

Tennessee

College Affordability Profile

The effect of the pandemic on state budgets has not yet peaked, but it will likely affect college affordability for years to come. In this year's SREB College Affordability Profiles, we examine data for the 2017-18 academic year, the most recent year that student financial aid and net price data are available. Although the data were collected prior to the pandemic, it shows that states continue to face challenges in making college affordable. In many states, students must spend a larger percentage of their family income to pay for college particularly at four-year institutions. In most states, two-year institutions and technical colleges and institutes offer the most affordable degree programs.

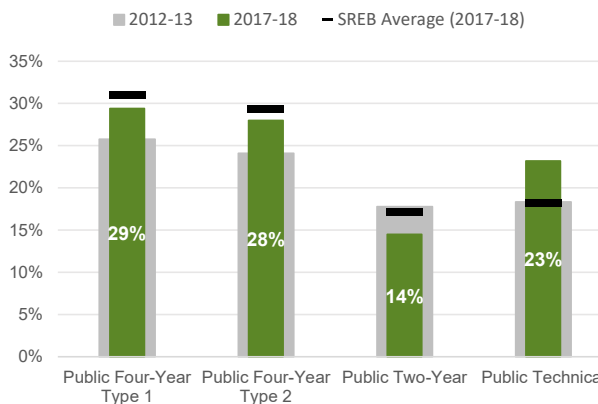
Percentage of Average Family Income Required to Pay the Net Price for Full-Time Students at Public Institutions

In 2017-18, the percentage of family income required to pay for college in Tennessee was **lower than the SREB averages** for each institutional type **except technical institutions**.

Families in Tennessee paid a higher percentage of their family income in 2017-18 for a full-time student to attend four-year and technical institutions than in 2012-13.

Families in Tennessee needed, on average, 29% of their income in 2017-18 to pay educational expenses for a full-time student at four-year Type 1 institutions and 28% at four-year Type 2 institutions.

In 2017-18, Tennessee families needed, on average, 14% and 23% of their income to cover educational expenses at two-year and technical institutions, respectively. Income needed decreased from 2012-13 to 2017-18 for two-year institutions.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2012 and 2017, 12-Month Enrollment Instructional Activity Files 2013 and 2018. American Community Survey Public Use Microdata Samples 2012 and 2017. Institutional sectors based on SREB-State Data Exchange categories.

Key terms:

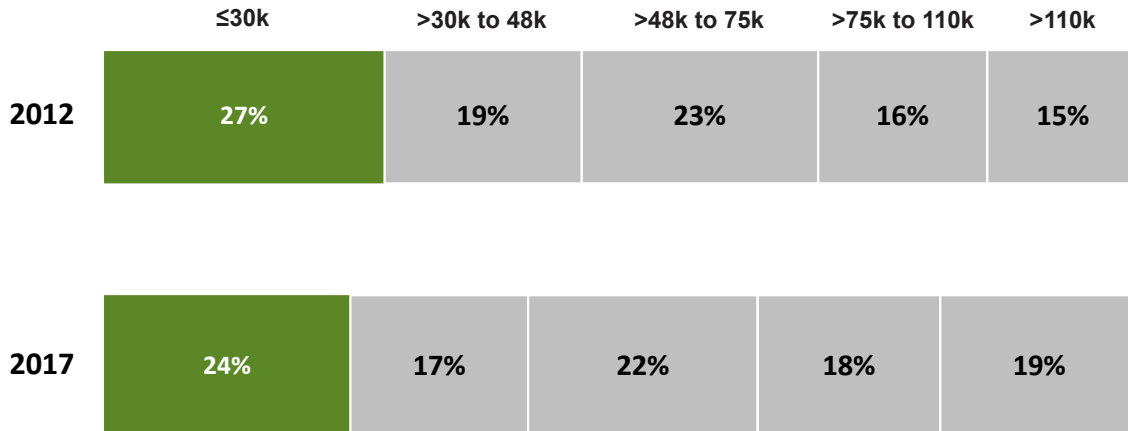
Four-Year Institution Type 1: four-year institutions that awarded at least 30 doctoral degrees in five different areas.

Four-Year Institution Type 2: all other four-year institutions.

Net Price: total cost of attendance (includes tuition, fees, room & board, etc.) minus federal, state/local government, or institutional grant and scholarship aid.

Distribution of Average Family Income

Data on net price is collected using five income categories. In Tennessee, students from families that **made less than \$30,000** accounted for **the largest percentage of families in 2012 and 2017.**



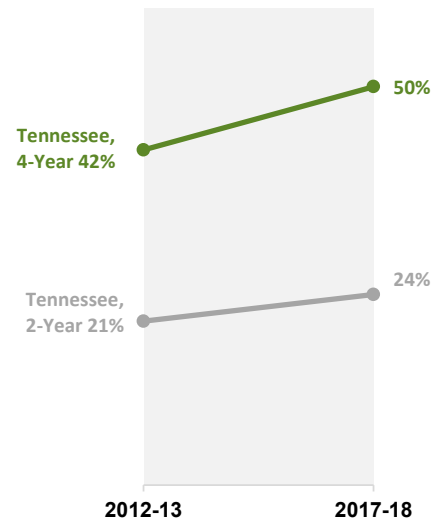
Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2012 and 2017.

Percentage of Income Required for Median Tuition and Fees at Public Institutions for Families Making Less Than \$30,000

The percentage of income required for **median tuition and fees** at public institutions **was higher at four-year institutions than two-year institutions in 2012-13 and 2017-18** for Tennessee families making less than \$30,000.

For families making less than \$30,000, the cost of median tuition and fees at four-year institutions was 50% of income in 2017-18, compared to 42% in 2012-13.

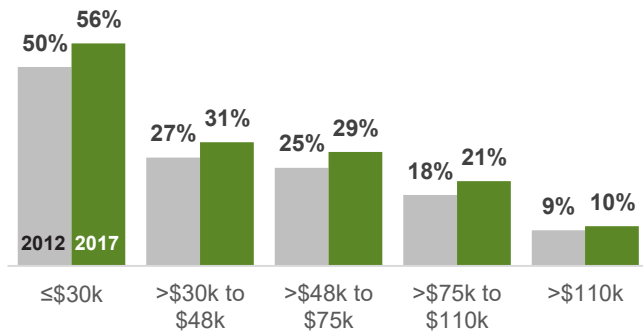
Families needed 24% of their income in 2017-18 to cover the state's median tuition at two-year institutions. In 2012-13 it was 21%.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Charges Data Files and Directory Files 2012 and 2017, 12-Month Enrollment Instructional Activity Data Files 2013 and 2018. American Community Survey Public Use Micro Sample Files 2012 and 2017.

Net Price as a Percentage of Income, Public Four-Year Type 1 Institutions

Tennessee families in the **lowest income category** were the **most affected** by the increase in net price at four-year Type 1 institutions.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2012 and 2017, 12-Month Enrollment Instructional Activity Files 2013 and 2018. American Community Survey Public Use Microdata Samples, 2012 and 2017. Institutional types based on SREB-State Data Exchange categories.

The increase in the percentage of income needed to pay for four-year Type 1 institutions in Tennessee was much larger for families making less than \$30,000 than for any other income category.

Families making less than \$30,000 in 2012 needed 50% of their income to pay educational expenses. In 2017 it was 56%.

Families making over \$110,000 only needed 9% of their income in 2012 and 10% in 2017 to cover expenses at these institutions.

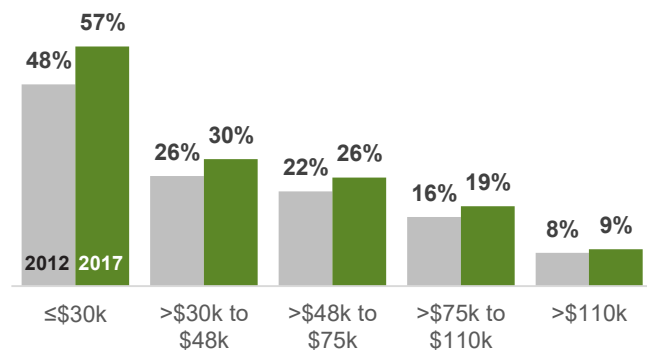
Net Price as a Percentage of Income, Public Four-Year Type 2 Institutions

Tennessee **families making less than \$30,000** were the **most affected** by the rising cost of attendance at four-year Type 2 institutions.

The increase in the percentage of income needed to pay for four-year Type 2 institutions in Tennessee was larger for families making less than \$30,000 than for any other income category.

Families making less than \$30,000 in 2012 needed 48% of their income to pay educational expenses. In 2017 it was 57%.

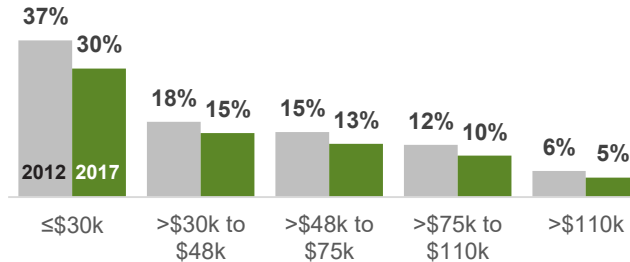
Families making over \$110,000 only needed 8% of their income in 2012 and 9% of their income in 2017 to cover expenses at these institutions.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2012 and 2017, 12-Month Enrollment Instructional Activity Files 2013 and 2018. American Community Survey Public Use Microdata Samples, 2012 and 2017. Institutional types based on SREB-State Data Exchange categories.

Net Price as a Percentage of Income, Public Two-Year Institutions

The **percentage of income** that Tennessee families needed to pay for educational **expenses at two-year institutions decreased** from 2012 to 2017.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2012 and 2017, 12-Month Enrollment Instructional Activity Files 2013 and 2018. American Community Survey Public Use Microdata Samples, 2012 and 2017. Institutional types based on SREB-State Data Exchange categories.

The decrease in the percentage of income needed to pay for two-year institutions in Tennessee was larger for families making less than \$30,000 than for any other income category.

At Tennessee's public two-year institutions, families making less than \$30,000 in 2012 needed 37% of their income to pay educational expenses. In 2017 it was 30%.

Families making over \$110,000 only needed 6% of their income in 2012 and 5% in 2017 to cover expenses these institutions.

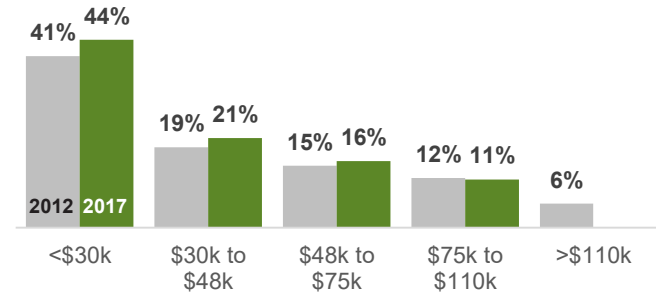
Net Price as a Percentage of Income, Public Technical Institutions

Tennessee **families making less than \$30,000** were the **most affected by the cost of attendance at technical institutions**.

The increase in the percentage of income needed to pay for technical institutions in Tennessee was larger for families making less than \$30,000 than for any other income category.

At Tennessee's public technical institutions, families making less than \$30,000 in 2012 needed 41% of their income to pay educational expenses. In 2017 it was 44%.

Families making over \$110,000 only needed 6% of their income in 2012 to cover expenses at these institutions.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2012 and 2017, 12-Month Enrollment Instructional Activity Files 2013 and 2018. American Community Survey Public Use Microdata Samples, 2012 and 2017. Institutional types based on SREB-State Data Exchange categories.

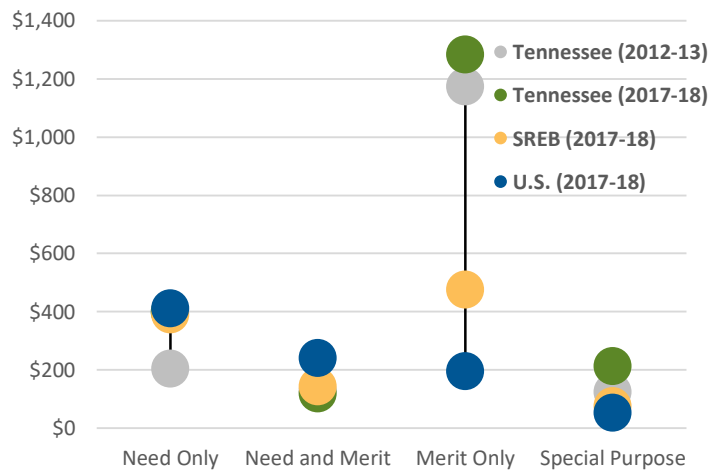
State Financial Aid Per Student

Tennessee awarded **more merit-based aid in 2017-18** per full-time-equivalent student than the SREB and national averages. **Merit-based aid also increased** from 2012-13 to 2017-18.

	Need Only	Need and Merit	Merit Only	Special Purpose
Tennessee (2012-13)	\$205	\$129	\$1,174	\$124
Tennessee (2017-18)	\$397	\$119	\$1,283	\$213
SREB Average (2017-18)	\$389	\$143	\$476	\$74
U.S. Average (2017-18)	\$411	\$241	\$195	\$53

The state spent \$1,283, on average, per undergraduate FTE student on merit-based aid in 2017-18, compared to \$1,174 in 2012-13. The SREB average in 2017-18 was \$476 and the national average was \$195.

Tennessee spent \$397, on average, per FTE for need-based financial aid in 2017-18, slightly less than the SREB average of \$389 and the national average of \$411.



National Association of State Student Grant & Aid Programs 2013 and 2018 annual survey (results for public institutions only). U.S. Department of Education, Integrated Postsecondary Education Data System Instructional Activity File, 2013 and 2018, and Directory File, 2012 and 2017.

Student Borrowing at Public Institutions

In 2017-18, Tennessee graduates **borrowed more than the SREB and national averages to earn degrees at four-year Type 1 institutions.**

	Tennessee, 2012-13	Tennessee, 2017-18	SREB Average, 2017-18	U.S. Average, 2017-18
Four-Year Type 1	\$19,727	\$22,624	\$21,600	\$21,232
Four-Year Type 2	\$18,546	\$20,951	\$22,677	\$19,510
Two-Year	\$8,389	\$8,491	\$10,798	\$10,171

U.S. Department of Education, College Scorecard, 2012 and 2017. U.S. Department of Education, Integrated Postsecondary Education Data System, 12-Month Enrollment Instructional Activity Data Files 2013 and 2018 and Directory Files 2012 and 2017.

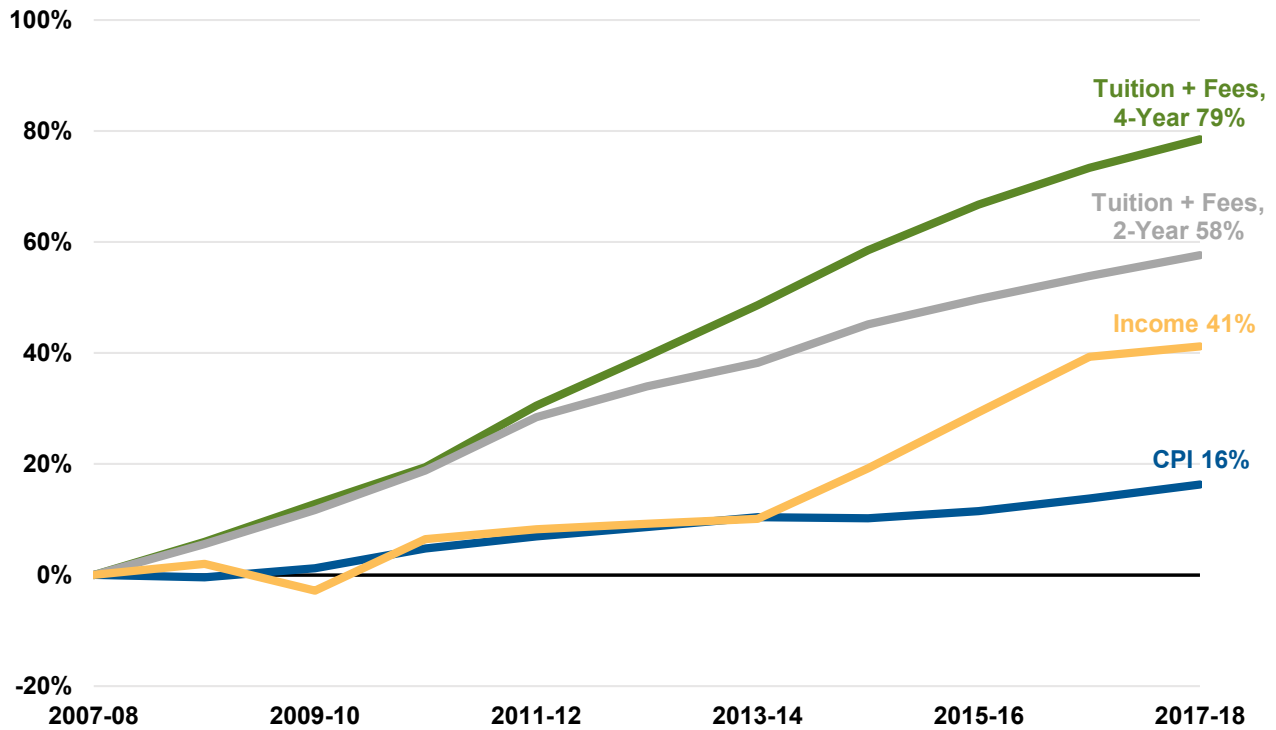
Graduates who sought a degree or certificate from four-year Type 1 universities in Tennessee in 2017-18 borrowed, on average, \$22,624 and graduates of four-year Type 2 institutions borrowed \$20,951. These amounts were noticeably higher than average amounts borrowed in 2012-13.

Students at public two-year colleges borrowed, on average, \$8,491 in 2017-18, which was more than the average amount in 2012-13 but less than the SREB and national averages in 2017-18.

Changes in Tuition and Fees, CPI and Household Income

Compared to the CPI and household income, **tuition and fees** at Tennessee public colleges and universities **increased at a faster rate** between 2007-08 and 2017-18.

Over that decade, the CPI increased by 16% and median household income in Tennessee increased by 41%, while tuition and fees increased by 79% at four-year institutions and 58% at two-year institutions.

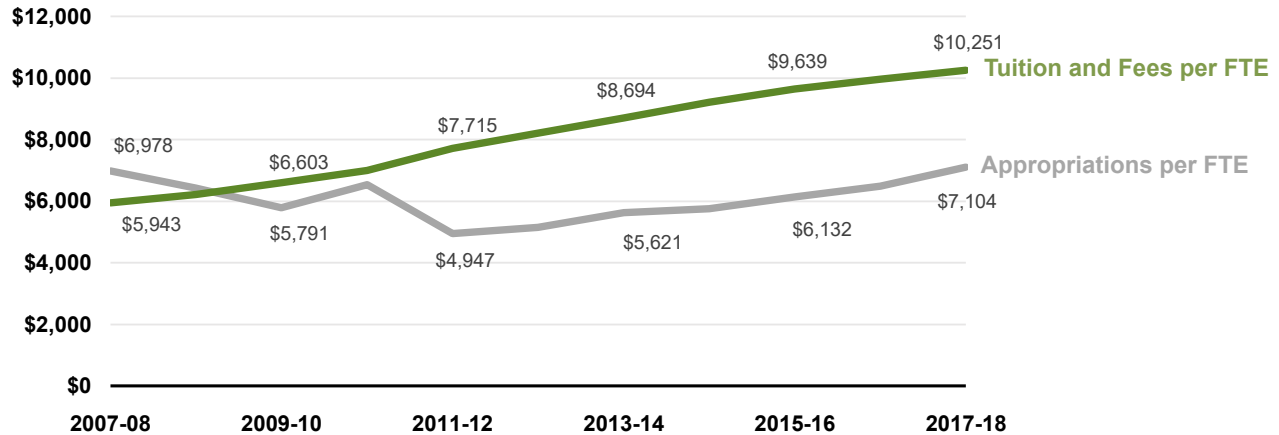


Consumer Price Index retrieved from FRED, Federal Reserve Bank of St. Louis: Bureau of Labor Statistics, South urban area, 2017. Tuition and fees retrieved from the U.S. Department of Education, Integrated Postsecondary Education Data System, Institutional Characteristics Files, 2007 to 2017. Median household income retrieved from FRED, Federal Reserve Bank of St. Louis: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements, South region, 2020.

Dollars per FTE Student from State Appropriations and Tuition and Fees

Operational funds consisted **mostly of tuition and fees** for Tennessee's **public four-year institutions** in 2017-18.

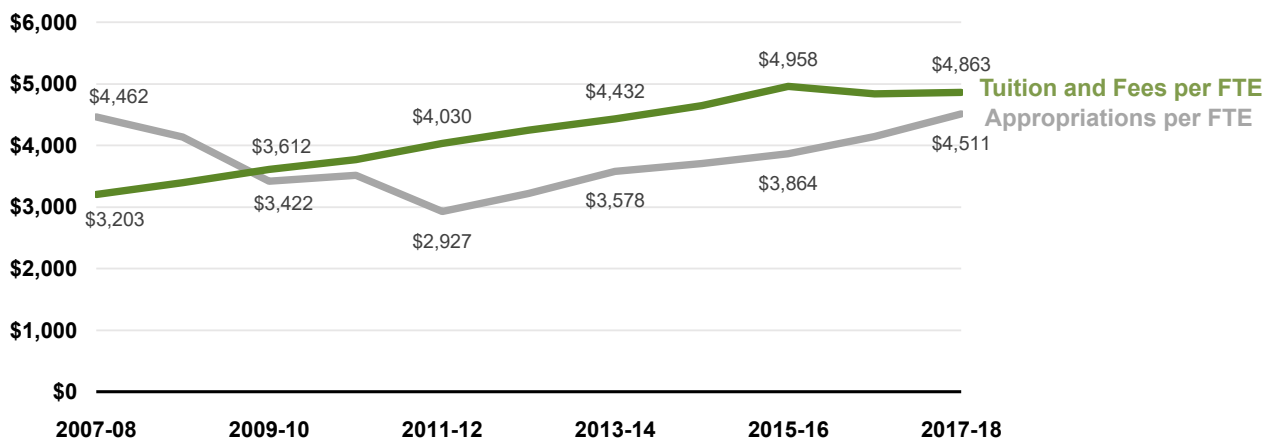
Net tuition and fees per FTE student at Tennessee's four-year institutions steadily increased from \$5,943 in 2007-08 to \$10,251 in 2017-18. In comparison, state appropriations per FTE student increased from \$6,978 in 2007-08 to \$7,104 in 2017-18. Students and families started paying a larger share of the total funding per student after 2008-09.



Source: SREB-State Data Exchange

Most of the operating expenses at Tennessee's **public two-year institutions** were provided by **tuition and fees** in 2017-18.

Although net tuition and fees per FTE student at Tennessee's two-year institutions decreased in recent years, they increased from \$3,203 in 2007-08 to \$4,863 in 2017-18. In comparison, state and local appropriations per FTE student increased from \$4,462 in 2007-08 to \$4,511 in 2017-18. Students and families started paying a larger share of the total funding per student after 2008-09.



Source: SREB-State Data Exchange

Additional State Context

Postsecondary Enrollment. In 2017-18, 41% of students in Tennessee were enrolled in public four-year Type 1 institutions, 19% were enrolled at public four-year Type 2 institutions, 33% were enrolled in public two-year colleges, and 7% were enrolled in public technical colleges.

First-Year Retention. For the 2017 cohort, 83% of students attending public four-year Type 1 institutions in Tennessee were still enrolled one year later, 80% were retained after the first year in public four-year Type 2 institutions, and 55% were retained at public two-year colleges.*

Pell Grants. In 2017-18, 18% of the average cost of attendance in public four-year Type 1 institutions in Tennessee was covered by the average Pell Grant award. The average grant amount covered 20% of costs in public four-year Type 2 institutions and 29% in public two-year colleges.

Education Attainment. In 2018, over 45% of Tennessee's working adult population between ages 25 and 64 had a postsecondary credential of value. The state's educational attainment goal is to reach 55% by 2025.

Student Debt. In Tennessee, 60% of the class of 2019 graduated from four-year colleges with debt, owing an average of \$27,525.

Sources: Enrollment: U.S. Department of Education, Integrated Postsecondary Education Data Systems, 2017. Retention: SREB-State Data Exchange. Pell: U.S. Department of Education: 2017-2018 Award Year Grant Volume by School (2019) and SREB analysis of National Center for Education Statistics student financial aid database, 2017-18. Educational attainment: State Higher Education Master Plans and Lumina Foundation, "A Stronger Nation," 2019. Student debt: The Institute for College Access & Success. College Insight, <https://college-insight.org>. Student debt and undergraduate financial aid data are licensed from Peterson's Undergraduate Financial Aid and Undergraduate Databases, © 2020 Peterson's LLC, all rights reserved. All data may be reproduced, with attribution, subject to restrictions under this Creative Commons license: <https://creativecommons.org/licenses/by-nc-nd/3.0/>.

* SREB-State Data Exchange did not include retention rates for the 2017 cohort at Tennessee technical colleges.

Tennessee Institutions by Type

Public Four-Year Type 1

East Tennessee State University

University of Memphis

Middle Tennessee State University

The University of Tennessee-Knoxville

Tennessee State University

Public Four-Year Type 2

Austin Peay State University

The University of Tennessee-Chattanooga

The University of Tennessee-Martin

Tennessee Technological University

Public Two-Year

Chattanooga State Community College

Cleveland State Community College

Columbia State Community College

Dyersburg State Community College

Jackson State Community College

Motlow State Community College

Nashville State Community College

Roane State Community College

Southwest Tennessee Community College

Pellissippi State Community College

Northeast State Community College

Volunteer State Community College

Walters State Community College

Technical Colleges

Tennessee College of Applied Technology-Athens

Tennessee College of Applied Technology-
Covington

Tennessee College of Applied Technology-Dickson

Tennessee College of Applied Technology-
Elizabethton

Tennessee College of Applied Technology-Harriman

Tennessee College of Applied Technology-Hartsville

Tennessee College of Applied Technology-
Hohenwald

Tennessee College of Applied Technology-Jacksboro

Tennessee College of Applied Technology-Livingston

Tennessee College of Applied Technology-McKenzie

Tennessee College of Applied Technology-Memphis

Tennessee College of Applied Technology-
Morristown

Tennessee College of Applied Technology-
Murfreesboro

Tennessee College of Applied Technology-Newbern

Tennessee College of Applied Technology-Paris

Tennessee College of Applied Technology-Pulaski

Tennessee College of Applied Technology-Ripley

Tennessee College of Applied Technology-Crump

Tennessee College of Applied Technology-
Shelbyville

Tennessee College of Applied Technology-Oneida-
Huntsville

Tennessee College of Applied Technology-
Crossville

Tennessee College of Applied Technology-
McMinnville

Tennessee College of Applied Technology-Jackson

Tennessee College of Applied Technology-
Knoxville

Tennessee College of Applied Technology-
Whiteville

Tennessee College of Applied Technology Nashville

Notes

Type 1 four-year institutions award at least 30 doctoral degrees in five different areas. **Type 2** includes all other four-year institutions. The **public two-year category** includes institutions that primarily award associate degrees; the list may include two-year institutions that award bachelor's degrees. The **technical college category** includes postsecondary institutions that offer programs of less than two-years duration below the baccalaureate level and occupational and vocational schools with programs that do not exceed 1800 contact hours. This profile does not report data for the technical college category if less than 3% of students are enrolled in this sector.

Institutions are listed as they were categorized in the 2017-18 Data Exchange Survey and if they submitted the data required for this profile.

This profile is based on data reported to IPEDS by institutions during the 2017-18 academic year. Some IPEDS surveys collect data for the prior academic year; for instance, the 2017-18 Student Financial Aid survey collected data for the 2016-17 academic year.

Institutions or states may have updated data previously reported, or adjusted methodology to calculate a statistic. As a result, some data in the current profile may differ from data reported in past Affordability Profiles for the same time period.

See the technical guide at [SREB.org/Affordability](https://www.sreb.org/Affordability) for detailed sources and explanatory notes.

SREB College Affordability Profiles detail data and trends specific to each SREB state to assist policy-makers with decisions on postsecondary affordability and attainment. For additional resources, including recommendations of the Commission on College Affordability in the South and the SREB Fact Book on Higher Education, visit <https://www.sreb.org/Affordability>.