing income information are excluded. The table reflects both private and public institutions. A student's income level is determined by adjusted gross income as reported on the FAFSA. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access awards.

Sources: THEC SIS, TSAC FAFSA Data, TDLWD

- The percentage of employed TELS first-time freshmen varied by income level. For the Fall 2009 cohort, the percentage of job holders ranged between 54.0 percent and 60.1 percent. The employment rate pattern across the income levels remained relatively consistent since the inception of the scholarship program (**Table 63**).
- Mid-income freshmen tended to be employed more than other income-level students. This result implies that middle income families may financially struggle most due to their ineligibility for most need-based scholarship programs.

Table 64
Median Earnings of TELS First-time Freshmen with a Job by
Family Income Level, Fall 2004 through Fall 2009 Cohorts

	Adjusted Gross Income (AGI)	Fa	11 2004	Fa	11 2005	Fa	all 2006	Fa	all 2007	Fa	11 2008	Fa	11 2009
	\$12,000 or less	\$	2,225	\$	2,283	\$	2,332	\$	2,203	\$	2,119	\$	2,187
	12,001-24,000	\$	2,309	\$	2,320	\$	2,169	\$	2,156	\$	1,975	\$	2,044
urs	24,001-36,000	\$	2,070	\$	2,473	\$	2,118	\$	2,162	\$	2,150	\$	2,015
Dollars	36,001-48,000	\$	2,189	\$	2,432	\$	2,211	\$	2,153	\$	2,102	\$	2,197
	48,001-60,000	\$	2,298	\$	2,420	\$	2,308	\$	2,180	\$	2,099	\$	2,100
Current	60,001-72,000	\$	2,205	\$	2,199	\$	2,046	\$	2,124	\$	2,035	\$	2,152
ırre	72,001-84,000	\$	2,071	\$	1,987	\$	1,986	\$	2,124	\$	2,050	\$	1,993
Cu	84,001-96,000	\$	1,774	\$	1,800	\$	1,930	\$	1,826	\$	1,931	\$	2,018
	over \$96,000	\$	1,501	\$	1,429	\$	1,422	\$	1,441	\$	1,477	\$	1,411
	Total	\$	2,000	\$	2,089	\$	1,911	\$	1,896	\$	1,868	\$	1,862
(6	\$12,000 or less	\$	2,225	\$	2,283	\$	2,332	\$	2,203	\$	2,119	\$	2,187
(2009)	12,001-24,000	\$	2,309	\$	2,320	\$	2,169	\$	2,156	\$	1,975	\$	2,044
(20	24,001-36,000	\$	2,070	\$	2,473	\$	2,118	\$	2,162	\$	2,150	\$	2,015
ırs	36,001-48,000	\$	2,189	\$	2,432	\$	2,211	\$	2,153	\$	2,102	\$	2,197
	48,001-60,000	\$	2,298	\$	2,420	\$	2,308	\$	2,180	\$	2,099	\$	2,100
Ğ	60,001-72,000	\$	2,205	\$	2,199	\$	2,046	\$	2,124	\$	2,035	\$	2,152
ınt	72,001-84,000	\$	2,071	\$	1,987	\$	1,986	\$	2,124	\$	2,050	\$	1,993
sta	84,001-96,000	\$	1,774	\$	1,800	\$	1,930	\$	1,826	\$	1,931	\$	2,018
Constant Dollars	over \$96,000	\$	1,501	\$	1,429	\$	1,422	\$	1,441	\$	1,477	\$	1,411
O	Total	\$	1,699	\$	1,525	\$	1,460	\$	1,373	\$	1,435	\$	1,377

Notes: The unemployment insurance database does not track students who are employees of out-of-state employers, military personnel, or self-employed. Any freshmen who worked during the 3rd or 4th quarter of a given calendar year overlapping the first fall term are considered job holders regardless of earnings. Students with missing income information are excluded. The table reflects both private and public institutions. A student's income level is determined by adjusted gross income as reported on the FAFSA. Rates are inclusive of HOPE, GAMS, ASPIRE, and Access awards. Dollars are adjusted for inflation by using CPI for all urban consumers.

Sources: THEC SIS, TSAC FAFSA Data, TDLWD, BLS

- The median earnings of first-time TELS freshmen differ by family income level. Among the Fall 2009 freshman cohort, students with family income of \$60,001 to \$72,000 earned the highest, with median wages of \$2,152 in Fall 2009. Meanwhile, students from the wealthiest group earned the least, \$1,411 (**Table 64**).
- Mid-income freshmen tended to earn more than did other income-level students, albeit slightly. This finding suggests that middle-income students might have needed to earn more to cover the expenses for college.

Table 65
Percent of TELS Recipients with a Job by Student Level, Sector, and Original Scholarship Type, Fall 2009

	Sector	Freshmen	Sophomores	Juniors	Seniors	5th Year	Total
Ø	TBR Universities	8,737	4,470	4,248	3,551	1,538	22,544
Sent	TBR Community Colleges	5,613	2,265	910	242	63	9,093
TELS	UT Campuses	6,178	3,865	3,379	2,782	1,063	17,267
TELS Recipients	TICUA Institutions	4,131	2,246	1,857	1,726	368	10,328
22	Total	24,659	12,846	10,394	8,301	3,032	59,232
s d	TBR Universities	4,948	2,822	2,771	2,333	1,001	13,875
S ents Job	TBR Community Colleges	3,719	1,611	685	164	47	6,226
TELS cipien th a J	UT Campuses	3,314	2,344	2,010	1,592	630	9,890
TELS Recipients with a Job	TICUA Institutions	1,921	1,156	1,032	980	233	5,322
⊠ ≥	Total	13,902	7,933	6,498	5,069	1,911	35,313
s d	TBR Universities	56.6%	63.1%	65.2%	65.7%	65.1%	61.5%
S ents Job	TBR Community Colleges	66.3%	71.1%	75.3%	67.8%	74.6%	68.5%
TELS cipier h a J	UT Campuses	53.6%	60.6%	59.5%	57.2%	59.3%	57.3%
TELS Recipients with a Job (%)	TICUA Institutions	46.5%	51.5%	55.6%	56.8%	63.3%	51.5%
⊠ ≥	Total	56.4%	61.8%	62.5%	61.1%	63.0%	59.6%

	Scholarship Type	Freshmen	Sophomores	Juniors	Seniors	5th Year	Total
Ø	HOPE	16,418	8,843	7,162	5,583	2,128	40,134
Sutte	GAMS	1,389	1,265	1,132	993	218	4,997
TELS cipien	ASPIRE	6,607	2,638	2,072	1,702	673	13,692
TELS Recipients	ACCESS	245	100	28	23	13	409
R	Total	24,659	12,846	10,394	8,301	3,032	59,232
s q	HOPE	9,417	5,584	4,605	3,486	1,365	24,457
.S ents Job	GAMS	678	696	594	506	122	2,596
TELS cipien th a J	ASPIRE	3,664	1,592	1,279	1,064	415	8,014
TEL Recipie with a	ACCESS	143	61	20	13	9	246
⊠ ≥	Total	13,902	7,933	6,498	5,069	1,911	35,313
s d	HOPE	57.4%	63.1%	64.3%	62.4%	64.1%	60.9%
S ents Job	GAMS	48.8%	55.0%	52.5%	51.0%	56.0%	52.0%
TELS cipien th a J (%)	ASPIRE	55.5%	60.3%	61.7%	62.5%	61.7%	58.5%
TELS Recipients with a Job (%)	ACCESS	58.4%	61.0%	71.4%	56.5%	69.2%	60.1%
₩ %	Total	56.4%	61.8%	62.5%	61.1%	63.0%	59.6%

Notes: These figures may under/overstate the actual dollars as the unemployment insurance database does not track students who are employees of out-of-state employers, military personnel, or self-employed. Any freshmen who worked during the 3rd or 4th quarter of a given calendar year overlapping the first fall term are considered job holders. Students with missing income information are excluded. A student's income level is determined by adjusted gross income as reported on the FAFSA. Scholarship types are at college entry.

Sources: THEC SIS, TSAC FAFSA Data, TDLWD

- Across all student levels and scholarship types, more than half of TELS students had jobs. Among the Fall 2009 TELS recipients, freshmen had the lowest percentage of job holders, 56.4 percent, compared to the other levels of students (**Table 65**).
- Considering higher education sector and student level, students in the third year of enrollment at community colleges had the highest percentage of workers at 75.3 percent. The second highest was 74.6 percent for 5th-year students at community colleges, though there were only 63 scholar-ship recipients in their fifth year in this sector. Generally speaking, community college students tended to hold a job more than their peers at the other sectors regardless of student level.
- Factoring in scholarship type and student level, the table reveals that Access students in their third year had the highest percentage of employed students, 71.4 percent, followed by Access students in the fifth year at 69.2 percent, though both of them composed small groups. In the meantime, GAMS freshmen had the lowest percentage of job holders at 48.8 percent.

Table 66
Median Earnings of TELS Recipients with a Job by Student Level,
Sector, and Original Scholarship Type, Fall 2009 Recipients

Sector	Fr	eshmen	So	phomores	Juniors	Seniors	5th Year	Total
TBR Universities	\$	1,858	\$	2,656	\$ 3,178	\$ 3,573	\$ 3,731	\$ 2,659
TBR Community Colleges	\$	3,303	\$	3,913	\$ 4,472	\$ 4,903	\$ 4,836	\$ 3,689
UT Campuses	\$	1,201	\$	1,727	\$ 2,186	\$ 2,573	\$ 3,096	\$ 1,765
TICUA Institutions	\$	1,377	\$	1,776	\$ 2,031	\$ 2,391	\$ 2,794	\$ 1,804
Total	\$	1,862	\$	2,401	\$ 2,749	\$ 3,025	\$ 3,492	\$ 2,407

Scholarship Type	Fre	shmen	So	phomores	Juniors	Seniors	5th Year	Total
HOPE	\$	1,876	\$	2,384	\$ 2,711	\$ 3,064	\$ 3,369	\$ 2,415
GAMS	\$	1,120	\$	1,741	\$ 2,079	\$ 2,319	\$ 2,725	\$ 1,721
ASPIRE	\$	2,068	\$	2,829	\$ 3,313	\$ 3,395	\$ 4,106	\$ 2,674
ACCESS	\$	2,185	\$	4,342	\$ 3,077	\$ 2,625	\$ 2,802	\$ 2,185
Total	\$	1,862	\$	2,401	\$ 2,749	\$ 3,025	\$ 3,492	\$ 2,407

Notes: The unemployment insurance database does not track students who are employees of out-of-state employers, military personnel, or self-employed. Any freshmen who worked during the 3rd or 4th quarter of a given calendar year overlapping the first fall term are considered job holders. Scholarship types are at college entry. Student level is determined by the number of years elapsed since initial enrollment. Dollars are adjusted by annual average of CPI inflation for all urban consumers.

Sources: THEC SIS, TSAC FAFSA Data, TDLWD, U.S. Department Of Labor Bureau of Labor Statistics

- Median earnings increased with student level. Among the Fall 2009 TELS recipients, 5th-year students had the highest median earnings at \$3,492, compared to freshmen, who had the lowest earnings at \$1,862. Considering both student level and institutional sector, the highest median earnings were \$4,836 for 5th-year students at community colleges, whereas the lowest was \$1,120 for freshmen at UT campuses. The earning difference between the highest and lowest medians was \$3,716 (**Table 66**).
- Considering scholarship type and student level, ASPIRE recipients in their fifth year had the highest median earnings of all groups, \$4,106. In contrast, GAMS freshmen had the lowest median earnings at \$1,120, approximately a quarter of the median earnings of Access students in the fifth year. Generally speaking, ASPIRE recipients tended to earn higher median wages compared to HOPE and GAMS students.

Table 67
Percent of TELS First-time Freshmen with a Job by Credit Hours Attempted, Fall 2004 through Fall 2009

	Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009
Fewer than 12	72.5%	70.0%	81.9%	60.6%	68.0%	66.4%
12 Credits	75.5%	60.0%	76.7%	75.6%	71.8%	63.4%
13 Credits	72.5%	49.8%	73.5%	71.8%	67.6%	61.2%
14 Credits	66.9%	39.0%	66.7%	65.3%	61.5%	55.3%
15 Credits	68.5%	43.9%	67.8%	69.4%	63.4%	54.3%
16 Credits	67.4%	41.6%	68.1%	68.2%	61.3%	52.3%
17 Credits	64.5%	33.3%	63.4%	62.2%	59.0%	50.0%
18 Credits or Above	62.9%	36.9%	61.5%	62.9%	57.9%	48.5%
Total	69.4%	45.2%	69.7%	68.1%	64.2%	56.4%

Notes: These figures may understate the actual percentage as the unemployment insurance database does not track students who are employees of out-of-state employers, military personnel, or self-employed. Any freshmen who worked during the 3rd or 4th quarter of a given calendar year overlapping the first fall term are considered job holders regardless of earnings. The table reflects both private and public institutions. Scholarship types are at college entry.

Sources: THEC SIS, TSAC FAFSA Data, TDLWD

• Students with higher attempted credit hours tended to work less than students with lower credit hours. For the Fall 2009 cohort, 48.5 percent of freshmen with 18 credit hours or above worked in Fall 2009, compared to 66.4 percent of students with fewer than 12 credit hours. This employment pattern across credit load remained relatively stable over time (**Table 67**).

Table 68

Median Earnings of TELS First-time Freshmen with a Job by Credit

Hours Attempted, Fall 2004 through Fall 2009

		Fa	11 2004	Fa	11 2005	Fa	ıll 2006	Fa	11 2007	Fa	11 2008	Fa	11 2009
	Fewer than 12	\$	4,507	\$	4,004	\$	4,058	\$	4,146	\$	3,866	\$	3,866
တ	12 Credits	\$	2,936	\$	2,908	\$	2,874	\$	2,875	\$	2,949	\$	2,949
lar	13 Credits	\$	2,262	\$	2,349	\$	2,235	\$	2,366	\$	2,329	\$	2,329
00	14 Credits	\$	1,543	\$	1,564	\$	1,637	\$	1,706	\$	1,737	\$	1,737
l I	15 Credits	\$	1,795	\$	1,789	\$	1,832	\$	1,872	\$	1,924	\$	1,924
Current Dollars	16 Credits	\$	1,649	\$	1,704	\$	1,776	\$	1,716	\$	1,859	\$	1,859
l ur.	17 Credits	\$	1,409	\$	1,512	\$	1,586	\$	1,490	\$	1,572	\$	1,572
0	18 Credits or Above	\$	1,548	\$	1,801	\$	1,810	\$	1,518	\$	1,742	\$	1,742
	Total	\$	2,000	\$	2,089	\$	1,911	\$	1,896	\$	1,868	\$	1,862
	Fewer than 12	\$	5,119	\$	4,399	\$	4,318	\$	4,290	\$	3,852	\$	3,866
rs	12 Credits	\$	3,334	\$	3,195	\$	3,058	\$	2,975	\$	2,938	\$	2,949
Dollars 9)	13 Credits	\$	2,569	\$	2,580	\$	2,378	\$	2,448	\$	2,321	\$	2,329
D° (6	14 Credits	\$	1,752	\$	1,719	\$	1,742	\$	1,766	\$	1,731	\$	1,737
nt D 009)	15 Credits	\$	2,039	\$	1,965	\$	1,949	\$	1,937	\$	1,918	\$	1,924
(2)	16 Credits	\$	1,873	\$	1,872	\$	1,890	\$	1,775	\$	1,853	\$	1,859
Constant (200	17 Credits	\$	1,601	\$	1,661	\$	1,687	\$	1,541	\$	1,566	\$	1,572
ŭ	18 Credits or Above	\$	1,758	\$	1,978	\$	1,926	\$	1,571	\$	1,736	\$	1,742
	Total	\$	2,271	\$	2,295	\$	2,034	\$	1,962	\$	1,861	\$	1,862

Notes: The dollar figures are for the 3rd and 4th quarters of a given calendar year. The unemployment insurance database does not track students who are employees of out-of-state employers, military personnel, or self-employed. Any freshmen who worked during the 3rd or 4th quarter of a given calendar year overlapping the first fall term are considered job holders. The table reflects both private and public institutions. A student's income level is determined by adjusted gross income as reported on the FAFSA. Data are inclusive of HOPE, GAMS, AS-PIRE, and Access awards. Dollars are adjusted for inflation by using CPI inflation for all urban consumers. Sources: THEC SIS, TSAC FAFSA Data, TDLWD, BLS

- Median earnings were substantially higher for freshmen with lower attempted credit hours than those with higher credit hours. For the Fall 2009 cohort, the median earnings of students with fewer than 12 credit hours were \$3,866, more than twice as high as the median earnings for students who attempted at 18 credit hours, \$1,742 (**Table 68**).
- The negative correlation between credit hours attempted and median earnings remained consistent over time. These trends support the notion that some students may need to maintain lower credit hours in order to earn enough wages to pay for the cost of attending college.

Table 69
1-year Scholarship Renewal Rate by Employment Status, Fall 2009
TELS Freshman Cohort

Students without a job

	Fall 2009	HOPE	GAMS	ASPIRE	ACCESS	Total
9.76	TBR Univ	2,388	190	1,166	45	3,789
time men 009)	TBR CC	1,254	9	603	28	1,894
1 : 4 C	UT Campuses	1,969	314	575	6	2,864
First-time Freshmen (Fall 2009)	TICUA	1,390	198	599	23	2,210
H (I)	Total	7,001	711	2,943	102	10,757
1 nip 10	TBR Univ	1,330	174	513	10	2,027
ved rsh 201	TBR CC	661	8	260	8	937
nev olar all	UT Campuses	1,166	293	300	2	1,761
- इ. म	TICUA	866	181	318	1	1,366
Sc in	Total	4,023	656	1,391	21	6,091
	TBR Univ	56%	92%	44%	22%	53%
val e	TBR CC	53%	89%	43%	29%	49%
Renewal Rate	UT Campuses	59%	93%	52%	33%	61%
Re	TICUA	62%	91%	53%	4%	62%
	Total	57 %	92%	47%	21%	57 %

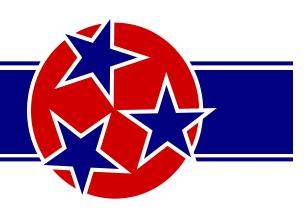
Students with a job

	Fall 2009	HOPE	GAMS	ASPIRE	ACCESS	Total
e n 9)	TBR Univ	3,310	192	1,390	56	4,948
time men 009)	TBR CC	2,542	10	1,112	55	3,719
shr	UT Campuses	2,399	311	598	6	3,314
First-time Freshmen (Fall 2009)	TICUA	1,166	165	564	26	1,921
Н Н	Total	9,417	678	3,664	143	13,902
 ip 0	TBR Univ	1,770	176	585	11	2,542
ved sh 20.	TBR CC	1,052	9	448	9	1,518
lar lar	UT Campuses	1,440	283	345	1	2,069
Renewed Scholarship in Fall 2010	TICUA	706	148	268	7	1,129
Sc in	Total	4,968	616	1,646	28	7,258
	TBR Univ	53%	92%	42%	20%	51%
val e	TBR CC	41%	90%	40%	16%	41%
enew Rate	UT Campuses	60%	91%	58%	17%	62%
Renewal Rate	TICUA	61%	90%	48%	27%	59%
	Total	53%	91%	45%	20%	52%

Notes: These figures may understate the actual percentage as the unemployment insurance database does not track students who are employees of out-of-state employers, military personnel, or self-employed. Any freshmen who worked during the 3rd or 4th quarter of a given calendar year overlapping the first fall term are considered job holders.

Sources: THEC SIS, TSAC FAFSA Data, TDLWD

- The 1-year scholarship renewal rate for employed Fall 2009 TELS freshmen was 52 percent, five percentage points lower than the renewal rate for TELS freshmen who were not employed (**Table 69**).
- By scholarship type, employed TELS freshmen were less likely to renew their scholarships in the second year across all award types, although the differences in the renewal rates were relatively small for all but the base HOPE program. The base HOPE program had a difference of 4 percentage points in the renewal rates between scholarship recipients who were employed and not employed.
- In the 2-year sector, the gap in the renewal rates between students with and without a job was relatively large at eight percentage points, with a renewal rate of 41 percent for the former compared to 49 percent for the latter. Employed HOPE recipients in this sector demonstrated a particularly lower renewal rate than their counterparts without a job, a difference of 12 percentage points.



Appendices

Appendix A Percentage of Freshmen Attending Public Postsecondary on a Lottery Scholarship, Fall 2004 through Fall 2010

Institution # of FTF with with Lottery # of FTF with	2007				
TN Res Lottery Lottery With with TN Res Lottery Lottery Lottery TN Res Lottery Lottery TN Res Lottery Lottery TN Res TN R	2007				
TN Res With With TN Res Lottery Lottery Lottery Lottery Lottery TN Res Lottery Lottery Lottery Lottery TN Res Lottery Lottery Lottery Lottery Lottery Lottery TN Res Lottery L	# of FTF	% of FTF			
Lottery Lottery Lottery Lottery Lottery Lottery	with	with			
Austin Peav 1.030 861 84% 1.096 841 77% 1.123 863 77% 1.064	Lottery	Lottery			
	689	65%			
East Tennessee 1,242 1,007 81% 1,367 1,085 79% 1,400 1,143 82% 1,536	1,293	84%			
Middle Tennessee 2,935 2,528 86% 2,942 2,433 83% 3,101 2,638 85% 3,423	2,851	83%			
Tennessee State 688 405 59% 715 239 33% 764 331 43% 812	345	42%			
Tennessee Tech 1,368 1,196 87% 1,311 1,097 84% 1,377 1,220 89% 1,553	1,355	87%			
University of Memphis 1,901 1,457 77% 1,873 1,398 75% 1,938 1,486 77% 1,937	1,522	79%			
TBR Total 9,164 7,454 81% 9,304 7,093 76% 9,703 7,681 79% 10,325	8,055	78%			
16K 10tal 9,104 1,404 61% 9,504 1,095 10% 9,705 1,081 19% 10,525	0,033	1070			
TITLE 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1 405	77 0/			
UT Chattanooga 1,426 1,147 80% 1,393 1,003 72% 1,714 1,253 73% 1,865	1,427	77%			
UT Knoxville 3,572 3,350 94% 3,770 3,504 93% 3,702 3,473 94% 3,710	3,562	96%			
UT Martin 1,034 886 86% 1,108 929 84% 1,082 879 81% 1,173	1,013	86%			
UT Total 6,032 5,383 89% 6,271 5,436 87% 6,498 5,605 86% 6,748	6,002	89%			
Chattanooga 953 322 34% 954 284 30% 962 317 33% 1,023	318	31%			
Cleveland 441 230 52% 446 202 45% 457 226 49% 454	213	47%			
Columbia 795 377 47% 701 300 43% 835 425 51% 886	439	50%			
Dyersburg 417 172 41% 413 135 33% 389 146 38% 437	184	42%			
Jackson 712 328 46% 658 273 41% 734 337 46% 828	372	45%			
Motlow 737 367 50% 714 330 46% 791 360 46% 858	472	55%			
Nashville 520 145 28% 565 111 20% 615 178 29% 965	136	14%			
Northeast 724 331 46% 746 287 38% 788 369 47% 746	353	47%			
Pellissippi 1,135 529 47% 1,244 551 44% 1,280 613 48% 1,414	841	59%			
	642	67%			
Southwest 1,419 253 18% 1,459 117 8% 1,542 235 15% 1,448	181	13%			
Volunteer 1,048 485 46% 1,114 417 37% 1,159 518 45% 1,104	472	43%			
Walters 876 484 55% 942 512 54% 987 610 62% 1,003	641	64%			
Community College Total 10,666 4,509 42% 10,784 3,966 37% 11,447 4,893 43% 12,126	5,264	43%			
Grand Total 25,862 17,346 67% 26,359 16,495 63% 27,648 18,179 66% 29,199	19,321	66%			
2008 2009 2010					
Institution # of FTF					
The with with The with with The with With With The with With With With With With With With W					
Lottery Lottery Lottery Lottery Lottery Lottery Lottery					
Austin Peay 1,145 898 78% 1,255 990 79% 1,296 1,033 80%					
Austin Peay 1,145 898 78% 1,255 990 79% 1,296 1,033 80% East Tennessee 1,630 1,383 85% 1,634 1,301 80% 1,633 1,311 80%					
East Tennessee 1,630 1,383 85% 1,634 1,301 80% 1,633 1,311 80% Middle Tennessee 3,268 2,813 86% 3,308 2,933 89% 3,362 2,893 86%					
East Tennessee 1,630 1,383 85% 1,634 1,301 80% 1,633 1,311 80% Middle Tennessee 3,268 2,813 86% 3,308 2,933 89% 3,362 2,893 86% Tennessee State 735 271 37% 859 350 41% 891 339 38%					
East Tennessee 1,630 1,383 85% 1,634 1,301 80% 1,633 1,311 80% Middle Tennessee 3,268 2,813 86% 3,308 2,933 89% 3,362 2,893 86% Tennessee State 735 271 37% 859 350 41% 891 339 38% Tennessee Tech 1,565 1,393 89% 1,794 1,628 91% 1,774 1,593 90%					
East Tennessee 1,630 1,383 85% 1,634 1,301 80% 1,633 1,311 80% Middle Tennessee 3,268 2,813 86% 3,308 2,933 89% 3,362 2,893 86% Tennessee State 735 271 37% 859 350 41% 891 339 38% Tennessee Tech 1,565 1,393 89% 1,794 1,628 91% 1,774 1,593 90% University of Memphis 1,836 1,424 78% 1,991 1,535 77% 2,093 1,592 76%					
East Tennessee 1,630 1,383 85% 1,634 1,301 80% 1,633 1,311 80% Middle Tennessee 3,268 2,813 86% 3,308 2,933 89% 3,362 2,893 86% Tennessee State 735 271 37% 859 350 41% 891 339 38% Tennessee Tech 1,565 1,393 89% 1,794 1,628 91% 1,774 1,593 90%					
East Tennessee 1,630 1,383 85% 1,634 1,301 80% 1,633 1,311 80% Middle Tennessee 3,268 2,813 86% 3,308 2,933 89% 3,362 2,893 86% Tennessee State 735 271 37% 859 350 41% 891 339 38% Tennessee Tech 1,565 1,393 89% 1,794 1,628 91% 1,774 1,593 90% University of Memphis 1,836 1,424 78% 1,991 1,535 77% 2,093 1,592 76% TBR Total 10,179 8,182 80% 10,841 8,737 81% 11,049 8,761 79%					
East Tennessee 1,630 1,383 85% 1,634 1,301 80% 1,633 1,311 80% Middle Tennessee 3,268 2,813 86% 3,308 2,933 89% 3,362 2,893 86% Tennessee State 735 271 37% 859 350 41% 891 339 38% Tennessee Tech 1,565 1,393 89% 1,794 1,628 91% 1,774 1,593 90% University of Memphis 1,836 1,424 78% 1,991 1,535 77% 2,093 1,592 76% TBR Total 10,179 8,182 80% 10,841 8,737 81% 11,049 8,761 79% UT Chattanooga 1,988 1,673 84% 2,143 1,844 86% 1,869 1,712 92%					
East Tennessee 1,630 1,383 85% 1,634 1,301 80% 1,633 1,311 80% Middle Tennessee 3,268 2,813 86% 3,308 2,933 89% 3,362 2,893 86% Tennessee State 735 271 37% 859 350 41% 891 339 38% Tennessee Tech 1,565 1,393 89% 1,794 1,628 91% 1,774 1,593 90% University of Memphis 1,836 1,424 78% 1,991 1,535 77% 2,093 1,592 76% TBR Total 10,179 8,182 80% 10,841 8,737 81% 11,049 8,761 79% UT Chattanooga 1,988 1,673 84% 2,143 1,844 86% 1,869 1,712 92% UT Knoxville 3,669 3,576 97% 3,292 3,194 97% 3,674 3,565 97%					
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Appendix B Lottery Scholarship Receipt by Scholarship Type and Institution, Fall 2010

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Institution	HOPE	TELS Fir	st-time Fres	Access	Total	HOPE	GAMS	rall Recipien	Access	Total
Austin Peay	683	27	307	16	1,033	1,631	91	662	16	2,400
East Tennessee	1,311	41	307	10	1,311	4,254	71	002	10	4,254
Middle Tennessee	1,833	81	935	44	2,893	5,519	366	2,310	46	8,241
Tennessee State	146	01	179	14	339	401	1	385	16	803
Tennessee Tech	1,018	128	432	15	1,593	2,962	431	1,147	15	4,555
University of Memphis	953	54	584	1	1,592	3,030	242	1,302	1	4,575
TBR Universities Total	5,944	290	2,437	90	8,761	17,797	1,131	5,806	94	24,828
UT Chattanooga	1,231	69	412		1,712	2937	261	1028		4,226
UT Knoxville	2,319	531	712	3	3,565	7511	2117	2130	5	11,763
UT Martin	702	39	422	14	1,177	1738	146	856	14	2,754
UT Total	4,252	639	1,546	17	6,454	12,186	2,524	4,014	19	18,743
Chattanooga	235		103	8	346	464	1	205	9	679
Cleveland	141		74	6	221	302	1	147	8	458
Columbia	330	4	164	6	504	680	11	279	6	976
Dyersburg	99		69	5	173	288	1	116	6	411
Jackson	180	1	137	12	330	547	1	249	12	809
Motlow	255	2	115	8	380	472	4	216	9	701
Nashville	93		53	8	154	279	1	111	13	404
Northeast	260	2	124	6	392	573	2	255	10	840
Pellissippi	492		174	1	667	1015	6	350	2	1,373
Roane	284	6	168	8	466	727	8	409	9	1,153
Southwest	127	1	86	5	219	430	1	167	5	603
Volunteer	391	1	193	18	603	709	6	322	19	1,056
Walters	396	3	238	9	646	808	10	424	10	1,252
Community College Total	3,283	20	1,698	100	5,101	7,294	53	3,250	118	10,715
Tennessee Public Institutions Total	13,479	949	5,681	207	20,316	37,277	3,708	13,070	231	54,286
Aquinas College	10		7		17	29	1	18	1	49
Baptist Memorial College of Health Sci.	26		9		35	94	2	41		137
Belmont University	181	41	53		275	644	145	172		961
Bethel College	156		61	1	218	297		127	1	425
Bryan College	70	6	38	1	115	155	30	92	1	278
Carson-Newman College	161	19	81	4	265	468	72	211	4	755
Christian Brothers University	120	17	89	1	227	291	65	165	1	522
Cumberland University	78	3	32		113	251	14	80	_	345
Fisk University	14		21	3	38	25		39	5	69
Free Will Baptist Bible College	13				13	28	65	7		35
Freed-Hardeman University	157	17	1		175	392	65	1		458
Johnson Bible College	21	0	14		35	49	2	25		76
King College	76	2	38		116	227	10	88		325
Lambuth University	23	4	15	1	43	85	16	39	1 5	141
Lane College	190	31	36 71	5	48 292	20 511	99	90 176	5	115 786
Lee University LeMoyne-Owen College	5	31	22		292	20	99	46		66
Lincoln Memorial University	129		64	1	194	325		161	1	487
Lipscomb University	223	45	94	3	365	651	161	227	3	1,042
Martin Methodist College	73	43	59	1	133	180	3	102	1	286
Maryville College	117	16	57	1	191	341	75	157	1	574
Memphis College of Art	8	2	9	1	20	34	6	22	1	63
Milligan College	69	4	20	1	93	190	13	45	1	248
Rhodes College	52	48	25		125	156	132	60		348
Southern Adventist University	55	2	13		70	214	23	45		282
Tennessee Wesleyan College	105	1	55	2	163	315	15	137	2	469
Trevecca Nazarene University	67	6	27	4	100	192	20	68	_	280
Tusculum College	82	3	85	5	175	202	6	169	5	382
Union University	167	47	60	1	275	510	166	169	1	846
University of the South	50	29	10	1	89	105	77	35	1	217
Vanderbilt University*		4,7	N/A		0,7	177	440	146	1	764
Watkins College of Art & Design	11		9	1	21	47	2	12	2	63
Tennessee Private Institutions Total	2,516	343	1,175	32	4,066	7,225	1,660	2,972	37	11,894
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Tennessee Higher Education Total	15,995	1,292	6,856	239	24,382	44,502	5,368	16,042	268	66,180

Appendix C Lottery Scholarship Receipt by Gender and Institution, Fall 2010

		TELS Fir	rst-time F	reshmen			Over	rall Recipi	ents	
Institution	Male	Male%	Female	Female%	Total	Male	Male%	Female	Female%	Total
Austin Peay	358	34.7%	675	65%	1,033	836	34.8%	1,564	65.2%	2,400
East Tennessee	560	42.7%	751	57%	1,311	1,681	39.5%	2,573	60.5%	4,254
Middle Tennessee	1,312	45.4%	1,581	55%	2,893	3,424	41.5%	4,817	58.5%	8,241
Tennessee State	118	34.8%	221	65%	339	229	28.5%	574	71.5%	803
Tennessee Tech	849	53.3%	744	47%	1,593	2,154	47.3%	2,401	52.7%	4,555
University of Memphis	662	41.6%	930	58%	1,592	1,757	38.4%	2,818	61.6%	4,575
TBR Universities Total	3,859	44.0%	4,902	56%	8,761	10,081	40.6%	14,747	59.4%	24,828
UT Chattanooga	702	41.0%	1,010	59%	1,712	1,652	39.1%	2,574	60.9%	4,226
UT Knoxville	1,834	51.4%	1,731	49%	3,565	5,742	48.8%	6,021	51.2%	11,763
UT Martin	486	41.3%	691	59%	1,177	1,092	39.7%	1,662	60.3%	2,754
UT Total	3,022	46.8%	3,432	53%	6,454	8,486	45.3%	10,257	54.7%	18,743
Chattanooga	146	42.2%	200	58%	346	258	38.0%	421	62.0%	679
Cleveland	94	42.5%	127	57%	221	175	38.2%	283	61.8%	458
Columbia	194	38.5%	310	62%	504	324	33.2%	652	66.8%	976
Dyersburg	62	35.8%	111	64%	173	108	26.3%	303	73.7%	411
Jackson	121	36.7%	209	63%	330	245	30.3%	564	69.7%	809
Motlow	131	34.5%	249	66%	380	208	29.7%	493	70.3%	701
Nashville	60 179	39.0%	94	61%	154	148	36.6%	256	63.4%	404
Northeast	178	45.4%	214	55% 50%	392 667	369 630	43.9%	471	56.1%	840
Pellissippi Roane	336 188	50.4% 40.3%	331 278	50% 60%	667 466	639 375	46.5% 32.5%	734 778	53.5% 67.5%	1,373
Southwest	83	37.9%	136	62%	219	375 172	28.5%	431	71.5%	1,153 603
Volunteer	229	38.0%	374	62%	603	390	36.9%	666	63.1%	1,056
Walters	279	43.2%	367	57%	646	453	36.2%	799	63.8%	1,252
Community College Total	2,101	41.2%	3,000	59%	5,101	3,864	36.1%	6,851	63.9%	10,715
Tennessee Public Institutions Total	8,982	44.2%	11,334	56%	20,316	22,431	41.3%	31,855	58.7%	54,286
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Aquinas College	-	1.4.00/	17		17	6	12.2%	43	87.8%	49
Baptist Memorial College of Health Sci.	5	14.3%	30		35	9	6.6%	128	93.4%	137
Belmont University	95 119	34.5% 54.6%	180 99		275 218	309 205	32.2% 48.2%	652 220	67.8% 51.8%	961 425
Bethel College Bryan College	50	43.5%	65		115	118	42.4%	160	57.6%	278
Carson-Newman College	112	42.3%	153		265	279	37.0%	476	63.0%	755
Christian Brothers University	104	45.8%	123		227	240	46.0%	282	54.0%	522
Cumberland University	61	54.0%	52		113	143	41.4%	202	58.6%	345
Fisk University	12	31.6%	26		38	20	29.0%	49	71.0%	69
Free Will Baptist Bible College	3	23.1%	10		13	14	40.0%	21	60.0%	35
Freed-Hardeman University	70	40.0%	105	60%	175	188	41.0%	270	59.0%	458
Johnson Bible College	14	40.0%	21	60%	35	34	44.7%	42	55.3%	76
King College	47	40.5%	69	59%	116	116	35.7%	209	64.3%	325
Lambuth University	21	48.8%	22	51%	43	61	43.3%	80	56.7%	141
Lane College	16	33.3%	32	67%	48	28	24.3%	87	75.7%	115
Lee University	107	36.6%	185		292	278	35.4%	508	64.6%	786
LeMoyne-Owen College	2	7.4%	25		27	6	9.1%	60	90.9%	66
Lincoln Memorial University	62	32.0%	132		194	130	26.7%	357	73.3%	487
Lipscomb University	135	37.0%	230		365	395	37.9%	647	62.1%	1,042
Martin Methodist College	52	39.1%	81	61%	133	104	36.4%	182	63.6%	286
Maryville College	86	45.0%	105		191	228	39.7%	346	60.3%	574
Memphis College of Art	8	40.0%	12		20	27 104	42.9%	36 144	57.1%	63
Milligan College	41	44.1% 39.2%	52 76		93 125	104	41.9%	144	58.1% 56.6%	248 348
Rhodes College Southern Adventist University	49 33	39.2% 47.1%	37		125 70	151 111	43.4% 39.4%	197 171	56.6% 60.6%	282
Tennessee Wesleyan College	51	31.3%	112		163	124	26.4%	345	73.6%	469
Trevecca Nazarene University	43	43.0%	57		100	119	42.5%	161	57.5%	280
Tusculum College	76	43.4%	99		175	142	37.2%	240	62.8%	382
Union University	104	37.8%	171	62%	275	302	35.7%	544	64.3%	846
University of the South	37	41.6%	52		89	99	45.6%	118	54.4%	217
			N/A			305	49.1%	316	50.9%	621
Vanderbilt University*										
Vanderbilt University* Watkins College of Art & Design	8	38.1%	13	61.9%	21	22	34.9%	41	65.1%	63
_	8 1,623	38.1% 39.9%		61.9% 60.1%	21 4,066	22 4,417	34.9% 37.6%	41 7,334	65.1% 62.4%	63 11,751
Watkins College of Art & Design			13							

Appendix D Lottery Scholarship Receipt by Race/Ethnicity and Institution, Fall 2010

		Overall Recipients												
Institution	Caucas		ELS First Afric		reshmen Othe		Total	Caucas	ian	Overal Africa		ents Othe	r	Total
montation	#	%	#	%	#	%	#	#	%	#	%	#	%	#
Austin Peay	749	76%	158	16%	74	8%	981	1,801	81%	266	12%	160	7%	2,227
East Tennessee	1,144	90%	60	5%	65	5%	1,269	3,823	93%	116	3%	191	5%	4,130
Middle Tennessee	1,898	73%	524	20%	194	7%	2,616	6,169	79%	1,179	15%	494	6%	7,842
Tennessee State	29	10%	228	82%	20	7%	277	160	22%	518	71%	49	7%	727
Tennessee Tech	1,423	92%	44	3%	74	5%	1,541	4,137	94%	87	2%	173	4%	4,397
University of Memphis	841	53%	589	37%	149	9%	1,579	2,895	65%	1,227	28%	320	7%	4,442
TBR Total	6,084	74%	1,603	19%	576	7 %	8,263	18,985	80%	3,393	14%	320	1%	23,765
UT Chattanooga	894	65%	356	26%	128	9%	1,378	3,047	79%	557	14%	241	6%	3,845
UT Knoxville	2,860	83%	273	8%	301	9%	3,434	10,036	88%	672	6%	715	6%	11,423
UT Martin	972	84%	157	14%	32	3%	1,161	2,378	88%	280	10%	58	2%	2,716
UT Total	4,726	79 %	786	13%	461	8%	5,973	15,461	86%	1,509	8%	1,014	6 %	17,984
Chattanooga	233	91%	12	5%	10	4%	255	522	90%	33	6%	24	4%	579
Cleveland	201	96%	2	1%	6	3%	209	424	96%	7	2%	9	2%	440
Columbia	427	90%	19	4%	29	6%	475	815	92%	33	4%	42	5%	890
Dyersburg	147	87%	18	11%	4	2%	169	329	81%	62	15%	14	3%	405
Jackson	249	85%	38	13%	6	2%	293	640	85%	93	12%	20	3%	753
Motlow	305	86%	22	6%	26	7%	353	599	89%	33	5%	39	6%	671
Nashville	124	82%	16	11%	12	8%	152	311	79%	52	13%	29	7%	392
Northeast	376	97%	5	1%	5	1%	386	796	97%	10	1%	15	2%	821
Pellissippi	617	94%	14	2%	22	3%	653	1,251	93%	37	3%	50	4%	1,338
Roane	401	95%	6	1%	14	3%	421	964	96%	9	1%	33	3%	1,006
Southwest	101	55%	72	39%	11	6%	184	250	44%	283	50%	29	5%	562
Volunteer	517	92%	17	3%	26	5%	560	915	92%	36	4%	45	5%	996
Walters	613	96%	8	1%	20	3%	641	1,182	95%	20	2%	38	3%	1,240
Community College Total	4,311	91%	249	5%	191	4%	4,751	8,998	89%	708	7 %	387	4%	10,093
Tannessee Public Institutions Total	15,121	80%	2,638	14%	1,228	6%	18,987	43,444	84%	5,610	11%	1,721	3%	51,842
Taimessee Lubile Institutions Total	15,121	30 /0	2,000	1470	1,226	0 /0	10,501	70,777	34 /0	3,010	11/0	1,121	3 /0	31,842
Aquinas College	14	88%	1	6%	1	6%	16	41	85%	4	8%	3	6%	48
Baptist Memorial College of Health Sci.	26	76%	6	18%	2	6%	34	100	77%	26	20%	4	3%	130
Belmont University	223	82%	17	6%	33		273	811	85%	56	6%	89	9%	956
Bethel College	182	87%	27	13%	1	0%	210	353	88%	40	10%	6	2%	399
Bryan College	106	97%	3	3%		0%	109	263	97%	5	2%	4	1%	272
Carson-Newman College	243	92%	16	6%	5	2%	264	702	94%	25	3%	20	3%	747
Christian Brothers University	113	50%	79	35%	33	15%	225	314	61%	130	25%	69	13%	513
Cumberland University	97	89%	9	8%	3	3%	109	300	91%	14	4%	14	4%	328
Fisk University		0%	37	100%		0%	37	1	1%	64	94%	3	4%	68
Free Will Baptist Bible College	13	43%	17	57%		0%	30	35	100%		0%		0%	35
Freed-Hardeman University	157	100%		0%		0%	157	429	94%	24	5%	1	0%	454
Johnson Bible College	33	94%		0%	2	6%	35	74	97%		0%	2	3%	76
King College	89	90%	6	6%	4	4%	99	264	96%	7	3%	5	2%	276
Lambuth University	30	71%	11	26%	1	2%	42	116	83%	19	14%	5	4%	140
Lane College		0%	48	100%		0%	48		0%	115	100%		0%	115
Lee University	259	90%	10	3%	18	6%	287	719	93%	14	2%	43	6%	776
LeMoyne-Owen College		0%	27	100%		0%	27		0%	66	100%		0%	66
Lincoln Memorial University	168	95%	1	1%	7	4%	176	435	97%	4	1%	10	2%	449
Lipscomb University	295	87%	28	8%	15		338	896	91%	54	5%	36	4%	986
Martin Methodist College	122	92%	11	8%		0%	133	268	94%	16	6%	2	1%	286
Maryville College	172	91%	5	3%	12		189	525	92%	11	2%	35	6%	571
Memphis College of Art	11	58%	5	26%	3		19	42	68%	10	16%	10	16%	62
Milligan College	83	89%	5	5%	5	5%	93	216	87%	17	7%	15	6%	248
Rhodes College	90	76%	14	12%	14		118	238	73%	47	14%	43	13%	328
Southern Adventist University	54	77%	5	7%		16%	70	228	81%	17	6%	37	13%	282
Tennessee Wesleyan College	149	94%	2	1%	7	4%	158	431	94%	8	2%	18	4%	457
Trevecca Nazarene University	83	87%	10	11%	2	2%	95	242	90%	16	6%	10	4%	268
Tusculum College	155	91%	11	6%	4	2%	170	348	93%	18	5%	10	3%	376
Union University	253	92%	11	4%	10	4%	274	783	94%	31	4%	21	3%	835
University of the South	73	84%	6	7%	8	9%	87	183	85%	11	5%	21	10%	215
Vanderbilt University*		B.co.	_	N/A	2	1007		323	63%	94	18%	94	18%	511
Watkins College of Art & Design	16	76%	3	14%	2	10%	21	50	81%	3	5%	9 630	15%	62
Tennessee Private Institutions Total	3,309	84%	431	11%	203	5%	3,943	9,730	86%	966	9%	639	6%	11,335
Tonnoggoo Higher Edwart's a Watel	10 400	200/	2.060	1.20/	1.421	60/	22.020	E2 174	0.40/	6 576	100/	2.260	40/	62 177
Tennessee Higher Education Total	18,430	80%	3,069	13%	1,431	6%	22,930	53,174	84%	6,576	10%	2,360	4%	63,177

Appendix E Lottery Scholarship Receipt by Adjusted Gross Family Income and Institution, Fall 2010 First-time Freshman TELS Recipients

TL'!	d10555	10.001	04.001		ELS First-t			04.001		
Institution	\$12000 or less	12,001- 24,000	24,001- 36,000	36,001- 48,000	48,001- 60,000	60,001- 72,000	72,001- 84,000	84,001- 96,000	above 96000	Total
Austin Peay	9%	11%	12%	10%	10%	11%	10%	6%	20%	100%
East Tennessee	9%	10%	10%	10%	10%	8%	10%	8%	24%	100%
Middle Tennessee	8%	12%	12%	10%	9%	9%	8%	8%	24%	100%
Tennessee State						Available				
Tennessee Tech	6%	10%	10%	9%	9%	9%	9%	7%	30%	100%
University of Memphis	12%	13%	11%	10%	9%	7%	6%	8%	24%	100%
TBR Total	9%	12%	11%	10%	10%	9%	8%	7%	25%	100%
IBR Iotai	970	1270	1170	10%	10%	9 %	O 70	1 70	25%	100%
UT Chattanooga	6%	8%	9%	9%	8%	8%	8%	7%	37%	100%
UT Knoxville	5%	6%	8%	7%	7%	7%	7%	7%	47%	100%
UT Martin	10%	12%	12%	10%	9%	11%	7%	7%	23%	100%
	6%	8%	9%	8%	9% 8%	8%		7% 7%	40%	
UT Total	6%	8%	9%	8%	870	8%	7 %	170	40%	100%
Chattanaaga	60/	110/	1 20/	1 20/	100/	100/	00/	9%	100/	100%
Chattanooga	6%	11%	13%	13%	12%	10%	8%		18%	
Cleveland	8%	16%	13%	11%	12%	10%	8%	6%	17%	100%
Columbia	11%	8%	11%	11%	12%	13%	10%	8%	16%	100%
Dyersburg	13%	13%	14%	10%	8%	12%	9%	8%	13%	100%
Jackson	13%	16%	12%	11%	9%	11%	10%	8%	11%	100%
Motlow	8%	11%	12%	11%	11%	14%	11%	8%	14%	100%
Nashville	8%	17%	15%	9%	10%	13%	10%	8%	10%	100%
Northeast	9%	12%	9%	13%	16%	11%	9%	7%	14%	100%
Pellissippi	4%	8%	11%	10%	11%	13%	11%	10%	22%	100%
Roane	11%	14%	10%	10%	11%	10%	9%	8%	16%	100%
Southwest	10%	15%	10%	13%	6%	7%	7%	7%	25%	100%
Volunteer	10%	13%	12%	11%	11%	12%	9%	8%	13%	100%
Walters	10%	14%	13%	12%	12%	12%	9%	5%	12%	100%
Community College Total	9%	12%	12%	11%	11%	12%	9%	8%	16%	100%
Tannessee Public Institutions Total	8%	10%	11%	9%	9%	9%	8%	7%	28%	100%
Aquinas College	33%	0%	0%	13%	0%	0%	20%	7%	27%	100%
Baptist Memorial College of Health Sciences	12%	9%	0%	6%	15%	3%	6%	6%	42%	100%
Belmont University	4%	6%	9%	5%	7%	6%	8%	8%	48%	100%
Bethel College	5%	11%	7%	14%	15%	11%	8%	9%	20%	100%
Bryan College	4%	15%	13%	7%	10%	7%	11%	4%	28%	100%
Carson-Newman College	7%	10%	14%	8%	13%	7%	9%	7%	26%	100%
Christian Brothers University	9%	12%	15%	6%	10%	6%	10%	3%	28%	100%
Cumberland University	6%	11%	9%	8%	14%	16%	7%	9%	22%	100%
Fisk University	12%	32%	29%	6%	6%	3%	3%	3%	6%	100%
Free Will Baptist Bible College	0%	0%	0%	23%	8%	46%	0%	0%	23%	100%
Freed-Hardeman University	12%	7%	9%	11%	6%	13%	9%	10%	22%	100%
Johnson Bible College	7%	7%	23%	7%	13%	17%	10%	3%	13%	100%
King College	9%	10%	16%	7%	7%	7%	11%	6%	26%	100%
Lambuth University	10%	15%	5%	3%	13%	8%	8%	5%	33%	100%
Lane College	17%	31%	33%	6%	8%	0%	3%	3%	0%	100%
Lee University	8%	8%	6%	9%	9%	8%	8%	8%	35%	100%
LeMoyne-Owen College	30%	22%	26%	9%	0%	9%	0%	0%	33% 4%	100%
_										
Lincoln Memorial University	5%	12%	16%	13%	8%	7%	5%	12%	23%	100%
Lipscomb University	6%	11%	8%	8%	7%	8%	5%	6%	40%	100%
Martin Methodist College	9%	20%	15%	10%	7%	14%	8%	9%	8%	100%
Maryville College	12%	7%	12%	9%	7%	9%	9%	9%	25%	100%
Memphis College of Art	8%	0%	33%	8%	0%	8%	8%	8%	25%	100%
Milligan College	3%	6%	9%	7%	7%	17%	12%	5%	34%	100%
Rhodes College	7%	6%	6%	7%	6%	8%	4%	4%	50%	100%
Southern Adventist University	3%	6%	8%	3%	11%	14%	10%	10%	35%	100%
Tennessee Wesleyan College	7%	12%	13%	10%	8%	14%	7%	4%	23%	100%
Trevecca Nazarene University	6%	11%	8%	6%	8%	14%	10%	5%	31%	100%
Tusculum College	13%	25%	13%	12%	13%	8%	4%	3%	10%	100%
Union University	4%	6%	11%	10%	11%	11%	5%	9%	34%	100%
University of the South	6%	3%	2%	16%	12%	6%	7%	2%	45%	100%
Vanderbilt University		•				/A	. •			
Watkins College of Art & Design	5%	21%	26%	16%	0%	5%	0%	0%	26%	100%
Tennessee Private Institutions Total	8%	11%	11%	9%	9%	9%	7 %	7 %	29%	100%
	1								,	_30 /

Appendix F Qualification Standards Met by Fall 2010 First-time Freshman TELS Recipients, by Institution

_	Recipients, by														
		HOI	PE		ASPIRE					Comb	ined				
Institution	GPA &	GPA	ACT	Total	GPA and	GPA	ACT	Total	GPA and	GPA	ACT	Total			
Austin Peay	ACT 50%	Only 33%	Only 17%	100%	ACT 44%	Only 37%	Only 19%	100%	ACT 48%	Only 34%	Only 18%	100%			
East Tennessee	57%	29%	13%	100%	44 /0	31 /0	1970	10076	57%	29%	13%	100%			
Middle Tennessee	55%	25%	21%	100%	45%	39%	16%	100%	51%	30%	19%	100%			
Tennessee State	33%	52%	15%	100%	20%	65%	15%	100%	26%	59%	15%	100%			
Tennessee Tech	63%	24%	14%	100%		29%	15%	100%	61%	25%	14%	100%			
University of Memphis	59%	18%	24%	100%	38%	48%	14%	100%	51%	29%	20%	100%			
TBR Total	56%	26%	18%	100%	43%	41%	16%	100%	53%	30%	17 %	100%			
UT Chattanooga	59%	21%	20%	100%	50%	30%	21%	100%	56%	23%	21%	100%			
UT Knoxville	79%	6%	16%	100%	73%	9%	18%	100%	77%	6%	16%	100%			
UT Martin	56%	23%	21%	100%		33%	21%	100%	52%	27%	21%	100%			
UT Total	69%	13%	18%	100%	60%	21%	20%	100%	67%	15%	18%	100%			
	0.60/	450/	100/	1000/	050/	55 0/	150/	1000/	200/	400/	1.00/	1000/			
Chattanooga	36%	45%	19%	100%		57%	17%	100%	32%	49%	18%	100%			
Cleveland Columbia	42% 48%	50% 41%	7% 11%	100% 100%	34% 42%	53% 43%	12% 15%	100% 100%	40% 46%	51% 42%	9% 12%	100% 100%			
Dyersburg	34%	37%	29%	100%	35%	37%	27%	100%	35%	37%	28%	100%			
Jackson	35%	45%	20%	100%		57%	14%	100%	33%	50%	17%	100%			
Motlow	40%	50%	10%	100%	35%	52%	13%	100%	39%	51%	11%	100%			
Nashville	27%	48%	25%	100%	27%	55%	18%	100%	27%	51%	22%	100%			
Northeast	41%	48%	11%	100%	34%	50%	16%	100%	39%	48%	13%	100%			
Pellissippi	41%	31%	28%	100%	40%	30%	31%	100%	41%	31%	28%	100%			
Roane	41%	46%	13%	100%	35%	51%	14%	100%	39%	48%	13%	100%			
Southwest	15%	28%	57%	100%	9%	68%	22%	100%	12%	44%	43%	100%			
Volunteer	40%	45%	15%	100%	38%	50%	12%	100%	39%	47%	14%	100%			
Walters	47%	44%	9%	100%	36%	51%	14%	100%	43%	46%	11%	100%			
Community College Total	40%	43%	17%	100%	34%	49%	17%	100%	38%	45%	17%	100%			
	= =0/		4.50/	4.550/	4=0/		4 = 0 /	4.5.50	 20/		·	1.00/			
Tannessee Public Institutions Total	56%	26%	18%	100%	45%	38%	17%	100%	53%	29%	17%	100%			
Aquinas College	40%	30%	30%	100%	43%	43%	14%	100%	41%	35%	24%	100%			
Baptist Memorial College of Health Sciences	85%	8%	8%	100%	67%	22%	11%	100%	80%	11%	9%	100%			
Belmont University	92%	2%	6%	100%		4%	8%	100%	91%	3%	7%	100%			
Bethel College	55%	31%	13%	100%		52%	10%	100%	50%	37%	12%	100%			
Bryan College	72%	19%	9%	100%	79%	18%	3%	100%	75%	19%	7%	100%			
Carson-Newman College	74%	21%	5%	100%	65%	24%	11%	100%	71%	22%	7%	100%			
Christian Brothers University	89%	0%	11%	100%	88%	3%	9%	100%	89%	1%	10%	100%			
Cumberland University	78%	14%	8%	100%	53%	34%	13%	100%	71%	20%	9%	100%			
Fisk University	50%	36%	14%	100%	45%	40%	15%	100%	47%	38%	15%	100%			
Free Will Baptist Bible College	62%	23%	15%	100%		0%	0%	100%	64%	21%	14%	100%			
Freed-Hardeman University	67%	27%	6%	100%		0%	0%	100%	68%	26%	6%	100%			
Johnson Bible College	62%	33%	5%	100%		23%	3%	100%	69%	27%	4%	100%			
King College	63%	24%	13%	100%		60%	27%	100%	55%	30%	15%	100%			
Lambuth University	75%	0%	25%	100%		0%	0%	100%	80%	0%	20%	100%			
Lane College Lee University	97% 0%	3% 58%	0% 42%	100% 100%		30% 58%	10% 42%	100% 100%	84% 0%	13% 58%	3% 42%	100% 100%			
LeMoyne-Owen College	40%	60%	0%	100%		91%	5%	100%	11%	85%	4%	100%			
Lincoln Memorial University	78%	12%	10%	100%		28%	3%	100%	75%	17%	8%	100%			
Lipscomb University	80%	9%	11%	100%		17%	13%	100%	77%	11%	12%	100%			
Martin Methodist College	60%	31%	9%	100%		50%	7%	100%	52%	39%	8%	100%			
Maryville College	74%	16%	11%	100%		14%	4%	100%	77%	15%	8%	100%			
Memphis College of Art	50%	25%	25%	100%		22%	22%	100%	53%	24%	24%	100%			
Milligan College	77%	16%	7%	100%	70%	30%	0%	100%	75%	19%	6%	100%			
Rhodes College	98%	0%	2%	100%	100%	0%	0%	100%	99%	0%	1%	100%			
Southern Adventist University	62%	29%	9%	100%		0%	15%	100%	66%	24%	10%	100%			
Tennessee Wesleyan College	67%	29%	4%	100%		24%	9%	100%	67%	27%	6%	100%			
Trevecca Nazarene University	75%	16%	9%	100%		38%	15%	100%	67%	23%	11%	100%			
Tusculum College	70%	20%	10%	100%		22%	14%	100%	67%	21%	12%	100%			
Union University	85%	11%	4%	100%		12%	3%	100%	85%	11%	4%	100%			
University of the South	86%	2%	12%	100%	100%	0%	0%	100%	89%	2%	9%	100%			
Vanderbilt University*	0.007	00/	000/	1000/	400/	N/		10007	C = 0/	1.00/	0.40/	1000/			
Watkins College of Art & Design Tennessee Private Institutions Total	80% 75%	0% 16%	20% 9%	100% 100%	43% 65%	29% 25%	29% 9%	100% 100%	65% 72%	12% 19%	24% 9%	100% 100%			
Tomossee I fivate institutions Total	1370	10 /6	7/0	100 /6	00 /0	23/0	7/0	100 /6	14/0	19/0	7/0	100%			
Tennessee Higher Education Total	59%	24%	16%	100%	48%	36%	16%	100%	56%	28%	16%	100%			

Appendix G

1-year Scholarship Renewal Rates for Fall 2008 and Fall 2009 Firsttime Freshman TELS Recipients, by Institution

	I	all 2008 Cohor	t	Fall 2009 Cohort					
Institution	First-time Freshmen	Renewed in Second Year	Renewal Rate	First-time Freshmen	Renewed in Second Year	Renewal Rate			
Austin Peay	898	435	48%	990	456	46%			
East Tennessee	1,383	831	60%	1,301	802	62%			
Middle Tennessee	2,813	1,467	52%	2,933	1,445	49%			
Tennessee State	271	152	56%	350	145	41%			
Tennessee Tech	1,393	736	53%	1,628	922	57%			
University of Memphis TBR Total	1,424 8,182	693 4,314	49% 53%	1,535 8,737	799 4,569	52% 52%			
1DK 10tal	0,102	7,017	0070	0,101	4,007	02/0			
UT Chattanooga	1,673	835	50%	1,844	951	52%			
UT Knoxville	3,576	2,421	68%	3,194	2,307	72%			
UT Martin	1,101	574	52%	1,140	572	50%			
UT Total	6,350	3,830	60%	6,178	3,830	62 %			
Chattanooga	319	124	39%	315	139	44%			
Cleveland	254	102	40%	280	138	49%			
Columbia	389	181	47%	485	212	44%			
Dyersburg	170	67	39%	192	57	30%			
Jackson	346	178	51%	400	165	41%			
Motlow	419	200	48%	404	187	46%			
Nashville	142	65	46%	204	100	49%			
Northeast	392	200	51%	434	212	49%			
Pellissippi	601	292	49%	734	285	39%			
Roane	570	297	52%	607	318	52%			
Southwest	227	87	38%	237	92	39%			
Volunteer Walters	552 700	213 307	39% 44%	643 678	254 296	40% 44%			
Community College Total	5,081	2,313	44% 46%	5,613	2,455	44%			
Tannessee Public Institutions Total	19,613	10,457	53%	20,528	10,854	53%			
Aquinas College	28	15	54%	25	15	60%			
Baptist Memorial College of Health Sciences	35	21	60%	35		71%			
Belmont University	329	236	72%	297		72%			
Bethel College	134	64	48%	183		51%			
Bryan College	79 287	47	59%	84		71% 59%			
Carson-Newman College Christian Brothers University	216	180 125	63% 58%	342 220		42%			
Cumberland University	115	54	47%	149		54%			
Fisk University	8	4	50%	19		74%			
Free Will Baptist Bible College	7	3	43%	11		64%			
Freed-Hardeman University	180	97	54%	184		59%			
Johnson Bible College	22	14	64%	11	6	55%			
King College	83	51	61%	107	61	57%			
Lambuth University	135	59	44%	76	39	51%			
Lane College	49	34	69%	57		47%			
Lee University	242	159	66%	322		66%			
LeMoyne-Owen College	30	17	57%	20		55%			
Lincoln Memorial University	134	74	55%	153		59%			
Lipscomb University	346	235	68%	334		64%			
Martin Methodist College	121	46 126	38%	101		50%			
Maryville College Memphis College of Art	215 35	136 14	63% 40%	248 35		65% 37%			
Milligan College	94	58	40% 62%	93		58%			
Rhodes College	97	66	68%	111		72%			
Southern Adventist University	88	59	67%	71		75%			
Tennessee Wesleyan College	172	86	50%	187		55%			
Trevecca Nazarene University	78	52	67%	101		69%			
Tusculum College	137	84	61%	127	78	61%			
Union University	246	168	68%	310	193	62%			
University of the South	80	50	63%	91	49	54%			
Vanderbilt University	104	72	69%						
Watkins College of Art & Design	0.00	0.000		27		48%			
	. 2026	2 260	610/	4,131	2,495	60%			
Tennessee Private Institutions Total	3,926	2,380	61%	4,101	2,450	0070			

Appendix H

Longitudinal Scholarship Renewal Rates and Graduation Rates for Fall 2004 First-time Freshman TELS Recipients, by Institution

	Recipients													
		Renewed	d Scholars	-		Grad	luated		Renew	ed Schola	Percent rship		Grad	uated
Institution	First-time Freshmen	Fall 2005	Fall 2006	Fall 2007	Fall 2008	With TELS Intact	With or without TELS*	First- time Freshme n	Fall 2005	Fall 2006	Fall 2007	Fall 2008	With TELS Intact	With or without TELS*
Austin Peay	861	393	258	206	78	190	390	100%	46%	30%	24%	9%	22%	45%
East Tennessee	1,007	533	403	359	153	302	541	100%	53%	40%	36%	15%	30%	54%
Middle Tennessee	2,528	1,320	963	907	410	759	1,406	100%	52%	38%	36%	16%	30%	56%
Tennessee State Tennessee Tech	405 1,196	163 584	109 449	89 424	25 175	73 379	182 712	100% 100%	40% 49%	27% 38%	22% 35%	6% 15%	18% 32%	45% 60%
University of Memphis	1,190	663	484	434	173	342	684	100%	46%	33%	30%	14%	23%	47%
TBR Total	7,454	3,656	2,666	2,419	1,039	2,045	3,915	100%	49%	36%	32%	14%	27%	53%
	,	,	,	•	,	,	•							
UT Chattanooga	1,147	547	406	370	156	300	625	100%	48%	35%	32%	14%	26%	54%
UT Knoxville	3,350	1,895	1,533	1,478	515	1,313	2,340	100%	57%	46%	44%	15%	39%	70%
UT Martin UT Total	886	497	361	353	139	325 1,938	539	100% 100%	56% 55%	41% 43%	40% 41%	16% 15%	37% 36%	61% 65%
OI Iotai	5,383	2,939	2,300	2,201	810	1,938	3,504	100%	33%	43%	41%	15%	30%	65%
Chattanooga	322	119	78	47	31	67	124	100%	37%	24%	15%	10%	21%	39%
Cleveland	230	102	64	44	28	50	90	100%	44%	28%	19%	12%	22%	39%
Columbia	377	183	120	69	39	99	166	100%	49%	32%	18%	10%	26%	44%
Dyersburg	172	57	31	21	16	31	60	100%	33%	18%	12%	9%	18%	35%
Jackson	328	141	80	59	26	69	128	100%	43%	24%	18%	8%	21%	39%
Motlow	367	147	86	66	37	94	156	100%	40%	23%	18%	10%	26%	43%
Nashville	145	61	44	16	10	33	59 107	100%	42%	30%	11%	7%	23%	41%
Northeast Pellissippi	331 529	123 189	86 116	63 86	46 52	74 101	127 195	100% 100%	37% 36%	26% 22%	19% 16%	14% 10%	22% 19%	38% 37%
Roane	486	232	158	115	46	134	217	100%	48%	33%	24%	9%	28%	45%
Southwest	253	77	39	24	16	12	53	100%	30%	15%	9%	6%	5%	21%
Volunteer	485	188	120	81	43	101	199	100%	39%	25%	17%	9%	21%	41%
Walters	484	199	128	81	62	119	194	100%	41%	26%	17%	13%	25%	40%
Community College Total	4,509	1,818	1,150	772	452	984	1,768	100%	40%	26%	17%	10%	22%	39%
Tannessee Public Institutions Total	17,346	8,413	6,116	5,392	2,301	4,967	9,187	100%	49%	35%	31%	13%	29%	53%
Aquinas College	21	6	3	2	1	2	11	100%	29%	14%	10%	5%	10%	52%
Baptist Memorial College of Health Sciences	27	17	17	14	1	14	21	100%	63%	63%	52%	4%	52%	78%
Belmont University Bethel College	249 109	178 57	152 40	144 29	30 11	138 28	198 57	100% 100%	71% 52%	61% 37%	58% 27%	12% 10%	55% 26%	80% 52%
Bryan College	29	21	18	16	2	13	19		72%	62%	55%	7%	45%	66%
Carson-Newman College														
Christian Brothers University	179	97	74	64	10	57	107	100%	54%	41%	36%	6%	32%	60%
Crichton College	16	6	6	4	1	3	6	100%	38%	38%	25%	6%	19%	38%
Cumberland University	136	86	66	58	16	52	84	100%	63%	49%	43%	12%	38%	62%
Fisk University		10		0	4	0		1000/	710/	6.407	55 0/	200/	C 40/	700/
Free Will Baptist Bible College Freed-Hardeman University	14 157	10 99	9 77	8 75	4 14	9 75	11 117	100% 100%	71% 63%	64% 49%	57% 48%	29% 9%	64% 48%	79% 75%
Hiwassee College	60	36	24	13	9		37		60%	40%	22%	15%	38%	62%
John A. Gupton College	5	11	12	9	4		1	100%	220%	240%	180%	80%		
Johnson Bible College	30	49	45	43	4	9	12		163%	150%	143%	13%	30%	
King College	88					45	67	100%	0%	0%	0%	0%	51%	76%
Lambuth University	155	64	44	38	8		88		41%	28%	25%	5%	23%	
Lane College	39	19	20	12	2		21		49%	51%	31%	5%	28%	
Lee University	175	119	104	90	25		106	1	68%	59%	51%	14%	42%	
LeMoyne-Owen College Lincoln Memorial University	26 90	7 57	3 38	5 29	2 16		9 55		27% 63%	12% 42%	19% 32%	8% 18%	15% 34%	
Lipscomb University	282	155	144	108	27	112	207		55%	51%	38%	10%	40%	
Martin Methodist College	2	2	2	1		2	207		100%	100%	50%	0%	100%	
Maryville College	244	135	117	117	17	110	171		55%	48%	48%	7%	45%	
Memphis College of Art	11	3	4	4	1	3	9		27%	36%	36%	9%	27%	
Milligan College	58	37	33	26	8		47		64%	57%	45%	14%	45%	
Rhodes College	115	65	65	56	1	59	99		57%	57%	49%	1%	51%	
Southern Adventist University	55 117	35 60	27 50	21	10		30 74		64% 51%	49%	38% 36%	18%	33%	
Tennessee Wesleyan College Trevecca Nazarene University	117 80	60 31	50 34	42 4	12 6		74 48		51% 39%	43% 43%	36% 5%	10% 8%	36% 13%	
Tusculum College	80	49	34	3	10		46 42		61%	43%	5% 4%	13%		
Union University	180	107	98	92	19		122		59%	54%	51%	11%	48%	
University of the South	61	31	22	19		18	53		51%	36%	31%	0%	30%	
Vanderbilt University	219	163	131	133	6		171	100%	74%	60%	61%	3%	61%	
Watkins College of Art & Design														
Tennessee Private Institutions Total	3,109	1,812	1,513	1,279	277	1,252	2,102	100%	58%	49%	41%	9%	40%	68%
Tennessee Higher Education Total	20,455	10,225	7,629	6,671	2,578	6,219	11,289	100%	50%	37%	33%	13%	30%	55%

Appendix I Percentage of TELS First-time Freshmen with a Job and Median Earnings in Fall 2009, by Institution

	TE	LS Fall 2	009 Coh	ort with a	a Job	TEL	S Fall 20	09 Cohor	t without	t a Job TELS Fall 2009 Cohort with a Job (%)						
Institution	НОРЕ	GAMS	ASPIRE	Access	Total	НОРЕ	GAMS	ASPIRE	Access	Total	НОРЕ	GAMS	ASPIRE	Access	Total	Median Earnings*
Austin Peay	361	13	152	10	536	297	7	146	4	454	55%	65%	51%	71%	54%	2,104
East Tennessee	491	38	224	9	762	340	31	163	5	539	59%	55%	58%	64%	59%	1,718
Middle Tennessee	1,176	41	452	23	1,692	798	57	364	22	1,241	60%	42%	55%	51%	58%	1,900
Tennessee State	97	50	72	7	176	88	60	77	9	174	52%	100/	48%	44%	50%	1,731
Tennessee Tech	614	59	211	7	891	492	62	178	5	737	56%	49%	54%	58%	55%	1,579
University of Memphis TBR Total	571 3,310	41 192	279 1,390	56	891 4,948	373 2,388	33 190	238 1,166	45	644 3,789	60% 58%	55% 50%	54% 54%	55%	58% 57%	2,244 1,858
IBK Iotai	3,310	192	1,390	30	т,это	2,300	190	1,100	73	3,169	38 /6	30 /6	37 /0	33 /0	31 /0	1,000
UT Chattanooga	937	37	106		1,080	652	39	73		764	59%	49%	59%		59%	1,160
UT Knoxville	1,095	258	316	3	1,672	967	253	301	1	1,522	53%	50%	51%	75%	52%	1,108
UT Martin	367	16	176	3	562	350	22	201	5	578	51%	42%	47%	38%	49%	1,495
UT Total	2,399	311	598	6	3,314	1,969	314	575	6	2,864	55%	50%	51%	50%	54%	1,201
Chattanooga	131		62	4	197	79		35	4	118	62%		64%	50%	63%	2,968
Cleveland	136		45	3	184	66		28	2	96	67%		62%	60%	66%	2,894
Columbia	210	3	88	1	302	132	1	50		183	61%	75%	64%	100%	62%	3,351
Dyersburg	66	1	36	4	107	43		41	1	85	61%	100%	47%	80%	56%	3,175
Jackson	147		95	7	249	95		48	8	151	61%		66%	47%	62%	3,533
Motlow	182		70	3	255	105		42	2	149	63%	1000/	63%	60%	63%	3,803
Nashville	85	1	38	3 7	127	49		26	2	77	63%	100%	59%	60%	62%	3,292
Northeast	208		86	2	301 513	88	0	42	3	133	70% 70%	00/	67%	70%	69% 70%	3,105
Pellissippi	366 247		145 145	4	396	160 125	2	59 85		221 211	66%	0% 0%	71% 63%	100%	65%	3,254
Roane Southwest	100		54	2	156	125 54	1	26	1	81	65%	0%	68%	100% 67%	66%	3,358 3,435
Volunteer	339	3	92	6	440	142	2	59	1	203	70%	60%	61%	100%	68%	3,515
Walters	325	2	156	9	492	116	3	62	5	186	74%	40%	72%	64%	73%	3,268
Community College Total	2,542	10	1,112	55	3,719	1,254	9	603	28	1,894	67%	53%	65%	66%	66%	3,303
	_,-,		-,		-,	_,	_			_,,						-,
Tannessee Public Institutions Total	8,251	513	3,100	117	11,981	5,611	513	2,344	79	8,547	60%	50%	57 %	60%	58%	1,884
Aquinas College	11	1	5		17	5		3		8	69%	100%	63%		68%	3,044
Baptist Memorial Col of Health Sci.	15	1	10		26	6	1	2		9	71%	50%	83%		74%	2,936
Belmont University	94	18	25	_	137	116	15	29	_	160	45%	55%	46%		46%	1,333
Bethel College	53	4	25	5	87	53	1	40	2	96	50%	80%	38%	71%	48%	1,119
Bryan College	15	4	14	2	35	28	8	12	1	49	35%	33%	54%	67%	42%	917
Carson-Newman College	101 53	5 8	55 44	2	161 107	108 77	14 4	57 31	2	181 113	48% 41%	26% 67%	49% 59%	0% 67%	47% 49%	1,290 2,099
Christian Brothers University Cumberland University	47	1	26	2	74	55	4	20	1	75	46%	100%	57%	07/0	50%	1,632
Fisk University	4	1	5		9	6		3	1	10	40%	10070	63%	0%	47%	888
Free Will Baptist Bible College	6		1		7	3		1		4	67%		50%	070	64%	1,303
Freed-Hardeman University	38	7	21		66	78	9	29	2	118	33%	44%	42%	0%	36%	972
Johnson Bible College	4	•	1		5	4		2	-	6	50%	,0	33%	0,0	45%	2,418
King College	30		12		42	39	4	22		65	43%	0%	35%		39%	1,317
Lambuth University	22		12		34	30	5	7		42	42%	0%	63%		45%	1,165
Lane College	4		15	3	22	5		27	3	35	44%		36%	50%	39%	1,240
Lee University	108	13	42	4	167	90	24	40	1	155	55%	35%	51%	80%	52%	1,276
LeMoyne-Owen College	4		8		12	1		7		8	80%		53%		60%	1,725
Lincoln Memorial University	43	2	25	1	71	44	1	36	1	82	49%	67%	41%	50%	46%	1,542
Lipscomb University	110	21	32	3	166	113	23	32		168	49%	48%	50%	100%	50%	1,293
Martin Methodist College	29		12	1	42	41	1	17		59	41%	0%	41%	100%	42%	2,081
Maryville College	76	19	31	1	127	79	12	28	2	121	49%	61%	53%	33%	51%	1,568
Memphis College of Art	6		5		11	9	1	13	1	24	40%	0%	28%	0%	31%	1,565
Milligan College	27	1	12		40	39	2.5	14		53	41%	100%	46%		43%	1,337
Rhodes College Southern Adventist University	18	16	7 3	1	41	32 37	26 2	12 9		70 48	36%	38%	37%	1000/	37% 32%	1,308 914
Tennessee Wesleyan College	19 48	4	38	1	23 90	68	2	24	3	48 97	34% 41%	0% 67%	25% 61%	100% 0%	32% 48%	2,189
Trevecca Nazarene University	29	3	36 16	2	50	36	3	11	1	51	41%	50%	59%	67%	50%	1,411
Tusculum College	30	1	24	4	55	40	3	32	1	72	43%	100%	43%	01/0	43%	1,471
Union University	94	23	33	1	151	101	25	31	2	159	48%	48%	52%	33%	49%	1,151
University of the South	14	13	4	-	31	36	17	7	-	60	28%	43%	36%	/0	34%	981
Watkins College of Art & Design	14		1		15	11		1		12	56%		50%		56%	1,258
Tennessee Private Institutions Total	1,166	165	564	26	1,921	1,390	198	599	23	2,210	46%	45%	48%	53%	47%	1,377
Tennessee Higher Education Total	9,417	678	3,664	143	13,902	7,001	711	2,943	102	10,757	57%	49%	55%	58%	56%	1,862

Tennessee Higher Education Total
 9,417
 678
 3,664
 14

 *Wages earned during the 3rd and 4th quarters of the calendar year 2009

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Agenda Item: II.B.

DATE: July 28, 2011

SUBJECT: Special Report on Student Loan Default Rates in Tennessee

Institutions

ACTION RECOMMENDED: Information

BACKGROUND INFORMATION: Staff will present a report on institutional three-year default rates in Tennessee. When the Higher Education Opportunity Act was renewed in 2008, the period used to define students who defaulted for inclusion in an institution's default rate was extended from two to three years beginning in 2012 (2009 cohort). Under the new three-year cohort default rate rules, an institution will be subject to sanctions if: 1) its three most recent default rates are over 30 percent, or 2) it has a default rate over 40 percent in the most recent year. However, institutions will not be sanctioned based on the new rates until the new three-year rates have been published annually three times, meaning institutions will not be subject to sanctions until 2014. Institutions that are sanctioned will lose eligibility to participate in federal loan programs, and potentially the Pell Grant program. Utilizing trial three-year default rates released by the Department of Education, this study compares Tennessee institutions' default rates to their peer institutions, and the SREB and national averages. The study also examines the factors that explain institutional default rates, and identifies which institutions' default rates are higher or lower than predicted.

TENNESSEE HIGHER EDUCATION COMMISSION



Are Student Loan Default Rates Too High in Tennessee?

A report from the Policy, Planning, and Research Division at the Tennessee Higher Education Commission



CONTENTS

Executive Summary	p. 7
Purpose of the Study	p. 9
Introduction	p. 11
Official Cohort Default Rates	p. 13
Summary of Findings	p. 15
Descriptive Findings	p. 19
Analytical Findings	p. 25
Appendix A: Methodology	p. 45
Appendix B: Tables	p. 51
Appendix C: Analytical Methods	p. 57
Appendix D: Tennessee Institutions included in the Analyses	p. 61
References	p. 64

LIST OF FIGURES

Figure 1	Average National Cohort Default Rate	p. 12
Figure 2	2008 State Default Rates	p. 20
Figure 3	Share of Students in Repayment by Control	p. 23
Figure 4	Share of Defaultors by Control	p. 23
Figure 5	Magnitude of Difference between Actual and Predicted Default Rate East Tennessee State University compared to its Peer Institutions	p. 28
Figure 6	Magnitude of Difference between Actual and Predicted Default Rate Tennessee State University compared to its Peer Institutions	p. 29
Figure 7	Magnitude of Difference between Actual and Predicted Default Rate University of Memphis compared to its Peer Institutions	p. 30
Figure 8	Magnitude of Difference between Actual and Predicted Default Rate University of Tennessee - Knoxville compared to its Peer Institutions	p. 31
Figure 9	Magnitude of Difference between Actual and Predicted Default Rate Austin Peay State University compared to its Peer Institutions	p. 34
Figure 10	Magnitude of Difference between Actual and Predicted Default Rate Middle Tennessee State University compared to its Peer Institutions	p. 35
Figure 11	Magnitude of Difference between Actual and Predicted Default Rate Tennessee Technological University compared to its Peer Institutions	p. 36
Figure 12	Magnitude of Difference between Actual and Predicted Default Rate University of Tennessee - Chattanooga compared to its Peer Institutions	p. 37
Figure 13	Magnitude of Difference between Actual and Predicted Default Rate University of Tennessee - Martin compared to its Peer Institutions	p. 38
Figure 14	Magnitude of Difference between Actual and Predicted Default Rate Tennessee Community Colleges compared to its Peer Institutions	p. 44

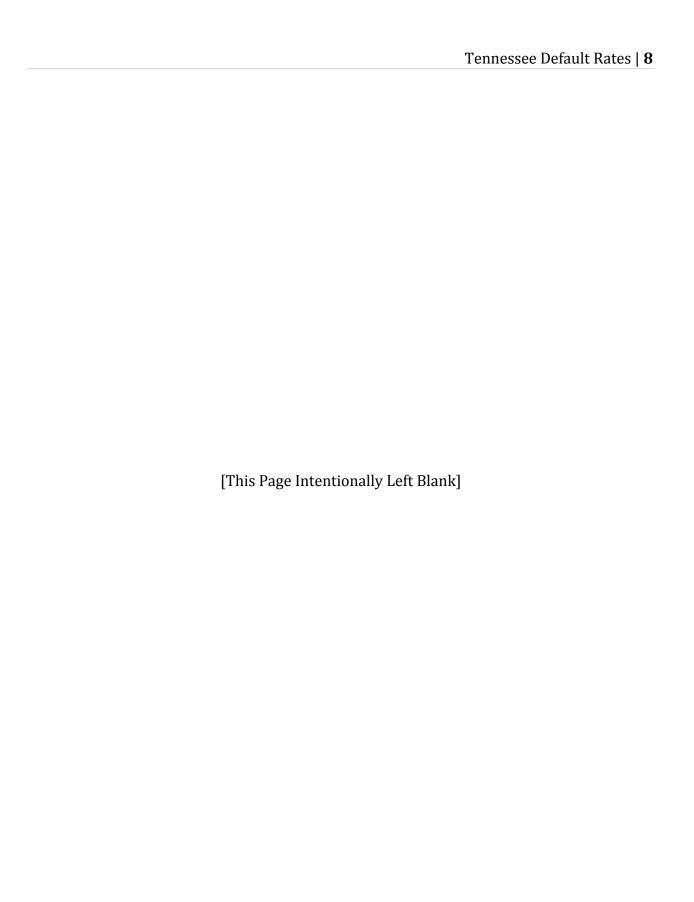
LIST OF TABLES

Table 1	Two- and Three-Year Default Rates by Sector	p. 13
Table 2	States with the Highest and Lowest Default Rates	p. 19
Table 3	SREB States' Default Rates	p. 19
Table 4	Comparing TN's Default Rates by Sector	p. 19
Table 5	Tennessee Institutions with the Highest Default rates (based on 3-year rates)	p. 21
Table 6	Tennessee Institutions with the Lowest Default rates (based on 3-year rates)	p. 21
Table 7	Public 2-year institutions' 3-year Default Rates	p. 22
Table 8	Public 4-year Institutions' 3-year Default Rates	p. 22
Table 9	Percentage Point Change in Institutional Default Rates	p. 23
Table 10	Factors that are Related to Institutional Default Rates at Doctoral/Research Institutions	p. 25
Table 11	Default Rates of Doctoral/Research Universities in Tennessee	p. 26
Table 12	Factors that are Related to Institutional Default Rates at Master's Colleges/Universities	p. 32
Table 13	Default Rates of Master's Colleges/Universities in Tennessee	p. 33
Table 14	Factors that are Related to Institutional Default Rates at Bachelor's Colleges	p. 39
Table 15	Default Rates of Bachelor's Colleges in Tennessee	p. 40
Table 16	Factors that are Related to Institutional Default Rates at Associate's Colleges	p. 41
Table 17	Default Rates of Associate's Colleges in Tennessee	p. 42
	Appendix B	
Table A	Factors that Predict 3-year Cohort Default Rates	p. 52
Table B	Loans included in Official Cohort Default Rate Calculation	p. 53
Table C	Default Rate Descriptive Statistics by Carnegie Classification	p. 54
Table D	Tennessee Public Institutions and their Peer Institutions by Carnegie Classification	p. 55

Appendix C Doctoral/Research University Model Table E p. 59 Table F Master's Colleges/University Model p. 59 Table G Bachelor's Colleges Model p. 59 Associate's Colleges Model p. 60 Table H Appendix D Table I Tennessee Institutions Included in the Analyses p. 62

EXECUTIVE SUMMARY

- Tennessee (15.5 percent) has the sixth highest average three-year student loan default rate in the U.S. (12.3 percent) and the third highest among SREB states.
- Tennessee public 4-year and 2-year, private 4-year and 2-year, and for-profit 4-yr institutions' average three-year default rates were higher than their SREB peers and the national averages.
- On average, for-profit institutions' three-year default rates were higher than public and private institutions in Tennessee.
- However, Tennessee for-profit two-year institutions' and for-profit and not-for-profit less than two year institutions' average three-year default rates were lower than the SREB and national average for the same sector.
- Tennessee for-profit institutions represented around 22 percent of all students that were eligible for default, however, they represented over 36 percent of all students that defaulted.
- Higher graduation rates and instructional spending as a portion of an institution's total expenditures were consistent predictors of lower institutional default rates.
- Tennessee State University and Tennessee Technological University were the only two public institutions whose default rates were lower than the multivariate model predicted.
- Tennessee public institutions usually had higher institutional default rates than their peer institutions.
- Best practices identified for lowering institutional default rates were: creating a campus wide default management team, instituting an early warning system, appointing a default prevention manager, avoided giving students more in their financial aid package than their direct costs, and better educating students about their debt (Education, Sector, 2010)



PURPOSE OF THE STUDY

The rising costs of college are contributing to the amount of loan debt students are incurring. This problem is exacerbated by the increasing number of students that incur these debt obligations and fail to graduate, which previous research has shown is the best predictor of student loan default (Knapp & Seaks, 1992; Podgursky et al., 2000; Woo, 2002). Additionally, there is evidence that even students that do graduate are overleveraged (King & Bannon, 2002).

Research suggests that these trends vary by institutional control and sector. In his report on the distribution of student debt, Kantrowitz (2010) showed that 22 percent of graduates from for-profit institutions graduate with excessive debt compared to about 11 percent for private institutions and about 4 percent for public institutions. He also found that when a student's debt burden is considered in light of the degree they received (Certificate, Associate's, or Bachelors), 40.7 percent of students from for-profit institutions graduated with excessive debt compared to their public (33.8 percent) and private (25.5 percent) counterparts.

The effects of the growing number of students graduating with excessive debt can be seen in the increase of the national average cohort default rate. For the first time in almost a quarter of a century, this default rate has risen for three consecutive cohort years (2005-2008). Moreover, numerous articles and reports have suggested that the official cohort default rate underestimates the number of students defaulting¹.

These trends raise questions regarding institutional and student behavior. While previous research has suggested that some of the growth in borrowing may be attributable to "convenience borrowing" (King, 1997, p. 6), a recent report by the Education Sector showed that institutions can mediate the default rates of at-risk students (Education Sector, 2010).

Given these realities, this report examines the default rates of institutions in Tennessee. Specifically, this report addresses the following research questions: 1) How does Tennessee's default rate compare to the national average and its SREB peers? 2) What institutions and sectors in Tennessee have the highest and lowest default rates? 3) What factors are related to institutional default rates? 4) And, which Tennessee institutions' default rates are higher or lower than expected?

The report is divided into five sections. First, in the **Introduction** a more detailed description of these general higher education trends is presented. Next, an overview of the U.S. Department of Education's Official Cohort Default Rates is presented along with a discussion of the recent changes to the measure associated with the renewal of the Higher Education Act in 2008. Third, a summary of the study's descriptive and analytical findings are presented in the Summary of Findings section. Finally, the study's Descriptive Findings are discussed, followed by the **Analytical Findings.**

¹ A more detailed discussion surrounding the official cohort default rate and its limitations is presented in Methodology section.

Additionally, the report contains four appendices. Appendix A contains the tables referenced throughout the report. The study's methodology is discussed in Appendix B, and Appendix C contains an explanation of the analytical methods, including a detailed description of the modeling processes and the model results. Finally, Appendix D contains a list of all Tennessee institutions' actual and predicted default rates that were included in the analyses.

INTRODUCTION

This section summarizes the national landscape in higher education regarding tuition and fees, student debt, and student loan defaults. A review of the trends reveals that over the past decade:

- College costs continue to increase and require a larger portion of a family's income.
- Students and families are borrowing more to cover these costs.
- The number of students graduating with unmanageable debt is increasing.
- More students are defaulting on their loans.

Tuition & Fees Trends

From 1984 to 2008, tuition and fees (in current dollars) increased more than 430 percent, outpacing healthcare (251 percent), median family income (147 percent), and inflation (106 percent) (NCHEMS, 2008). During the most recent decade, and for the first time, public higher education's tuition and fees increased at a rate higher than its not-for-profit-private counterparts; although, both outpaced inflation by almost 250 percent (National Association of State Universities and Land-Grant Colleges, 2008).

In 2000, a family with a median income spent about 19 percent of its income for a student to attend a public four-year institution and 57 percent for a private four-year institution. By 2008, a family with a median income needed over 27 percent of its income to pay for a student to attend a public four-year institution and 75 percent for a private four-year institution (NCHEMS, 2008).

The spiraling increase in tuition, combined with a shift in federal policy from grants to loans, and state and institutional policy shifts from need-based to merit-based funding, has left students with a larger portion of college costs to finance. As a result, the average student debt burden has also increased at accelerated rates.

Student Debt Trends

In 1996, college graduates had an average student loan debt of \$12,750. By 2008, a decade later, the average student loan debt of college graduates had almost doubled to \$23,200 (The Project on Student Debt, 2010). Furthermore, King and Bannon (2002) found that by the year 2000 almost 39 percent of college graduates graduated with unmanageable debt, defined as monthly student loan payments that exceed 8 percent of monthly pre-tax income² (King & Bannon, 2002). In 2010, American's total student loan debt (\$829 billion) surpassed the total credit card debt for the first time (\$826 billion) (Kantrowitz, 2010).

During the same period that these trends have occurred, higher education enrollment has been increasing. Since 1980 higher education enrollments have grown by almost 70 percent at degree-granting institutions, and are projected to continue to grow over the next decade (National Center for Education Statistics, 2010). During the same period, however, graduation rates have remained stagnate, meaning more students are leaving college without a degree (Lee, 2011). This trend is problematic, considering research has shown that dropping out is the best

² This is the loan industry suggested standard.

predictor of a student default (Knapp & Seaks, 1992; Podgursky et al., 2000; Woo, 2002).

Periods of economic downturn typically lead to increases in default rates. For example, the current economic recession has limited job opportunities for graduating students and is likely to exacerbate these trends. As a result, students are borrowing larger sums, staying in school longer, and more students are entering into default on their loans (Education Sector, 2010). The combination of these trends (increasing costs, policy shifts from need-based to merit-based aid, using loans to finance these increased costs, and economic recessions) has created a recipe for more students to default on their loans. Additionally, because these loans are federally guaranteed, taxpayers are on the hook for between 97-100 percent of the losses.

Default Rate Trends

Figure 1 shows that for the first time since 1987, the average national cohort default rate increased for three consecutive years in 2006-2008. The 2008 default rate, the most recent cohort, was announced to be 7 percent (Field, 2010b). Additionally, institutional default rates vary by institution type and student population characteristics. For example, in 2008 the average default rate for for-profit institutions was higher (11.6 percent) than their non-profit private (4 percent) and public peers (6 percent).

Furthermore, for the academic year 2007-2008, 53 percent of students who graduated with a bachelor's degree had a cumulative loan debt of more than

Figure 1: **Average National Cohort Default Rate**



\$30,500 at for-profit institutions compared to 12 percent of students at public and 24 percent at private institutions (Baum & Steele, 2010). Looking from another perspective, of all students that graduate with less than \$5,000 in debt (including no debt), over 83 percent graduated from public colleges, while graduates from for-profit institutions represent only about 5 percent (Kantrowitz, 2010). Finally, students that enroll at for-profit institutions are more than twice as likely to borrow at least \$2,500 in excess of institutional charges compared to students that attend public or private institutions (Kantrowitz, 2011).

These trends are more concerning when they are placed in context of the 2008 reauthorization of the Higher Education Opportunity Act (HEOA). The reauthorization of the HEOA mandated that the official cohort default rate be extended to include students who default within the first three years of leaving school instead of the previous two-year standard. Researchers and administrators predicted that institutional default rates would increase by as much as 50 percent as a result of the change. These projections turned out to be conservative. The impacts of these changes are discussed in more detail in the next section.

OFFICIAL COHORT DEFAULT RATES

The U.S. Department of Education annually releases the official cohort default rates for institutions that participate in Title IV funding. A cohort default rate is the percentage of a school's borrowers who enter repayment on federal loans during the current fiscal year, and default prior to the end of the next fiscal year (OFSA, 2010)

An institution's official cohort default rate can affect its eligibility to participate in federal loan and Pell grant programs, which are vital sources of revenue. Currently, if an institution has a default rate over 40 percent in the most recent year, or its three most recent years default rates were over 25 percent, the institution will lose eligibility to participate in federal loan programs (the latter institutions also lose eligibility to participate in the Pell grant program).

When the Higher Education Opportunity Act was renewed in 2008, the period used to define students who defaulted for inclusion in an institution's default rate was extended from two to three years beginning in 2012 (2009 cohort). Under the new three-year cohort default rate rules, an institution will be subject to sanctions if: 1) its three most recent default rates are over 30 percent, or 2) it has a default rate over 40 percent in the most recent year. However, institutions will not be sanctioned based on the new rates until the new three-year rates have been published annually three times, meaning institutions will not be subject to sanctions until 2014.

Prior to the new default rates going into effect, the department released trial three year default rate

numbers for the 2008 cohort. The new rates show (as shown in Table 1) that for-profit institutions' default rates more than doubled from 11.6 percent to 25 percent in 2008 (U.S. Department of Education, 2011). Additionally, while for-profit institutions enroll only 11 percent of all students, they are responsible for 26 percent of all student loans and 43 percent of all loan defaulters (U.S. Department of Education, 2010).

Table 1: Two- and Three-Year Default Rates by Sector

	2-yr Rate	3-yr Rate
Public	6.0%	10.8%
Private	4.0%	7.6%
For-Profit	11.6%	25.0%

Source: U.S. Department of Education

Furthermore, a recent study by The Chronicle of Higher Education (2011) found that eight percent of degree-granting institutions had a three-year default rate that increased by at least 15 percentage points compared to their two-year rate, and of these 83 percent were for-profit institutions. The authors noted large increases from the two-year to the threeyear default rate may signal that an institution is using "default management tools," such as encouraging borrowers to seek a deference or forbearance to mask problematic rates of default (Blumenstyk & Richards, 2011, p. A1)³. The article goes on to note that while for-profit institutional leaders have claimed that their default rates are higher because the students they serve are poorer than students at private not-forprofit and public institutions, Critics point out that if

³ A discussion on the default management tools schools may be utilizing is presented in Appendix A: Methodology.

the changes were the result of demographics, one could expect the two-year, three-year, and ten-year default rates to display similar trends (Blumenstyk & Richards, 2011)

In response, the Department of Education has recently instituted a new "gainful employment" rule (U.S. Department of Education, 2011). The rule stipulates that to remain eligible for federal financial aid, all programs at for-profit institutions, and vocational programs at non-profit institutions, will have to meet at least one of three benchmarks: 1) A federal student loan repayment rate of at least 35 percent. 2) A student debt-to-income ratio less than 12 percent, or 3) A student debt-to-discretionary income ratio less than 30 percent.

Although for-profit institutions have been the focus of recent federal legislation, private and public institutions also saw their default rates nearly double under the new guidelines. It is clear that institutional default rates are not a problem limited to one sector of higher education. For example, public two-year institutions had the next highest default rates (17.9 percent) after for-profit institutions (U.S. Department of Education, 2011). Utilizing these trial three-year rates, this report examines institutional default rates in Tennessee.

SUMMARY OF FINDINGS

The purpose of this section is to summarize the study's findings. A more detailed discussion of the study's findings is presented in the Descriptive Findings and the Analytical Findings sections, which follow this summary section.

Using the recently released trial 3-year cohort default rates by the Office of Federal Student Aid, the study found that Tennessee's average cohort default rate (15.5 percent) was the sixth highest in the nation, and the third highest among its SREB peers. Furthermore, Tennessee institutions performed worse than the national average and their SREB peers regardless of institutional sector and control, with the exception of for-profit two-year institutions and forprofit and not-for-profit less than two year institutions⁴.

Within-State Analysis

Among Tennessee institutions, nine of the ten institutions with the highest default rates were forprofit institutions. Additionally, five for-profit institutions had a three-year default rate over 30 percent. When comparing an institution's change from their two-year default rate to the trial three-year default rates, 13 institutions' default rates increased by more than 15 percentage points. This represents 14 percent of the institutions in Tennessee compared to the national average of 8 percent⁵.

For-profit institutions served about 22 percent of the students in Tennessee eligible for being classified as in default for the 2008 cohort. However, 36 percent of all students that actually defaulted in Tennessee were from for-profit institutions. In other words, for-profit institutions were overrepresented in the number of students that actually defaulted in Tennessee. Furthermore, the results of the analytical analysis supported these findings. For example, being classified as a for-profit institution was consistently associated with higher institutional default rates than public or private institutions.

Private institutions, however, had lower default rates than both public and for-profit institutions. Furthermore, an institution's graduation rate was the only factor that accounted for differences in institutional default rates across Carnegie classifications. Specifically, higher graduation rates are associated with lower default rates. This finding confirms previous research that showed not completing a degree is a key predictor of student default.

Additionally, the lower the cost that a student actually pays to attend college was associated with lower default rates at doctoral/research universities. For bachelor's and associate's colleges, the greater the percentage of institutional expenditures that were spent on instruction was related to lower default rates. Furthermore, higher student to faculty ratios were associated with higher default rates for all

⁴ There are no Tennessee public institutions included in the less than two-year sector.

⁵ This refers only to institutions classified by the Office of Federal Student Aid as being located in Tennessee in the trial three-year default rate database.

Carnegie classes, except doctoral/research universities. Finally, there were additional significant factors that accounted for differences between institutions' default rates, but they were not consistent across the models, so they are discussed in the **analytical results** section.

Furthermore, the study found that only ten institutions in Tennessee had lower default rates than expected based on the statistical models, including two public institutions (Tennessee State University and Tennessee Technological University). All other Tennessee institutions' default rates were higher than expected, meaning more students are defaulting on their loans at these institutions than the models predicted. The only institutions that performed better than expected in the associate's college model were for-profit institutions (Kaplan Career Institute, Nashville Auto Diesel College, and Nossi College of Art).

Across-States Analysis

When compared to their peer institutions, Tennessee public institutions typically performed worse. Seven of the nine public four-year institutions in Tennessee were either the worst performing or second worst performing institution compared to their peers. The exceptions were: Tennessee State University and Tennessee Technological University, which both performed better than the majority of their peers.

A majority of Tennessee institutions' default rates are too high. Given that Tennessee's average default rate was the sixth highest in the nation, these findings are not surprising. Additionally, this problem is not

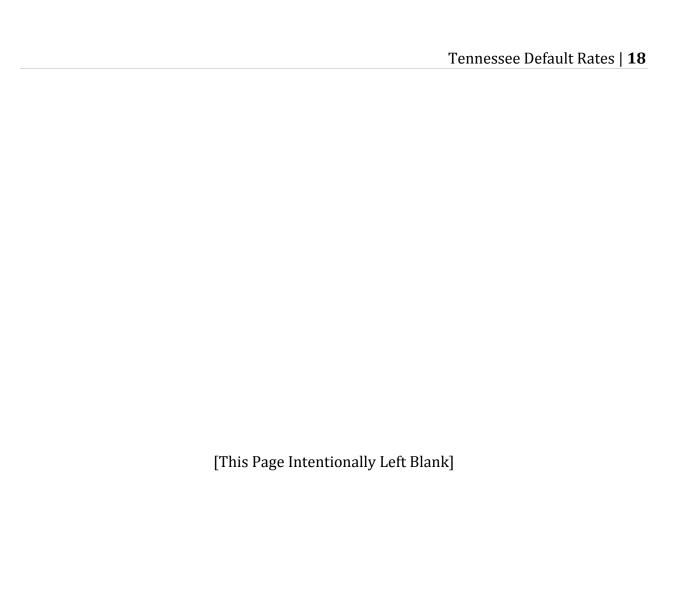
limited to one sector or type of institution. Tennessee's average default rate was higher than its SREB peers and the national average across institutional sector and control. Furthermore, almost all the institutions in Tennessee, including private, public, and for-profit, had higher than expected default rates.

While Tennessee's default rates are higher than the national average and their SREB peers, a new report suggests that institutions can help moderate the number of their students that default. Lowering Student Loan Default Rates by the Education Sector (Education Sector Dillon & Smiles, 2010), documents the efforts of 12 Historically Black Colleges and Universities (HBCUs) and their success in lowering institutional default rates as a result of institutional intervention. HBCUs typically enroll a student population that has a greater risk of going into default (first generation and low-income) than the typical public institution.

To lower their default rate, these institutions utilized diverse strategies to achieve their goals. Some of the best practices that were identified were: creating a campus wide default management team, instituting an early warning system (which targeted students at risk of dropping out), appointing a default prevention manager (a person responsible for implementing the institution's default management plan), avoided giving students more in their financial aid package than their direct costs, and better educating students about their debt (Education, Sector, 2010).

The results of the study show that institutions can and should mediate at-risk student populations to

improve their institutional default rates. Some of the strategies these schools employed can be learned from and applied as best practices. Institutions in Tennessee may want to consider new programs and interventions to assist "at-risk" students, which may lead to lower institutional default rates.



DESCRIPTIVE FINDINGS

How does Tennessee's default rate compare to the national average and its SREB peers?

Figure 2 (p. 9) shows the 2008 trial three-year cohort default rate, the most recent year of available data⁶, for all states. Tennessee's average cohort default rate (red line) was 15.5 percent, while the US cohort default rate (yellow line) was 12.3 percent⁷. The state with the highest default rate was Arizona (18.9 percent), and the state with the lowest default rate was Montana (3.7 percent). Eighteen states had default rates below 10 percent.

Table 2 shows the states with the highest and lowest default rates. Three of the top six states, and six of the top ten with the highest default rates are SREB states. In contrast, none of the SREB states are represented among the states with the lowest default rates.

Table 2: States with the Highest and Lowest Default Rates

Highest			Lowe	st	
Rank	State	Default Rate	Rank	State	Default Rate
1	AZ	18.9%	1	MT	3.7%
2	FL	15.8%	2	ND	4.3%
3	TX	15.6%	3	WI	6.5%
3	IA	15.6%	4	MN	6.7%
3	CO	15.6%	5	VT	7.0%
6	TN	15.5%	6	NH	7.3%
7	OK	15.4%	7	SD	7.4%
7	AR	15.4%	8	HI	7.5%
9	NV	14.4%	8	MA	7.5%
10	WV	14.2%	10	NE	8.1%

When compared to their SREB peers (Table 3), Tennessee's average cohort default ranked third highest out of the 16 states. Additionally, thirteen of the sixteen SREB states had default rates over 10 percent, while only three of the SREB states had a default rate below 10 percent (Delaware, South Carolina, North Carolina).

Table 3: SREB States' Default Rates

Rank	State	Default Rate
1	FL	15.8%
2	TX	15.6%
3	TN	15.5%
4	OK	15.4%
4	AR	15.4%
5	WV	14.2%
6	KY	14.0%
6	LA	14.0%
7	AL	13.7%
8	MS	13.6%
9	GA	11.9%
10	VA	11.2%
11	MD	10.2%
12	DE	9.9%
12	SC	9.9%
13	NC	8.9%

Table 4 shows that, with the exception of for-profit two-year institutions, and private and for-profit institutions that offer programs that are under two years, Tennessee's default rates were also higher across institutional sectors than their SREB peer states and the national average (denoted in red).

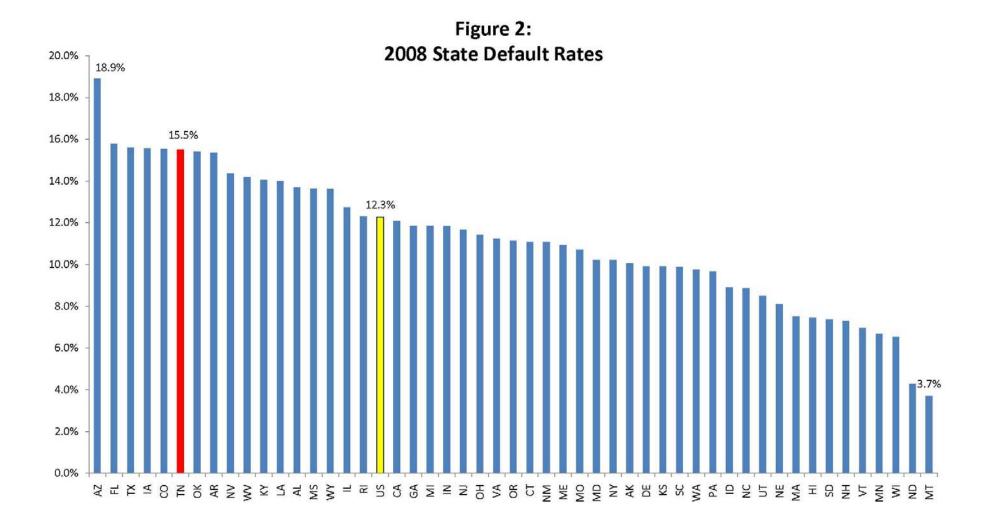
Table 4: Comparing TN's Default Rates by Sector

		TN	SREB	US
Public	Less Than 2 Years	*	18.2%	13.0%
Public	Two-Year	22.4%	18.5%	16.3%
Public	Four-Year	10.9%	9.3%	7.1%
Private	Less Than 2 Years	20.3%	17.7%	23.0%
Private	Two-Year	22.9%	18.1%	14.7%
Private	Four-Year	9.8%	8.6%	6.5%
For-Profit	Less Than 2 Years	22.1%	27.4%	24.2%
For-Profit	Two-Year	21.3%	26.3%	24.8%
For-Profit	Four-Year	28.8%	24.2%	20.5%

^{*} No TN public institutions were classified in this category by the U.S. Department of Education

⁶ The 2008 cohort default rates can be obtained from (http://federalstudentaid.ed.gov).

⁷ The cohort default rates displayed are based on the institutions included in the study's population, which are defined in Appendix A: Methodology.



What institutions and sectors in Tennessee have the highest and lowest cohort default rates?

Table 5 presents the ten institutions in Tennessee with the highest default rates. Nine of the ten institutions with the highest default rates were forprofit institutions. The Institute of Hair Design (43.8%) and Dudley Nwani The School (43%) both had threeyear default rates over 40 percent. If institutions were subject to sanctions for their three-year default rates beginning this year⁸, both of these institutions would lose their ability to participate in federal loan programs.

Table 5: Tennessee Institutions with the Highest Default Rates (based on 3-yr rates)

Rank	Institution	2-yr Rate	3-yr Rate	Sector
1	INSTITUTE OF HAIR DESIGN	21.9%	43.8%	For-Profit
2	DUDLEY NWANI THE SCHOOL	25.9%	43.0%	For-Profit
3	MILLER - MOTTE TECHNICAL COLLEGE	18.0%	34.7%	For-Profit
4	ITT TECHNICAL INSTITUTE	15.5%	30.9%	For-Profit
5	VOLUNTEER BEAUTY ACADEMY	13.5%	30.6%	For-Profit
6	CHATTANOOGA COLLEGE - MEDICAL, DENTAL AND TECHNICAL CAREERS	10.2%	29.7%	For-Profit
7	LANE COLLEGE	18.5%	29.2%	Private
8	ITT TECHNICAL INSTITUTE	13.0%	28.0%	For-Profit
9	NATIONAL COLLEGE OF BUSINESS AND TECHNOLOGY	8.9%	27.2%	For-Profit
10	SOUTH COLLEGE	14.6%	26.4%	For-Profit

^{*}All rates are rounded

Additionally, the top five institutions had threeyear default rates over 30 percent. Lane College, a private institution, was the lone non-proprietary institution to make the top ten, with a three-year default rate of 29.2 percent. The difference between the institution with the highest default rate and the institution with the tenth highest default rate was over 17 percentage points.

Table 6 presents institutions in Tennessee with the lowest default rates. All ten of the institutions with the lowest default rates were private institutions. Three institutions did not have any default during the three-year period: Southern College of Optometry, Middle Tennessee School of Anesthesia, and Richmont

Table 6: Tennessee Institutions with the Lowest Default Rates (based on 3-yr rates)

Rank	Institution	2-yr Rate	3-yr Rate	Sector
1	SOUTHERN COLLEGE OF OPTOMETRY	0.0%	0.0%	Private
2	MIDDLE TENNESSEE SCHOOL OF ANESTHESIA	0.0%	0.0%	Private
3	RICHMONT GRADUATE UNIVERSITY	0.0%	0.0%	Private
4	O'MORE COLLEGE OF DESIGN	2.2%	2.2%	Private
5	VANDERBILT UNIVERSITY	1.6%	2.4%	Private
6	BELMONT UNIVERSITY	1.9%	3.3%	Private
7	RHODES COLLEGE	2.2%	3.4%	Private
8	MILLIGAN COLLEGE	4.0%	4.8%	Private
9	PENTECOSTAL THEOLOGICAL SEMINARY	5.0%	5.0%	Private
10	UNION UNIVERSITY	3.2%	5.1%	Private

^{*}All rates are rounded

Graduate School. Five of the institutions had default rates below three percent, including Vanderbilt and Belmont University, and all but two of the private institutions had rates below four percent. Tennessee

⁸ Institutions are not subject to sanctions on the new three-year default rates until 2014

Technological University ranked 12th, and was the public institution with the lowest default rate (5.27%).

Table 7 presents the default rates of Tennessee public community colleges. All of the community colleges had three-year default rates over 20 percent, except for Motlow State Community College (17.4%). While the default rates may seem high, the lack of variance suggests that they are behaving similarly.

Table 7: Public 2-yr institutions' 3-yr default rates

Institution	Default Rate
CHATTANOOGA STATE COMMUNITY	24.8%
COLLEGE	
NORTHEAST STATE COMMUNITY COLLEGE	24.0%
CLEVELAND STATE COMMUNITY COLLEGE	23.5%
ROANE STATE COMMUNITY COLLEGE	23.3%
NASHVILLE STATE COMMUNITY COLLEGE	23.0%
COLUMBIA STATE COMMUNITY COLLEGE	21.9%
DYERSBURG STATE COMMUNITY COLLEGE	21.4%
PELLISSIPPI STATE COMMUNITY COLLEGE	21.1%
WALTERS STATE COMMUNITY COLLEGE	20.1%
VOLUNTEER STATE COMMUNITY COLLEGE	20.0%
MOTLOW STATE COMMUNITY COLLEGE	17.4%

^{*} Jackson State and Southwest Tennessee Community Colleges are not listed due to missing data

Table 8 shows the default rates of Tennessee public four-year institutions. The University of Tennessee at Martin had the highest default rate (16.2 percent), and Tennessee Technological University had the lowest. Only two public four-year institutions had rates below 10 percent (Tennessee Technological University and University of Tennessee at Knoxville). Unlike Tennessee 2-yr institutions, there is more variation among the four-year institutions. This variation is probably related to the different Carnegie Classifications that the institutions represent and the types of students they serve.

Table 8: Public 4-yr institutions' 3-yr default rates

Institution	Default Rate
UNIVERSITY OF TENNESSEE - MARTIN	16.2%
TENNESSEE STATE UNIVERSITY	13.2%
AUSTIN PEAY STATE UNIVERSITY	12.6%
EAST TENNESSEE STATE UNIVERSITY	12.6%
MIDDLE TENNESSEE STATE UNIVERSITY	12.5%
UNIVERSITY OF TENNESSEE -	
CHATTANOOGA	12.2%
UNIVERSITY OF MEMPHIS	10.2%
UNIVERSITY OF TENNESSEE	7.2%
TENNESSEE TECHNOLOGICAL UNIVERSITY	5.3%

Previously, a student was classified as being in default if he or she defaulted within two years of entering into repayment. Now, the window has been extended to three years. Table 9 (on page 21) ranks Tennessee institutions by the percentage point change in their two-year and three-year default rates. John A. Gupton College, a private college, was the lone nonproprietary institution among the ten with the greatest percentage point increase. Additionally, nine of the institutions with the highest default rates (Table 5) also were among the ten institutions with the largest percentage point change. Five of the institutions on this list were cosmetology schools, and Volunteer Beauty Academy had two of its campuses on the list.

Figure 3 (on page 21) shows how students in Tennessee that were a part of the 2008 repayment cohort are distributed across institutional type. Public institutions had over twice as many students in their cohort than private or for-profit institutions. Of the three institutional types, for-profit institutions had the fewest students eligible for being classified as in default.

Table 9: Percentage point change in institutional default rates

Rank	Institution	Sector	2-yr Default Rate	3-yr Default Rate	Percentage Point Difference
1	INSTITUTE OF HAIR DESIGN	For- Profit	21.88	43.75	21.88
2	CHATTANOOGA COLLEGE - MEDICAL, DENTAL AND TECHNICAL CAREERS	For- Profit	10.24	29.69	19.45
3	VOLUNTEER BEAUTY ACADEMY OF DYERSBURG	For- Profit	5.56	24.07	18.52
4	NATIONAL COLLEGE OF BUSINESS AND TECHNOLOGY	For- Profit	8.94	27.20	18.26
5	VOLUNTEER BEAUTY ACADEMY	For- Profit	13.51	30.56	17.04
5	DUDLEY NWANI THE SCHOOL	For- Profit	25.93	42.96	17.04
6	MILLER - MOTTE TECHNICAL COLLEGE	For- Profit	18.04	34.66	16.63
7	JOHN A GUPTON COLLEGE	Private	6.38	22.92	16.53
8	DAYMAR INSTITUTE	For- Profit	9.82	26.21	16.39
9	PLAZA BEAUTY SCHOOL	For- Profit	10.13	26.25	16.12
10	ITT TECHNICAL INSTITUTE	For- Profit	15.45	30.86	15.41

Figure 4 presents how students that defaulted on loans, as a part of the 2008 cohort, were distributed across institutional type. The pie chart shows that forprofit institutions were overrepresented in their number of defaulters compared to the public and private sectors. While for-profit institutions represented around 22 percent of all students in Tennessee in the cohort, they represented over 36 percent of all the students that had defaulted in Tennessee.

Figure 3: Share of Students in Repayment by Institutional Control for the 2008 Cohort

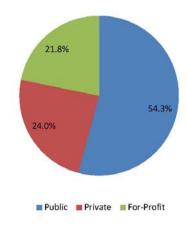
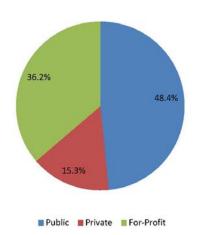


Figure 4: **Share of Defaultors by Institutional** Control for the 2008 Cohort



		Tennessee Default Rates 24
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ANALYTICAL FINDINGS

In order to understand which institutions had higher or lower than expected default rates, and how Tennessee public institutions compared to their peers, multiple regression was utilized. Multiple regression allows researchers to control for institutional and student characteristics, which is necessary to answer the study's research questions.

The results are presented by Carnegie classification group, beginning with Doctoral/Research Universities and ending with associate's colleges. For each group, the findings related to factors that explain statistically significant variation in the three-year cohort default rates are presented and discussed first. It is important to note that while these factors are significant and are worthy of discussion, many of these factors are not levers that institutions can easily influence in an attempt to moderate their default rates.

Next, the default rate performance (whether institutional default rates were higher/lower than expected) for all institutions is presented. Finally, public institutions' performance is compared to their peers. Each section ends with a short summary of the findings.

What factors are related to institutional default rates at Doctoral/Research institutions?

Institutions classified as Doctoral/Research Universities by the Carnegie Foundation for the Advancement of Teaching have the average lowest default rates (4.79 percent) of all the Carnegie

classifications⁹. There is also less variance between the institutions in their default rates, which reflects the characteristics of their student population. For example, doctoral/research universities are likely to have a larger percentage of their students that are classified as graduate or professional, which previous research has shown are approximately 50 percent less likely to default than undergraduates (McMillion, 2004).

Table 10 presents the factors that account for significant variation in cohort default rates at Doctoral/Research Universities (n = 267). The table shows that an institution's 6-year graduation rate, the percentage of undergraduate students that receive Pell grants, the average net price of the institution, and being a historically black college or university, all explain statistically significant variation in the three-year default rates of doctoral/research universities. Furthermore, these factors explain over 73 percent of the differences between institutional default rates.

Table 10: Factors that are related to institutional default rates at Doctoral/Research Institutions

$R^2 = 0.73$	
Factor	Percentage Point Change in Default Rate
6-year Graduation Rate	-0.0007
Pecent of Undergraduates Receiving Pell	0.0006
Net Price (Log)	0.2188
Historically Black College/University	0.7583

^{*}Only Statistically Significant Predictors are shown

The report's findings support previous research that graduation is the most important predictor of

⁹ See Table C in Appendix A

student default rates. Specifically, a ten percentage point increase in 6-year graduation rates is associated with a decrease in the default rate by about one tenth of a percentage point, holding all other factors constant. A ten percentage point increase in the percent of undergraduates receiving Pell grants is associated with less than one tenth of a percentage point increase in institutional default rates, holding all other factors constant. Furthermore, institutions with a lower net cost are associated with lower default rates. Simply, greater burdens on students to finance their education are associated with higher institutional default rates. Finally, historically black colleges and universities have higher default rates than their doctoral/research peers.

Which Tennessee Doctoral/Research Universities have lower/higher than predicted default rates compared to their peers?

Table 11 presents the Doctoral/Research Universities in Tennessee, their actual default rate, their predicted default rate, and whether their actual default rate was higher or lower than expected. The results are based on a statistical model that controlled for institution and student characteristics. Having a lower than expected default rate means that an institution is performing better than predicted, while a higher than expected default rate means that the institution's predicted default rate was lower than its actual default rate. The table shows that there is wide range in the actual default rates at Doctoral/Research Universities in Tennessee.

Table 11: Default Rates of Doctoral/Research Universities in Tennessee

Institution	Actual	Expected	Higher or Lower
East Tennessee State University	12.6%	7.0%	1
Tennessee State University	13.2%	14.4%	+
The University of Tennessee	7.2%	4.7%	1
Trevecca Nazarene University	8.0%	5.4%	1
University of Memphis	10.2%	7.8%	•
Vanderbilt University	2.4%	1.5%	4

Vanderbilt has the lowest default rate (2.4 percent) and Tennessee State University (13.2 percent) the highest. The two private institutions (Vanderbilt and Trevecca) both have default rates below 6 percent, while the University of Tennessee at Knoxville was the only public doctoral/research institution with a default rate under 6 percent. Out of all the Doctoral/Research Universities in the state, only Tennessee State University's default rate was higher than predicted. The next four figures (Figures 5-8) present a comparison of the four public Doctoral/Research Universities included in **Table 11** and their peers. Each institution's peers were derived from the 2005-2010 funding formula¹⁰. These figures build on the information presented in Table 11.

While **Table 11** presents the institutions that had default rates higher/lower than expected, it does not provide a sense of the magnitude of the difference between the actual and predicted default rates. **Figures 5-8** show the magnitude of the difference.

¹⁰ Table D in Appendix A contains a list of every Tennessee public institutions' peer institutions.

Any institution above zero had a higher than expected default rate, whereas any institution below zero had a lower than expected default rate. The scale at the bottom of the graph measures standard deviations (magnitude) from their expected value (0). Sixty-eight percent of all institutions fall between -1 and 1 standard deviation, and ninety-five percent of all institutions fall within -2 and 2 standard deviations.

For example consider **Figure 5**, which compares East Tennessee State University with its peers. The figure shows that ETSU's default rate was much higher than expected compared to its peer institutions. ETSU's actual default rate was over two standard deviations away from its expected default rate, meaning more students are defaulting then we would expect based on the model.

In contrast, Figure 6 compares Tennessee State University (TSU) to its peer institutions. TSU's default rate was lower than expected, meaning that TSU was performing better than we would expect based on the model. In other words, less students are defaulting on loans from TSU than we would expect. In fact, TSU outperformed seven of its peer institutions.

Figure 7 compares the University of Memphis (UM) to its peers. The University of Memphis's default rate was higher than expected, and only the University of Oklahoma had a bigger difference between its actual and predicted rate.

Figure 8 compares the University of Tennessee Knoxville (UTK) with its peer institutions. Compared to its peers, UTK's difference between its actual and predicted was the second largest. UTK's peers' actual default rates was much closer to their predicted rates than were UTK's after controlling for other factors.

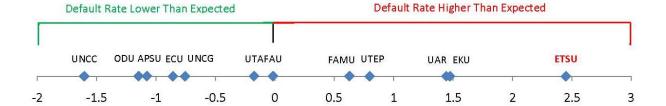
Summary

Controlling for student and institutional characteristics, all Doctoral/Research Universities in Tennessee default rates are higher than what they were expected to be, except for Tennessee State University. When compared to their peer institutions, Tennessee public Doctoral/Research Universities typically had higher default rates than expected. Simply, Tennessee's doctoral/research universities' default rates are too high. No for-profit institutions, which typically have higher default rates, were included in the doctoral/research model, 11.

One avenue institutions may choose to explore is to increase their 6-year graduation rates. As previous research has shown, and this study's findings confirm, institutions with higher graduation rates are more likely to have lower default rates. Accounting for institutional control, the study also showed increases in default rates are associated with increases in the average net-price of an institution. Simply, the lower the cost a student has to pay the less likely he/she is to default.

¹¹ There were only two institutions eligible to be included in the group: University of Phoenix and Capella University, however, missing data excluded both from the model.

Figure 5: Magnitude of difference between Actual and Predicted Default Rate East Tennessee State University compared to its Peer Institutions

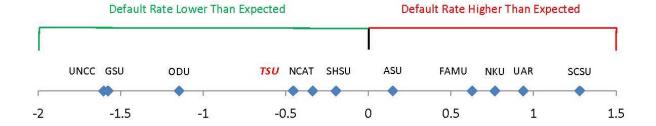


East Tennessee State University's (ETSU) Peer Institutions

Name	Abbreviation
University of Arkansas at Little Rock	UAR
Florida Agricultural and Mechanical University	FAMU
Florida Atlantic University	FAU
Eastern Kentucky University	EKU
East Carolina University	ECU
University of North Carolina at Charlotte	UNCC
University of North Carolina at Greensboro	UNCG
Appalachian State University	APSU
The University of Texas at Arlington	UTA
The University of Texas at El Paso	UTEP
Old Dominion University	ODU

^{*}Any missing institutions due to missing data

Figure 6: Magnitude of difference between Actual and Predicted Default Rate Tennessee State University compared to its Peer Institutions

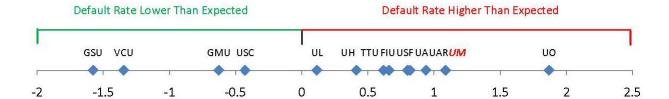


Tennessee State University's (TSU) Peer Institutions

Name	Abbreviation
University of North Carolina at Charlotte	UNCC
Georgia State University	GSU
Old Dominion University	ODU
North Carolina A & T State University	NCAT
Sam Houston State University	SHSU
Alcorn State University	ASU
Florida Agricultural and Mechanical University	FAMU
Northern Kentucky University	NKU
University of Arkansas	UAR
South Carolina State University	SCSU

^{*}Any missing institutions are due to missing data

Figure 7: Magnitude of difference between Actual and Predicted Default Rate University of Memphis compared to its Peer Institutions

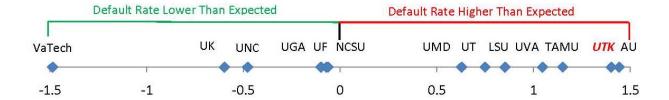


University of Memphis' (UM) Peer Institutions

Name	Abbreviation
Georgia State University	GSU
Virginia Commonwealth University	VCU
George Mason University	GMU
University of South Carolina-Columbia	USC
University of Louisville	UL
University of Houston	UH
Texas Tech University	TTU
Florida International University	FIU
University of South Florida-Main Campus	USF
The University of Alabama	UA
University of Arkansas	UAR
University of Oklahoma Norman Campus	UO

 $[\]ensuremath{^{*}}$ Any missing institutions are due to missing data

Figure 8: Magnitude of difference between Actual and Predicted Default Rate Univeristy of Tennessee - Knoxville compared to its Peer Institutions



University of Tennessee's (UTK) Peer Institutions

Institution	Abbreviation
Virginia Polytechnic Institute and State University	VaTech
University of Kentucky	UK
University of North Carolina at Chapel Hill	UNC
University of Georgia	UGA
North Carolina State University at Raleigh	NCSU
University of Florida	UF
University of Maryland-College Park	UMD
The University of Texas at Austin	UT
Louisiana State University and Agricultural & Mechanical College	LSU
University of Virginia-Main Campus	UVA
Texas A & M University	TAMU
The University of Tennessee	UTK
Auburn University Main Campus	AU

^{*}Any missing institutions are due to missing data

What factors explain cohort default rates at Masters Colleges/Universities?

Table 12 presents the factors that explain significant variation in default rates at Masters Colleges/Universities (n = 593). The factors that explain statistically significant variation in the threeyear default rates of master's colleges/universities are: graduation within 150 percent of time, for-profit institutions, private not-for-profit institutions, undergraduate enrollment, percent of undergraduates that are part-time, student-faculty ratio, and the percent of undergraduates that receive Pell. Furthermore, these factors explain almost 64 percent of the differences between institutional default rates.

Table 12: Factors related to institutional default rates at Master's Colleges/Universities

$R^2 = 0.63$	
Factor	Percentage Point Change in Default rate
Gradrate	-0.00040
For-profit Institution	0.49288
Private Institution	-0.04597
Enrollment	-0.00621
Percent of Undergraduates that are Part-time	-0.05755
Student to Faculty Ratio	0.00001
Percent of Undergraduates Receiving Pell	0.00034

^{*}Only statistically significant predictors are shown

As with Doctoral/Research institutions, having a higher graduation rate is associated with a lower default rate. Additionally, for-profit institutions' default rates were on average a half a percentage point higher than their public peers. Private institutions, however, had a lower default rate than public institutions. Interestingly, having a larger percentage of an institution's undergraduate students being part-time was associated with lower institutional default rates, as were larger undergraduate enrollments. An explanation for this finding may be that part-time students may be in a better financial position to payback their loans, as they are more likely to be employed full-time.

Also, having a larger student to faculty ratio was associated with lower default rates. These surprising findings are probably capturing the effect of larger institutions in this Carnegie class having better academically prepared students. Because almost all of the for-profit institutions did not have ACT or SAT scores publicly available, the analysis could not control for students' academic preparedness for any of the models, except the doctoral/research university model. Finally, having a larger percent of undergraduate students receiving Pell was related to higher institutional default rates.

Which Tennessee Masters Colleges/Universities have lower/higher than predicted default rates compared to their peers?

Table 13 presents the actual default rates for Masters Colleges/Universities in Tennessee, and whether their actual default rate was higher or lower than predicted. As mentioned previously in the doctoral/research university findings, having a lower than predicted default rate means that an institution is performing better than expected, while a higher than predicted default rate means that the institutions predicted default rate was lower than its actual default rate.

Table 13: Default Rates of Master's Colleges/Universities in Tennessee

Institution	Actual	Predicted	Higher or Lower
Austin Peay State University	12.61%	10.34%	1
Belmont University	3.31%	3.45%	+
Bethel University	17.17%	12.61%	1
Christian Brothers University	13.85%	6.49%	1
Cumberland University	17.94%	7.73%	1
Lipscomb University	7.42%	4.47%	1
Freed-Hardeman University	9.84%	6.08%	1
Lee University	11.93%	6.39%	1
Lincoln Memorial University	6.35%	8.10%	+
Middle Tennessee State University	12.51%	7.60%	1
The University of Tennessee at Chattanooga	12.25%	7.18%	1
The University of Tennessee-Martin	16.15%	8.04%	1
Tennessee Technological University	5.27%	7.72%	+
Tusculum College	13.52%	9.23%	1
Union University	5.07%	4.75%	1
+= Higher Than Expected	- 4 =	Lower Than Ex	pected

Table 13 shows that the range of actual default rates for Masters Colleges/Universities is about the same as Doctoral/Research Universities in Tennessee. Belmont had the lowest default rate (3.31 percent) and Cumberland University has the highest default rate at almost 18 percent. Only three institutions in the masters Carnegie classification had default rates that were lower than predicted: Belmont, Lincoln Memorial, and Tennessee Technological University. Tennessee Technological University is the only public Masters Colleges/Universities to perform better than projected.

The following five figures (Figures 9-13) compare each of the five public Masters Colleges/Universities included in Table 9 to their peers. The question addressed by the figures is: how do Tennessee public Masters Colleges/Universities default rates compare to their peers? While Table 9 presented the institutions that had default rates higher/lower than predicted, it does not provide a sense of the magnitude of the difference between the actual and

predicted default rates. The figures are presented to show the magnitude of difference in performance for Tennessee public Masters Colleges/Universities compared to their peers.

The scale at the bottom is measured in standard deviations. Any institution directly at zero means that the institution's actual and predicted default rate are equal. Any institution on the positive side of zero means that the institution's actual default rate was higher than expected. Any institution on the negative side of the scale means that the institution's default rate was lower than expected. Sixty-eight percent of all institutions fall between -1 and 1 standard deviations, and ninety-five percent of all institutions fall within -2 and 2 standard deviations. More informative, however, is the magnitude of an institution's difference relative to its peers.

Figure 9 compares Austin Peay State University (APSU) with its peers. The figure shows that the difference between APSU's actual and predicted default rate was greater than all but one of its peers (Appalachian State University). In other words, more students from APSU are defaulting on their student loans than we would expect. However, even though APSU's default rate was higher than expected the magnitude of difference was modest. Figure 10 compares Middle Tennessee State University (MTSU) to its peer institutions. MTSU's difference between its actual and expected default rate was greater than all of its peer institutions and the only one above 1.5 standard deviations. Over half of MTSU's peers performed better than expected.

Figure 11 compares Tennessee Technological University (TTU) to its peer institutions. TTU's actual

Figure 9: Magnitude of difference between Actual and Predicted Default Rate Austin Peay State University compared to its Peer Institutions

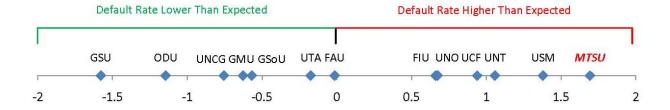


Austin Peay State University's (APSU) Peer Institutions

Name	Abbreviation
Sam Houston State University	SHSU
Austin Peay State University	APSU
North Carolina Central University	NCCU
North Carolina A & T State University	NCATU
Appalachian State University	APU
Morgan State University	MSU
Valdosta State University	VSU
Florida Agricultural and Mechanical University	FAMU
Jacksonville State University	JSU

^{*}Any missing institutions are due to missing data

Figure 10: Magnitude of difference between Actual and Predicted Default Rate Middle Tennessee State University compared to its Peer Institutions

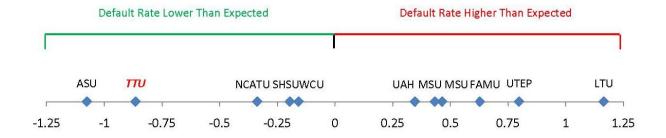


Middle Tennessee State University's (MTSU) Peer Institutions

which remiessee state University's (W130) Peer Institutions		
Name	Abbreviation	
George Mason University	GMU	
Georgia State University	GSU	
Florida International University	FIU	
Old Dominion University	ODU	
The University of Texas at Arlington	UTA	
University of North Texas	UNT	
Middle Tennessee State University	MTSU	
University of North Carolina at Greensboro	UNCG	
University of Southern Mississippi	USM	
University of New Orleans	UNO	
Georgia Southern University	GSoU	
Florida Atlantic University	FAU	
University of Central Florida	UCF	

^{*}Any missing institutions are due to missing data

Figure 11: Magnitude of difference between Actual and Predicted Default Rate Tennessee Technological University compared to its Peer Institutions

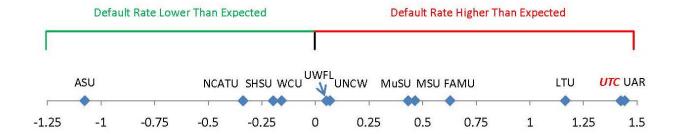


Tennessee Technological University's (TTU) Peer Institutions

Institution	Abbreviation	
Sam Houston State University	SHSU	
North Carolina A & T State University	NCATU	
Appalachian State University	ASU	
Morgan State University	MSU	
Florida Agricultural and Mechanical University	FAMU	
The University of Texas at El Paso	UTEP	
Tennessee Technological University	TTU	
Western Carolina University	WCU	
Louisiana Tech University	LTU	
Murray State University	MSU	
University of Alabama in Huntsville	UAH	

^{*}Any missing institutions are due to missing data

Figure 12: Magnitude of difference between Actual and Predicted Default Rate University of Tennessee - Chattanooga compared to its Peer Institutions



The University of Tennessee at Chattanooga's (UTC) Peer Institutions

Institution	Abbreviation
Sam Houston State University	SHSU
North Carolina A & T State University	NCATU
Appalachian State University	ASU
Morgan State University	MSU
Florida Agricultural and Mechanical University	FAMU
Western Carolina University	WCU
Louisiana Tech University	LTU
Murray State University	MSU
The University of Tennessee at Chattanooga	UTC
University of North Carolina-Wilmington	UNCW
The University of West Florida	UWFL
University of Arkansas at Little Rock	UAR

^{*}Any missing institutions are due to missing data

Figure 13: Magnitude of difference between Actual and Predicted Default Rate University of Tennessee - Martin compared to its Peer Institutions

Default Rate Lower Than Expected Default Rate Higher Than Expected SHSU L WUUNCW MSU NKU JSU ASU ATU UTM -1.5 -1 -0.5 0 0.5 1 1.5 2 2.5 3

The University of Tennessee-Martin's (UTM) Peer Institutions

Institution	Abbreviation
Appalachian State University	ASU
Sam Houston State University	SHSU
Western Carolina University	WCU
Winthrop University	WU
University of North Carolina-Wilmington	UNCW
Murray State University	MSU
Northern Kentucky University	NKU
Jacksonville State University	JSU
Arkansas Tech University	ATU
The University of Tennessee-Martin	UTM
•	

^{*}Any missing institutions are due to missing data

default rate was lower than predicted. TTU is performing better than expected, and it outperformed all but one of its peer institutions. However, almost all of TTU's peer institutions were within one standard deviation of their expected values.

Figure 12 compares University of Tennessee -Chattanooga (UTC) to its peer institutions. UTC's default rate was higher than expected. Additionally, the difference between University of Tennessee-Chattanooga's actual and predicted default rate was greater than all but one of its peers (University of Arkansas-Little Rock).

Figure 13 compares University of Tennessee -Martin (UTM) with its peers. The figure shows that the difference between UTM's actual and predicted default rate was the highest among its peer institutions. The difference between UTM's actual default rate was over two standard deviations away from its expected default rate.

Summary

With the exception of Tennessee Technological University, Tennessee public Masters' Colleges/Universities default rates are all higher than predicted. Tennessee Technological University outperformed all but one of its peer institutions. The University of Tennessee – Martin had the highest difference between its actual and predicted default rate compared to its peer institutions. Overall, master's institutions in Tennessee, like their doctoral counterparts, have higher default rates than predicted, even when compared to their peers. These trends are not surprising given that Tennessee had one of the highest default rates in the nation.

What factors explain cohort default rates at Bachelor's colleges/universities?

Table 14 presents factors that explain significant variation in official cohort default rates for Bachelor's Colleges/Universities (n = 611). The number of variables that explained unique variance in institutional cohort default rate was larger for the Bachelor's Carnegie classification group. As in the doctoral/research and master's models, 6-year graduation rates are related to institutional default rates. Specifically, a higher institutional six-year graduation rate was associated with a lower institutional default rate. For bachelor's institutions, a greater percentage of an institution's undergraduate population that is over twenty-five is associated with a higher institutional default rate. Based on the standardized coefficients, the percent of minority undergraduate students was also the most powerful predictor of institutional default rates in the bachelor model.

Table 14: Factors related to institutional default rates at Bachelor's Colleges

$R^2 = 0.74$	
Factor	Percentage Point Change in Default Rate
For-Profit	0.0655
Private	-0.1175
Undergraduate Enrollment	-0.0794
Percent of Undergraduates over 25	0.1270
Percent of Undergraduates that are Minority	0.9955
Percent of Undergraduates that are Part-time	0.1040
Student to Faculty Ratio	0.0003
6-year Graduation Rate	-0.0002
Percent of Undergraduates that received Pell	0.0007
Percent of Expenditures on Instruction	-1.2285

^{*}Only statistically significant predictors are shown

Additionally, the greater the percent of their expenditures institutions spend on instruction, the lower the institutional default rate. Specifically, for every additional percent of their expenditures they spend on instruction, default rates decline by over one percentage point. Finally, being a for-profit institution has accounted for significant variation in the current model and the Masters college/university model. For bachelor's institutions, being a for-profit institution is associated with a higher institutional default rate than public institutions, holding all other factor constant.

Which Tennessee Bachelor's Colleges/Universities have lower/higher than predicted default rates?

Table 15 presents the actual default rates for Bachelor's Colleges/Universities in Tennessee, and whether their actual default rate was higher or lower than predicted. As mentioned in previous sections, having a lower than expected default rate means that an institution is performing better than expected, while a higher than expected default rate means that the institution's predicted default rate was lower than its actual default rate.

Rhodes College had the smallest actual default rate at 3.37 percent, while Lane College had the highest (29.9 percent). Three of the bachelor's colleges and universities had lower than predicted default rates: Fisk University, Le Moyne-Owen College, and Milligan College. As with the master's colleges/universities, the model did not account for student academic preparedness, which may affect institutions' predicted results.

Table 15: Default Rates of Bachelor's Institutions in Tennessee

Institution	Actual	Predicted	Higher or Lower
Aquinas College	10.00	9.25	1
Bryan College	7.14	5.68	1
Carson-Newman College	12.71	5.58	1
Fisk University	11.84	14.17	-
Free Will Baptist Bible College	9.00	7.38	1
King College	10.76	6.40	1
Lambuth University	11.04	7.57	1
Lane College	29.19	28.43	•
Le Moyne-Owen College	20.86	23.68	-
Martin Methodist College	18.34	3.46	1
Maryville College	11.93	5.48	1
Crichton College	10.30	26.54	1
Milligan College	4.76	4.85	+
Rhodes College	3.37	2.01	•
Sewanee-The University of the South	6.43	2.05	•
Southern Adventist University	6.83	6.02	1
Tennessee Wesleyan College	11.34	8.76	1

How do Tennessee public Bachelor's Colleges/Universities compare to their peers?

This question is not addressed in the study, because there are no public institutions in the state of Tennessee classified as bachelor's colleges/universities by Carnegie in 2005. Table 16 comprises all private and for-profit institutions. All four-year public institutions in Tennessee are classified at the Masters college/university level or above by Carnegie in 2005.

Summary

As a group Bachelor's colleges/universities in Tennessee default rates were higher than expected. All but three of the bachelor's institutions had a default rate lower than predicted, meaning they performed below expectations. The institutions that performed better than expected were: Fisk University, Le Moyne-Owen College, and Milligan College. The bachelor's group has no public institutions included in the sample because no public institutions in Tennessee were classified as bachelor's institutions by the 2005 Carnegie Classification.

What factors explain cohort default rates at Associate's Colleges?

Table 16 presents the predictors that explain unique variation in the official cohort default rates of Associate's colleges (n = 1190). The predictors that are statistically significant are: for-profit institutions, private institutions, the percent of students that are minorities, student to faculty ratio, graduation rate, enrollment, and the percent of expenditures spent on instruction. As was the case in the previous group models, for-profit institutions had a higher default rate than public institutions. On average, for-profit institutions' default rates were less than a quarter of a percentage point higher than public institutions, while private institution's default rates were a quarter of a percentage point lower than public institutions.

Table 16: Factors related to institutional default rates at Associate's Colleges

$R^2 = 0.27$				
Factor	Percentage Point Change in Default Rate			
For-Profit	0.1988			
Private	-0.2546			
Percent of Undergraduates that are Minority	0.6328			
Student to Faculty Ratio	0.0003			
Graduation Rate (150% of Normal Time)	-0.0001			
Undergraduate Enrollment	-0.0002			
Percent of Expenditures on Instruction	-0.8722			

^{*}Only statistically significant predictor are shown

Also, for every one percentage point greater of its expenditures that an institution spends on instruction, an institution's default rate is expected to be one percentage point lower. Finally, a one percentage point increase in the percent of undergraduates that are minorities was associated with over a half a percentage point increase in institutional default rates.

While the model incorporated many of the same predictors as the previous models, the model only explains about 28 percent of the difference in institutional default rates. Most of the predictors attempt to explain variation across institutions; however the model seems to suggest that the majority of the variation at the Associate's college level dealing with default rates may be within-institutional variation. This finding confirms similar findings in previous research. In analysis by the Education Sector, the researchers found that only 15 percent of the variation in cohort default rates could be explained by measurable demographic differences. They concluded that Associate's colleges had significant influence over whether students default (Education Sector, 2010).

Which Tennessee Associate's Colleges have lower/higher than predicted default rates compared to their peers?

Table 17 presents the actual default rates of Associate's Colleges in Tennessee, and whether their default rate was higher or lower than predicted based on the statistical model. As mentioned in the previous sections, having a lower than expected default rate means that an institution is performing better than

expected, while a higher than expected default rate means that the institution's predicted default rate was lower than its actual default rate.

Compared to the Carnegie groups previously presented, the Associate's colleges have a much higher default rate. The average for the Associate's institutions in Tennessee was over 23 percent. All of the Associate's colleges in Tennessee had a higher than predicted default rate, except Kaplan Career Institute, Nashville Auto Diesel College, and Nossi College of Art. All three of the institutions that performed better than predicted were for-profit institutions. Nashville Auto Diesel College had the lowest actual default rate at 17 percent. Miller-Motte Technical College had the highest default rate at almost 35 percent.

Default rates of Associate's Colleges in Tennessee

Institution	Actual	Expected	Higher or Lower
Chattanooga College Medical Dental and Technical Careers	29.7%	20.6%	1
Chattanooga State Community College	24.8%	15.1%	1
Cleveland State Community College	23.6%	15.5%	1
Concorde Career College	24.0%	20.7%	1
Draughons Junior College Inc	26.2%	22.0%	-
Dyersburg State Community College	21.4%	16.7%	*
John A Gupton College	22.9%	13.9%	1
Kaplan Career Institute	19.5%	23.9%	-
Miller-Motte Technical College	34.7%	17.8%	•
Motlow State Community College	17.4%	15.3%	***
Nashville Auto Diesel College Inc	17.3%	19.8%	+
Nossi College of Art	18.1%	19.5%	+
Pellissippi State Community College	21.1%	15.3%	1
Roane State Community College	23.3%	15.0%	1
South College	26.4%	19.1%	*
Walters State Community College	20.1%	14.2%	1
West Tennessee Business College	20.4%	20.1%	1

Figure 14 compares Tennessee's public Associate's colleges with their peer institutions. The figures are presented to show the magnitude of the

difference between the actual and expected default rates. Once again, the scale at the bottom is measured in standard deviations. Any institution directly at zero means that the institution's actual and predicted default rate are equal. Any institution on the positive side of zero means that the institution's actual default rate was higher than predicted. Any institution on the negative side of the scale means that the institution's default rate was lower than expected. Sixty-eight percent of all institutions fall between -1 and 1 standard deviation, and ninety-five percent of all institutions fall within -2 and 2 standard deviations.

Figure 14 shows that Tennessee's public Associate's colleges were comparable to their peer institutions. However, all of Tennessee public community colleges and their peers had default rates that were higher than expected. Dyersburg State Community College was the closest to performing as expected, while Chattanooga State Community College had the biggest gap between its actual and expected default rate. Finally, many of the peer institutions were not included due to missing data, which may affect the expected values for the institutions included in the analysis.

Summary

Associate's colleges had the highest default rates of all the Carnegie groups in Tennessee. The default rates ranged from a low of 17 percent to a high of almost 35 percent. Compared to their peer institutions, Tennessee public Associate's colleges' default rates tended to be higher than predicted;

however, they performed very similarly to their peers. No Associate's colleges performed better than expected. Between-institutional characteristics accounted for only 28 percent of the variance in the official cohort default rate, suggesting that most of the variation is attributable to within-group variance.

Figure 14: Magnitude of difference between Actual and Predicted Default Rate Tennessee Community Colleges compared to their Peer Institutions



Tennessee Community Colleges and their Peer Institutions

Name	Abbreviation
Middle Georgia College	MGC
Dyersburg State Community College	DSCC
Motlow State Community College	MSCC
Anne Arundel Community College	AACC
McLennan Community College	MCC
Walters State Community College	WSCC
Southern West Virginia Community and Technical College	SWVC
Rose State College	RSC
Pellissippi State Community College	PSCC
Cleveland State Community College	CSCC
Roane State Community College	RSCC
Chattanooga State Community College	CtSCC

^{*}Any missing institutions are due to missing data

APPENDIX A: Methodology

This section explains the study's methodology. Specifically, the data sources, the study's population characteristics, and research design are presented. Also, there is a discussion on the limitations of the official cohort default rate as a measure of student default behavior, and methods that institutions may use to manage their default rates.

METHODOLOGY

The purpose of this study is twofold: 1) to explain factors related to official cohort default rates; and 2) to explore which Tennessee public institutions have lower/higher than predicted default rates compared to their peers. In order to answer these questions, multiple regression analyses are utilized. This section discusses the data, the research design, and the analytical methods employed.

Data

The sample for the study was derived from the institutions included in the Trial 3-year Cohort Default Rate Database for 2008. The sample (N = 2487) includes all degree-granting institutions classified as an Associates college or higher in the 2005 Carnegie classification, except institutions with less than 30 borrowers in a cohort, which were excluded from the study to limit the influence of small numbers. Data for this study were obtained using the Integrated Postsecondary Data System (IPEDS) and the Federal Student Aid Official Cohort Default Rate Database. The dependent variable examined in the study is the trial three-year cohort default rate, which is discussed in more detail in the next section. Table A in Appendix B presents the other variables included in the analyses in more detail. The next section outlines the current two-year official default rate measure. The official cohort default rate is defined, and its calculation is presented. Finally, there is a discussion on its limitations as an effective measure of student defaulting behavior. The new three-year default rates are a step in moderating some of the concerns that are raised.

Official Cohort Default Rate Definition

The dependent variable utilized in this study is the Official Cohort Default Rate provided by the Office of Federal Student Aid (OFSA). The official definition (OFSA, 2010) is:

> "A cohort default rate is the percentage of a school's borrowers who enter repayment on certain Federal Family Education Loan (FFEL) Program or William D. Ford Federal Direct Loan (Direct Loan) Program loans during a particular federal fiscal year (FY), October 1 to September 30, and default or meet other specified conditions prior to the end of the next fiscal year".

Cohort default rates are based on the number of borrowers who enter repayment, not the number of loans entering repayment. For example, a student with multiple types of loans from the same institution, whose loans enter repayment at the same time, is only included once in the calculation. Depending on the number of borrowers entering into repayment, the official cohort default rate is calculated differently.

For a FFEL to be considered in default, the guaranty agency must have paid a default claim to the lender holding the loan. The date that the guaranty agency pays the default claim is the date used to determine if the borrower is considered as being in default for the

cohort. An individual is considered in default of a Direct Loan, and counted in the default rate cohort, if the individual is delinquent over 360 days (or after 270 days if the borrower's first day of delinquency was before October 7, 1998). Due to the six-month grace period, borrowers that graduate in May do not enter repayment until the next fiscal year

For schools who have at least 30 borrowers entering repayment in a fiscal year, the school's cohort default rate is the percentage of a school's borrowers who enter repayment on certain Federal Family Education Loans (FFELs) and/or William D. Ford Federal Direct Loans (Direct Loans) during that fiscal year and default prior to the end of the next fiscal year. If a school has 29 or fewer borrowers entering repayment during a fiscal year, the cohort default rate is an average rate of the borrowers entering repayment over a three-year period.

Institutional default rates are monitored by the US Department of Education for eligibility to participate in some federal lending programs. If an institution has an official cohort default rate of 25 percent or greater over a three year period or the current cohort has a default rate greater than 40 percent, the institution loses participation in FFEL and Direct Loan programs for the year the institution is notified and for the next two fiscal years. In the former situation, the institution also loses Pell eligibility. The Higher Education Opportunity Act of 2008 legislated that the cohort default rate be expanded to a three-year rate beginning in 2014.

Problems with the Official Cohort Default Rate

The National Association of Student Financial Aid Administrators (NASFAA) stated that they expected the addition of a third year to the cohort to increase institutional default rates anywhere from 30 to 50 percent (Futrell, 2010). This change in the definition of the official cohort default rate is expected to lead to more institutions being at risk of receiving sanctions. The recent changes to the cohort default rate are exposing a larger problem with the measure and its accuracy in representing the defaulting behavior of students who borrowed loans.

The official cohort default rate fails to sufficiently account for three main factors: the entire loan portfolio, adequate time, and small numbers. For example, the official cohort default rate only includes the loans listed in Table B in Appendix B in its calculations. Loans from guaranty agencies and lenders, and the Federal Perkins loan program are not included in the calculation. Federal Consolidation Loans and Federal Direct Consolidation Loans are only included in the calculation if one of the original loans went into default prior to consolidation. If the loans were consolidated and then went into default, they are not included in the calculation.

The official rate also includes loans that are in periods of deferment or forbearance, which can artificially lower the institutional default rate. One of the ways that institutions are able to "manage their defaults" is by encouraging borrowers to seek a deference or forbearance on their loans.

Additionally, the new income-based repayment plan allows borrowers with an income 150 percent

under the poverty line to make a zero monthly payment. The remaining balance is cancelled after 25 years in repayment. By capturing only a portion of the loans utilized by students, the official cohort default rate does not provide an accurate representation of the actual student default rate.

The projected 50 percent growth in the official cohort default rate, as a result of expanding the official cohort default rate calculation to three years from two, reveals that the official cohort default rate calculation is capturing only a fragment of the number of students who end up defaulting on their student loans. Research has shown that defaults are more likely to occur after the first two years of entering into repayment (Field, 2010). Miller explains, "this means that it takes roughly 360 days, basically a full year for an unpaid loan to be officially counted as going into default. These 360 days do not, however, include the 60 day grace period most borrowers have to make their first payment. In other words, a borrower who decides to never pay back a single penny of student loan will not be considered in default until roughly 420 days after their first payment was due" (Burd, 2010).

A recent study by the Chronicle of Higher Education (2010), using unpublished data, found that the percentage of students who default on student loans is bigger than the official cohort default rate. Tracking loans that have been in repayment since 1995, the study found that one in five students have defaulted on their student loans, with the number for community college students being much higher (40 percent) (Field, 2010). At for-profit colleges, the numbers are worse, fifteen years after entering into repayment, two out of every five borrowers had

defaulted. The study showed that default rates continued to climb as the years passed. The National Center for Educational Statistics reached similar findings using NCES data (Choy & Li, 2006). The study showed that the actual default rate for students that graduated in 1993 was 9.7 in 2003, compared to the official cohort default rate, which was reported as 4.5 percent.

The small number problem is best illustrated by community colleges. Due to the risk of losing Pell eligibility, as a result of having an official cohort default rate of at least 25 percent for three consecutive years, many community colleges have decided to opt out of the loan system. Community colleges often have a small number of borrowers (under 50), and their default rate can be high simply due to the low number of borrowers that enter into repayment. In these small number cases, using a percentage as the lone evaluative tool is questionable.

Research Design

Table C in Appendix B presents descriptive statistics of the Official Cohort Default Rate by Carnegie classification. A cursory review of the table reveals that the mean default rate is different across Carnegie classifications. A between-subjects analysis of variance was conducted to compare the mean default rate between institutions by Carnegie classification groups. The results F(3, 2483) = 509, p <.01, reveal that the means across groups are statistically different, suggesting that the institutions should not be grouped together. A more detailed summary of the analysis and the A priori contrast test results are presented in **Appendix C**. As a result of

these findings, the study attempts to answer the two research questions by Carnegie classification.

Separate models were developed for each Carnegie classification, resulting in four models presented in the study in an attempt to answer the two research questions (doctoral and research institutions were collapsed into one category). Table D in Appendix B presents each public Tennessee institution and its peer institutions used for comparison. The peer institutions were selected because they were outlined as the peer institutions in the 2005-2010 Tennessee higher education funding formula.

Analytical Method

The study employs multiple regression to answer the study's guiding research questions. The primary uses of multiple regression are for prediction and explanation (Ethington, Thomas, & Pike, 2002). These uses are appropriate for answering the study's guiding questions: 1) to explain factors that are related to official cohort default rates; 2) to explore which Tennessee public institutions have lower/higher than predicted default rates compared to their peers. Multiple regression allows the researcher to examine the impact of a predictor on the dependent variable, while simultaneously controlling for the impact of other variables on the dependent variable. The basic multiple regression model can be defined as:

(2.1)
$$y = \beta_0 + \beta_{1i} X_{1i} + \beta_{2i} X_{2i} + ... + \beta_k X_{ki} + \varepsilon_{ki}$$
 (I = 1, 2, ..., n)

Where y is the outcome, $oldsymbol{eta}_0$ is the intercept, the predictors are represented by $(\beta_{1i}X_{1i} + \beta_{2i}X_{2i} + ... + \beta_kX_{ki})$, and the error term (\mathcal{E}_{ki}). The model assumes that: 1) E(\mathcal{E}_{i})=0, the mean of the error term is always equal to 0. 2) $Var(\mathcal{E}_i) = \sigma^2$, the variance of the error is the same at any level of x. 3) Cov(\mathcal{E}_i , \mathcal{E}_i) = 0, the error terms for any two observations are uncorrelated. 4) \mathcal{E}_i is normally distributed.

	Tennessee Default Rates 50
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APPENDIX B:

Tables

Table A: Factors that Predict Three-Year Cohort Default Rates	p. 36
Table B: Loans Included in Official Cohort Default Rate Calculation	p. 37
Table C: Default Rate Descriptive Statistics by Carnegie Classification	p. 38
Table D: Tennessee Public Institutions and their Peer Institutions by Carnegie Classification	p. 39

Table A: Factors that predict three-year cohort default rates

	Variable	Metric	Source
Dependent Variable	Trial 3-year Cohort Default rate	Percent	Office of Federal Student Aid
Student Characteristics	% Pell Students	Percent	Integrated Postsecondary Data System (IPEDS)
	% of Undergraduates that are Minority	Percent	Derived Variable from IPEDS
	% of Undergraduates that are Part- time	Percent	Derived Variable from IPEDS
	% of Undergraduates that are over 25 years old	Percent	Derived Variable from IPEDS
	Graduation Rate within 150% of normal time	Percent	IPEDS
	Average ACT score	Continuous	Derived Variable from IPEDS
Institutional Characteristics	Sector	Categorical	IPEDS
	2005 Carnegie Classification	Categorical	IPEDS
	Institutional Control	Categorical	IPEDS
	Historically Black College or University	Dichotomous IPEDS	
	Enrollment (Log)	Continuous	IPEDS
	Student to Faculty Ratio	Ratio	IPEDS
	Net Price of Attendance	Continuous	IPEDS
	% of Expenditures spent on Instruction	Percent	Derived Variable from IPEDS

Table B:

Loans included in Official Cohort Default Rate Calculation

FFEL Loans:

Federal Stafford Loans:

Subsidized Federal Stafford Loans **Unsubsidized Supplemental Loans**

Federal Supplemental Loans for Students:

Federal SLS Loans

Direct Loans:

Direct Stafford/Ford Loans:

Federal Direct Subsidized Stafford/Ford Loans Federal Direct Unsubsized Stafford/Direct Loans

Table C: **Default Rate Descriptive Statistics by Carnegie Classification**

Carnegie Group	Mean	Standard Deviation
Doctoral/Research Institutions	4.79	3.32
Masters Colleges/Universities	6.25	4.52
Bachelor's Colleges	9.28	7.51
Associates Colleges	18.1	7.53

Table D: Tennessee Public Institutions and their Peer Institutions by Carnegie Classification

Doctoral/Research Universities:				Associates Colleges:	
East Tennessee State University	Tennessee State University	University of Memphis	University of Tennessee - Knoxville	All Tennessee Public Associates Colleges	
100	Peer	Institutions	2047 75	Peer Institutions	
East Carolina University The University of South Alabama The University of Arkansas at Little Rock Florida A & M University Florida Atlantic University Eastern Kentucky University Appalachian State University of North Carolina, Charlotte University of North Carolina at Greensboro The University of Texas at Arlington The University of Texas at El Paso Old Dominion	University of Arkansas, Payetteville Plorida A&M University North Carolina A&T South Carolina State University Delaware State University Georgia State University Northern Kentucky University Alcorn State University University of North Carolina, Charlotte Sam Houston State University Old Dominion University Virginia State University	Georgia State University The University of Houston University of Alabama University of Arkansas, Fayetteville University of South Florida University of Louisville Florida International University University of Oklahoma Norman Campus University of South Carolina, Columbia Texas Tech University George Mason University Virginia Commonwealth University	University of Florida University of Georgia Texas A&M Louisiana State University Virginia Polytechnical Institute Auburn University University of Kentucky North Carolina State University University of Texas at Austin University of North Carolina, Chapel Hill University of Maryland, College Park University of Virginia, Main Campus	James H Faulkner State Community College National Park (Garland County) Community College Delaware Technical And Community College-Owens Palm Beach Community College Middle Georgia College Bluegrass Community & Technical College Delgado Community College Anne Arundel Community College Southwest Mississippi Community College Central Piedmont Community College Rose State College Florence Darlington Technical College Mclennan Community College Southern West Virginia Community & Technical College Southern West Virginia Community & Technical College	

Masters Colleges/Universities:

Austin Peay State University	Middle Tennessee State University	Tennessee Technological University	University of Tennessee - Chattanooga	University of Tennessee - Martin
		Peer Institutions		
Jacksonville State University	Florida Atlantic University	University of Alabama-Huntsville	Western Carolina University	Frostburg State University (MD)
Morehead State University	Florida International University	University of North Florida	Murray State University (KY)	University of North Carolina Wilmington
McNeese State University	University of Central Florida	Murray State University	University of Arkansas Little Rock	Salisbury State University (MD)
Salisbury State University	Georgia State University	Louisiana Tech University	University of West Florida	Winthrop University (SC)
Valdosta State University	University of Southern Mississippi	Morgan State University	Louisiana Tech University	Jacksonville State University (AL)
Sam Houston State University	University of North Carolina at Greensboro	The University of Texas at El Paso	University of North Florida	Radford University
Morgan State University	University of North Texas	The University of South Alabama	Sam Houston State University (TX)	Arkansas Tech University
Pexas A&M University-Corpus Christi	Old Dominion University	Western Carolina University	University of North Carolina Wilmington	Northern Kentucky University
Appalachian State	Georgia Southern	Sam Houston State University	Morgan St. University (MD)	Murray State University
Florida A & M University	University of New Orleans	Appalachian State	Appalachian State University (NC)	Western Carolina
North Carolina Central University	University of Texas - Arlington	Florida A & M University	Florida A & M University	Sam Houston State University
North Carolina A&T University	George Mason University	North Carolina A&T University	North Carolina A&T	Appalachian State

	Tennessee Default Rates 56
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APPENDIX C: Analytical Methods

This appendix contains the analytical methods utilized to produce the report. More specifically, the analytical and statistical methods that were employed by the study are discussed in more detail. The appendix discusses data issues, the modeling process, and the model results. This section is designed for users of the report who are more interested in the analytical methods than the broader contents of the report itself.

ANALYTICAL METHODS

The first step in the analytical process was to review graphical representations of the data. Basic plots of the average official cohort default rate by Carnegie group revealed differing means, suggesting that the groups represented differing populations. Based on the graphical findings, a between-subjects ANOVA was used to compare the mean cohort default rate between four different groups of institutions (grouped by 2005 Carnegie Classification), namely: Doctoral/Research Institutions (M = 4.79, SD = 3.32), Masters Colleges/Universities (M = 6.25, SD = 4.52), Bachelors Colleges (M = 9.28, SD = 7.51), and Associates Colleges (M = 18.1, SD = 7.53). Using an alpha level of 0.05, this test was found to be statistically significant, F(3, 2483) = 509, p < .01. The evidence suggests that official cohort default rates differ by institutional classification.

A priori, the decision was made to tests all simple pairwise contrasts between each group. Using the Tukey-Kramer test to adjust for the unbalanced design, significant differences were found between the Doctoral and Masters groups, t(2483) = -14.878, p < .001, Doctoral and Bachelor groups, t(2483) = -3.817, p < .001, Doctoral and Associates groups, t(2483) = -28.409, p < .001, Masters and Bachelor groups, t(2483) = -26.215, p < .001, Masters and Associates groups, t(2483) = -30.528 p < .001, Bachelor and Associates groups, t(2483) = -21.47, p < .001. These findings show that the official cohort default rate should be examined by Carnegie Classification.

Next, graphical and descriptive analyses were conducted by Carnegie Classification. These analyses revealed that the dependent variable in each of the four analyses was not normally distributed. As a result, the square root transformation was applied to each of the four models to better meet the assumption of normality. Based upon the findings from these analyses and after applying the transformations, the model building process began.

The same set of variables was identified for each analysis from the study's conceptual framework. The study's conceptual framework identified two constructs that needed to be accounted for when attempting to explain variance in official cohort default rate: student characteristics and institutional behavior. Due to missing data, however, several variables were not included in one or more of the models. For example, institutional average ACT score was included only in the doctoral/research model due to the high counts of missing data in the other models. Missing data were handled using listwise deletion.

The study relied on rationales by Ethington, Thomas, and Pike (2002) to guide the variable selection process and model building procedure. Specifically, the authors suggest that theory should drive variable selection, and that final models should be parsimonious, excluding variables that may be highly correlated with one another. Informed by these recommendations, our first consideration in building the model was a conceptual one. For each of the four models, independent variables were entered into the model after accounting for their pair-wise correlation coefficient. If any two independent

variables had a correlation coefficient above 0.70, the variable that was better able to explain variation in the response was retained. This method allowed us to create the most parsimonious model, while capturing the independent variables that were the most theoretically relevant.

Results

Table E presents the statistical model for the Doctoral/Research institutions. Table F presents the statistical model for the Masters Colleges/Universities, and Table G presents the statistical model for the Bachelors Colleges/Universities. Finally, Table H presents the statistical model for the Associates Colleges. All of the results are presented in the square root metric.

Table E: Doctoral/Research University Model

Estimate	Std. Error	t value Pr(> t)
0.984817	1.063421	0.926
-0.078491	0.109846	-0.715
0.87083	0.182801	4.764 ***
0.132375	0.111633	1.186
-0.079468	0.279052	-0.285
0.126268	0.16873	0.748
-0.238771	0.15583	-1.532
0.00506	0.005943	0.852
-0.028199	0.002606	-10.821 ***
0.007987	0.004301	1.857
0.218832	0.104011	2.104 *
	0.984817 -0.078491 0.87083 0.132375 -0.079468 0.126268 -0.238771 0.00506 -0.028199 0.007987	0.984817 1.063421 -0.078491 0.109846 0.87083 0.182801 0.132375 0.111633 -0.079468 0.279052 0.126268 0.16873 -0.238771 0.15583 0.00506 0.005943 -0.028199 0.002606 0.007987 0.004301

^{***} p < .001; ** p < .01; * p < .05; . p < .1

Table F: Master's Colleges/Universities Model

	Estimate	Std. Error	t value Pr(> t)
(Intercept)	3.34769	0.354823	9.435 ***
For-profit Institution	0.702052	0.162946	4.309 ***
Private Institution	-0.21441	0.064765	-3.311 **
Undergraduate Enrollment (Log)	-0.078794	0.085602	-0.92
PctAdult	-0.069563	0.128826	-0.54
% Undergraduates that are Minority	0.416997	0.125413	3.325 ***
% Undergraduates that are Part-time	-0.239886	0.062135	-3.861 ***
Student to Faculty Ratio	0.003038	0.003273	0.928
Graduation Rate	-0.020031	0.001776	-11.278 ***
% Undergraduates that receive Pell	0.018567	0.002405	7.719 ***
% of expenditures spent on instruction	0.022044	0.327053	0.067

^{***} p < .001; ** p < .01; * p < .05; . p < .1

Table G: Bachelor's Colleges Model

	Estimate	Std. Error	t value Pr(> t)
(Intercept)	3.421076	0.365933	9.349 ***
For-profit Institution	0.255919	0.150216	1.704 .
Private Institution	-0.342774	0.094947	-3.61 ***
Undergraduate Enrollment (Log)	-0.281837	0.101636	-2.773 **
% Undergraduates that are Adults	0.356429	0.17816	2.001 *
% Undergraduates that are Minority	0.997762	0.130495	7.646 ***
% Undergraduates that are Part-time	0.322461	0.152715	2.112 *
Student to Faculty Ratio	0.017933	0.004447	4.032 ***
Graduation Rate	-0.012952	0.001818	-7.124 ***
% Undergraduates that receive Pell	0.026947	0.002301	11.712 ***
% of expenditures spent on instruction	-1.108362	0.369161	-3.002 **

^{***} p < .001; ** p < .01; * p < .05; . p < .1

Table H: Associate's Colleges Model

Estimate	Std. Error	t value Pr(> t)
4.690648	0.280609	16.716 ***
0.445835	0.112745	3.954 ***
-0.504551	0.132327	-3.813 ***
0.795515	0.118394	6.719 ***
0.017879	0.002989	5.982 ***
-0.008124	0.001623	-5.006 ***
-0.208714	0.075455	-2.766 **
-0.933914	0.257093	-3.633 ***
	4.690648 0.445835 -0.504551 0.795515 0.017879 -0.008124 -0.208714	4.690648 0.280609 0.445835 0.112745 -0.504551 0.132327 0.795515 0.118394 0.017879 0.002989 -0.008124 0.001623 -0.208714 0.075455

^{***} p < .001; ** p < .01; * p < .05; . p < .1

Finally, all model assumptions were examined. A scatterplot of the residuals against the predicted values revealed that the assumptions of linearity and homoscedasticity had not been violated. In addition, the assumption of normality was examined by reviewing a histogram of the response variable and a histogram and Q-Q plot of the residuals, which revealed some slight departures from normality in the tails of the distribution. Additionally, independence was determined to be satisfied after reviewing a scatterplot of the residuals.

Interpretation

For the sake of interpretability, the Tables throughout the report present the findings in their original metric. The findings presented in this appendix are in the square root metric.

APPENDIX D:

Tennessee Institutions included in the Analyses

This appendix contains a table of all Tennessee institutions included in the analyses and their actual and expected three-year default rate in the square root metric.

Table I: Tennessee institutions included in the analyses

Institution	Carnegie Classification	Sector	3-year Default Rate	Predicted
Aquinas College	Bachelor's	Private 4-yr	3.16	3.04
Austin Peay State University	Master's	Public 4-yr	3.55	3.23
Belmont University	Master's	Private 4-yr	1.82	1.82
Bethel University	Master's	Private 4-yr	4.14	3.43
Bryan College	Bachelor's	Private 4-yr	2.67	2.38
Carson-Newman College	Bachelor's	Private 4-yr	3.57	2.36
Chattanooga College Medical Dental and Technical Careers	Associate's	For-Profit 2- yr	5.45	4.54
Chattanooga State Community College	Associate's	Public 2-yr	4.98	3.88
Christian Brothers University	Master's	Private 4-yr	3.72	2.48
Cleveland State Community College	Associate's	Public 2-yr	4.85	3.94
Concorde Career College	Associate's	For-Profit 2- yr	4.90	4.55
Crichton College	Bachelor's	Private 4-yr	3.21	5.15
Cumberland University	Master's	Private 4-yr	4.24	2.71
Draughons Junior College Inc	Associate's	For-Profit 2- yr	5.12	4.70
Dyersburg State Community College	Associate's	Public 2-yr	4.63	4.08
East Tennessee State University	Doctoral	Public 4-yr	3.55	2.65
Fisk University	Bachelor's	Private 4-yr	3.44	3.76
Free Will Baptist Bible College	Bachelor's	Private 4-yr	3.00	2.72
Freed-Hardeman University	Master's	Private 4-yr	3.14	2.40
High-Tech Institute-Memphis	Associate's	For-Profit 2- yr	4.66	5.61
John A Gupton College	Associate's	Private 2-yr	4.79	3.72
Kaplan Career Institute	Associate's	For-Profit 2- yr	4.41	4.89
King College	Bachelor's	Private 4-yr	3.28	2.53
Lambuth University	Bachelor's	Private 4-yr	3.32	2.75
Lane College	Bachelor's	Private 4-yr	5.40	5.33
Le Moyne-Owen College	Bachelor's	Private 4-yr	4.57	4.87
Lee University	Master's	Private 4-yr	3.45	2.38
Lincoln Memorial University	Master's	Private 4-yr	2.52	2.74
Lipscomb University	Master's	Private 4-yr	2.73	2.06
Martin Methodist College	Bachelor's	Private 4-yr	4.28	1.86
Maryville College	Bachelor's	Private 4-yr	3.45	2.34
Medvance Institute-Cookeville	Associate's	For-Profit 2- yr	4.66	4.14

Middle Tennessee State University	Master's	Public 4-yr	3.54	2.70
Miller-Motte Technical College	Associate's	For-Profit 2- yr	5.89	4.22
Milligan College	Bachelor's	Private 4-yr	2.18	2.20
Motlow State Community College	Associate's	Public 2-yr	4.17	3.91
Nashville Auto Diesel College Inc	Associate's	For-Profit 2- yr	4.16	4.45
National College of Business and Technology-Nashville	Associate's	For-Profit 2- yr	5.22	4.46
Nossi College of Art	Associate's	For-Profit 4- yr	4.25	4.41
Pellissippi State Community College	Associate's	Public 2-yr	4.60	3.91
Rhodes College	Bachelor's	Private 4-yr	1.84	1.42
Roane State Community College	Associate's	Public 2-yr	4.82	3.87
Sewanee-The University of the South	Bachelor's	Private 4-yr	2.54	1.43
South College	Associate's	For-Profit 4- yr	5.13	4.37
Southern Adventist University	Bachelor's	Private 4-yr	2.61	2.45
Tennessee State University	Doctoral	Public 4-yr	3.63	3.80
Tennessee Technological University	Master's	Public 4-yr	2.30	2.69
Tennessee Wesleyan College	Bachelor's	Private 4-yr	3.37	2.96
The University of Tennessee	Doctoral	Public 4-yr	2.69	2.17
The University of Tennessee at Chattanooga	Master's	Public 4-yr	3.50	2.84
The University of Tennessee-Martin	Master's	Public 4-yr	4.02	2.72
Trevecca Nazarene University	Doctoral	Private 4-yr	2.82	2.31
Tusculum College	Master's	Private 4-yr	3.68	3.02
Union University	Master's	Private 4-yr	2.25	2.08
University of Memphis	Doctoral	Public 4-yr	3.19	2.79
Vanderbilt University	Doctoral	Private 4-yr	1.56	1.23
Walters State Community College	Associate's	Public 2-yr	4.48	3.77
West Tennessee Business College	Associate's	For-Profit 2- yr	4.51	4.48

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O N

A T I O N Agenda Item: II.C.

DATE: July 28, 2011

SUBJECT: Status of First to the Top

ACTION RECOMMENDED: Information

BACKGROUND INFORMATION: The Tennessee Higher Education Commission has been responsible for implementing several projects of the state's First to the Top initiatives, managing \$23 million in funding. THEC has been working closely with institutions of higher education and the TN Department of Education to ensure that the work aligns with the overall goals of education reform.

One of the primary goals of the First to the Top agenda is implementing the Common Core State Standards. These standards will dramatically increase the rigor of K-12 education and lead to high school graduates who are college and career ready. THEC works closely with the Department of Education for the K-12 implementation of the Common Core. Additionally, THEC convened a working group of Deans of Colleges of Education and Arts and Sciences to integrate the Common Core State Standards into teacher training programs. Staff will give an update on the working group's plan for Common Core Implementation and alignment with K-12 efforts.

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Agenda Item: II.D.

DATE: July 28, 2011

SUBJECT: STEM Professional Development

ACTION RECOMMENDED: Information

BACKGROUND INFORMATION: Tennessee was one of just two states selected on March 29, 2010 in the first round of the federal Race to the Top competition, receiving over \$500 million. The funds will allow Tennessee to implement a comprehensive set of school reform plans over the next four years. The \$4.35 billion Race to the Top national fund is an unprecedented federal investment designed to reward states leading the way in comprehensive, coherent, statewide education reform across four key areas:

- Adopting standards and assessments that prepare students to succeed in college and the workplace
- Building data systems that measure student growth and success, and inform teachers and principals how to improve instruction
- Recruiting, developing, rewarding, and retaining effective teachers and principals, especially where they are needed most
- Turning around their lowest-performing schools
- Expanding STEM (Science, Technology, Engineering, and Math) education opportunities through the STEM Innovation Network

As part of the effort to expand STEM educational opportunities, the Tennessee Higher Education Commission released a Request for Proposals focusing on professional development for K-12 STEM teachers. The purpose of this particular program is to promote innovative practice in K-12 schools within STEM disciplines to further develop K-12 STEM teachers' pedagogical content knowledge, while building a repertoire of highly effective STEM professional development programs to be housed and used through Tennessee's STEM Innovation Network. Tennessee's higher education institutions have the expertise to develop and implement such programs. This close collaboration between the institutions and LEAs will only further strengthen the goal of increasing student achievement.

In April 2011, 36 proposals were received in response to the Request for Proposals. A committee of individuals with expertise in STEM fields was convened to evaluate and select proposals for funding. The 11 proposals selected for funding will serve Tennessee's high-need districts. A total of \$1.8 million was awarded in this round of funding. \$4.2 million will be available for the second round of funding for professional development in 2012.

SUPPORTING DOCUMENTATION INCLUDED: A list of recommended institutions and funding levels is provided in Attachment A. The STEM Professional Development projects will be funded for the period August 15, 2011

to December 31, 2012. The grant review process is described in Attachment B to this agenda item.

OTHER SUPPORTING DOCUMENTS AVAILABLE: All grant proposals are available for review at the Commission office.

ATTACHMENT A STEM Professional Development Funded Proposals

Austin Peay State University Momentum: Building Capacity for Change through Connections	\$138,202.12
East Tennessee State University Reaching for Excellence in Elementary School Science through Inquiry, Standards, Problem-based Learning	\$176,650
East Tennessee State University MICH: Modeling Instruction of Chemistry in High Schools	\$164,834
<u>Lipscomb University</u> <i>Hands-on Chemistry</i>	\$113,027
<u>Middle Tennessee State University</u> Project EMPOWER: Enhancing Mathematical Proficiency through Opportunities	\$200,000
<u>Tennessee Technological University</u> Numeracy and Multiple Representations for Grades 1-3 Teachers	\$167,988
<u>Tennessee Technological University</u> Transforming Matter and Classrooms-HS Chemistry Pedagogical Content Knowledge	\$123,919
<u>Tennessee Technological University</u> Embedding Inquiry & Technology/Engineering Standards into Physical Science Content for Grades 3-5	\$198,542
<u>Tennessee Technological University</u> Developing Middle School Mathematics Teachers' Pedagogical Content Knowledge (PCK)	\$142,312
<u>University of Tennessee-Chattanooga</u> <u>TELMU: Technology/Engineering + Literacy = MATH Understanding</u>	\$199,905
<u>University of Tennessee-Chattanooga</u> Numeracy, Representation, and STEM Connections for K-12 Teachers	\$200,000

Attachment B

Proposal Review Process

On February 1, 2011, a memo from Dr. Richard Rhoda, Executive Director of the Tennessee Higher Education Commission, and the Request for Proposals (RFP) for STEM Professional Development proposals was distributed to college and university chancellors, presidents, deans, and faculty. The RFP included the background of the STEM competitive priority section of the Race to the Top application, the STEM Professional Development program goals and objectives, program guidelines, and submission requirements.

THEC First to the Top staff received 36 grant proposals and distributed them to advisory committee members. The advisory committee met on May 23, 2011 to make recommendations for awards. The committee was divided into four groups by subject area, meeting separately to discuss the grants related to their content area. Each grant proposal was assigned a lead discussant who gave an overview of the proposal and moderated the team's discussion. Each team chose their top proposals for funding and brought them before the entire committee.

The committee was given an overview of the proposals chosen for funding. The committee was given an opportunity to pose questions about the grant proposal, make recommendations or amendments, and discuss the level of funding the proposal should receive. Once each team presented the proposals recommended for funding, the committee voted on funding levels for each of the proposals and stated any required conditions for funding.

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Agenda Item: II.E.

Date: July 28, 2011

SUBJECT: Diversity in Teaching Grant Awards, 2011-2013

ACTION RECOMMENDED: Information

BACKGROUND INFORMATION: In 1989, the General Assembly passed HJR 36, which called for a variety of remedies to correct the underrepresentation of African-Americans and Hispanics among public school teachers in Tennessee. The resolution reflected the legislature's belief that bringing more minorities to the teaching profession would supplement the education of students through diverse instruction and would provide role models for minority students. One of the suggested remedies to the underrepresentation was the development of a matching grant to support pilot projects designed to expand the recruitment pool of minorities preparing to be teachers.

With the settlement of the Geier desegregation lawsuit, and in light of current federal laws, the Minority Teacher Education program has evolved into the Diversity in Teaching program. THEC remains committed to the overarching goals of the program as previously administered, though some operational elements of the program must shift to ensure proper compliance with federal law. Race can no longer be used as the primary criteria in determining program eligibility. Additionally, the proportionality of minority teachers to minority students can no longer be a governing principle of the program.

Although changes to the program are necessary by law, there continues to be a need to address the shortage of underrepresented groups among the teaching ranks and to nurture teachers who embrace diversity as an instructional tool. Therefore, Diversity in Teaching grants were awarded to institutions whose proposals demonstrated a commitment to achieving that ultimate end, regardless of race.

Project directors convened at THEC on July 1, 2011 for a mandatory technical assistance workshop.

SUPPORTING DOCUMENTATION INCLUDED: A list of recommended institutions and funding levels is provided in Attachment B. The General Competition projects will be funded for the period August 1, 2011 to July 31, 2013.

OTHER SUPPORTING DOCUMENTS AVAILABLE: All grant proposals are available for review at the Commission office.

ATTACHMENT A

DIVERSITY IN TEACHING ADVISORY COMMITTEE

1. Art Fuller

State Board of Education

2. Patrick Meldrim

Tennessee Independent Colleges & Univ. Association

3. Terrance Gibson

Tennessee Education Association

4. Kay Clark

Tennessee Board of Regents

5. Katie High

University of Tennessee

6. Vanita Lytle-Sherril

Volunteer State Community College

7. Wesley Hall

Tennessee Higher Education Commission

ATTACHMENT B RECOMMENDED PROJECTS FOR 2011-13

Austin Peay State University MORE: Mentoring Outstanding, Responsible Educators Project Director: Moniqueka Gold	\$80,000
<u>Lee University</u> STEPS: Systematic Techniques to Equalize Personnel in Schools Project Director: Gary Riggins	\$100,000
<u>University of Tennessee-Chattanooga</u> "Each One, Reach One" Project Director: Sandy Cole	\$95,784
<u>University of Tennessee-Knoxville</u> "Diversity in Teaching Intern Program" Dr. Beverly Hearn	\$100,000

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Agenda Item: II.F.

DATE: July 28, 2011

SUBJECT: GEAR UP TN/CACG/TCASN Status Report

ACTION RECOMMENDED: Information

BACKGROUND INFORMATION: The GEAR UP initiative is a federal discretionary grant program designed to increase the number of low-income students who are prepared to enter and succeed in postsecondary education. GEAR UP provides six-year grants to states to provide services at high-poverty middle and high schools. GEAR UP grantees serve an entire cohort of students beginning no later than the seventh grade and follow the cohort through high school. GEAR UP TN is designed to promote student achievement and enhance awareness of the need to expand access to post-secondary education statewide, especially in those areas of the state that are traditionally underserved. GEAR UP TN funds are also used to provide incentive awards to students graduating from the high schools served and scholarships to low-income students in the cohort.

The College Access Challenge Grant focuses on initiatives such as providing professional development opportunities for school counselors and postsecondary financial aid administrators and admissions officers, increasing the reach and frequency of media messages through the statewide college access campaign, and enhancing the services offered to low-income students through the expansion of current college access programs. The overall goal of Tennessee's CACG is to create a network among organizations working in college access with a unified message while also increasing the number of underserved students enrolling and succeeding in postsecondary education.

The Tennessee College Access and Success Network, established through the Lumina Foundation KnowHow2Go re-grant and expanded through Race to the Top, connects college access and success programs with like-minded organizations with the purpose of increasing the number of Tennesseans participating and succeeding in postsecondary opportunities. The Network creates a college-going culture in communities across the state by expanding college access and success programs, creating new programs, educating professionals, ensuring statewide advocacy, and cultivating organizational and Network development.

Staff will report highlights from the Latino Student Success, GEAR UP TN, and College Access Challenge Grant proposals submitted for funding to the Lumina Foundation for Education and the U.S. Department of Education.

TENNESSEE
H I G H E R
E D U C A T I O N
C O M M I S S I O N

Agenda Item: __II.G.__

DATE: July 28, 2011

SUBJECT: Fall Quarterly Meeting

ACTION RECOMMENDED: Information

BACKGROUND INFORMATION: The next scheduled quarterly Commission meeting is November 17, 2011. The meeting will be held in the Commission's board room.