



Tennessee

College Affordability Profile

September 2016

To support the work of the SREB's member states and its Commission on College Affordability, SREB commissioned the Higher Education Policy Institute to prepare a college affordability profile for each SREB state, as well as a synthesis of relevant trends in the SREB region. These profiles detail college affordability data and trends specific to the state to assist policymakers in assessing the dimensions of the affordability issue and the need for state policy initiatives or interventions.

In addition to this state profile, other affordability resources from SREB include:

- *Shared Responsibility for College Affordability*, the Commission's final report and executive summary
- *College Affordability: Trends in the SREB Region*
- *College Affordability: SREB Technical Report*
- *College Affordability Policy and Practice Review: A Statewide Framework*
- *College Affordability: Promising State Policies and Practices*
- *SREB Fact Book on Higher Education*

Each of these documents is available at SREB.org/Affordability.

Tennessee College Affordability Profile

What Percentage of Family Income Is Required to Attend College Full Time?

Families in Tennessee would need to pay 17 percent of their income to cover educational expenses for a student at a public two-year institution in the state. This is lower than the SREB average and lower than the national average.

Families in Tennessee would need to pay 25.1 percent of their income to cover educational expenses for a student at a public four-year, non-research institution in the state. This is lower than the SREB average and lower than the national average.

	Tennessee, 2008	Tennessee, 2013	SREB Average, 2013	U.S. Average, 2013
Public Four-Year Category 1	22.9%	28.2%	29.0%	29.9%
Public Four-year Category 2	19.3%	25.1%	27.3%	27.4%
Public Two-Year	17.9%	17.0%	17.2%	18.6%
Public Technical	17.7%	18.9%	18.3%	18.6%

How Much Is Spent Per Student on Financial Aid?

In Tennessee, need-based aid per student is \$211. This is lower than the SREB average and lower than the national average. Aid based on criteria other than need is \$1,479 per student. This is higher than the SREB average and higher than the national average.

	Tennessee, 2004	Tennessee, 2007	Tennessee, 2013	SREB Average, 2013	U.S. Average, 2013
Need Only	\$157	\$149	\$211	\$338	\$474
Other	\$2	\$77	\$1,479	\$480	\$210

For Families Making Less Than \$30,000, What Percentage of Income Is Required for Tuition at Lowest-Price Colleges?

Twenty-seven percent of families in Tennessee make less than \$30,000 per year. For a student in these families, tuition at the lowest-priced public colleges would require 19 percent of income. This is higher than the SREB average and higher than the national average.

	2008	2013
Percentage of Families	27%	27%
Tuition	\$2,506	\$3,336
Income	\$17,233	\$17,118
Percentage of Income	15%	19%
SREB Average	11%	16%
National Average	14%	18%

How Much Do Graduates Borrow?

Graduates from public four-year research universities in Tennessee have borrowed, on average, \$23,636. This is higher than the SREB average and higher than the national average.

	Tennessee, 2008	Tennessee, 2013	SREB Average, 2013	U.S. Average, 2013
Public Four-Year Category 1	\$17,931	\$23,636	\$22,052	\$22,018
Public Four-Year Category 2	\$15,896	\$21,139	\$22,959	\$20,980
Public Two-Year	\$8,460	\$9,890	\$11,082	\$10,906
Public Technical	\$8,953	\$11,815	\$10,267	N/A

A Closer Look at Family Ability to Pay

SREB’s Commission on College Affordability defined *affordability* as the relationship of the price required to attend higher education — or the net price — relative to family income.

Net price = tuition and required fees plus room and board, minus grant aid students receive from the federal or state government or the institution.

Net Price as a Percentage of Income, Public Four-Year Category 1 Institutions, 2013

Annual Income	Average in This Income Level	Percentage of Families in This Income Level	Net Price	Percentage of Income Needed
\$0 - \$30,000	\$17,118	27%	\$9,162	54%
\$30,000 - \$48,000	\$39,056	18%	\$11,461	29%
\$48,000 - \$75,000	\$60,839	22%	\$16,860	28%
\$75,000 - \$110,000	\$90,603	16%	\$18,526	20%
\$110,000 and above	\$189,174	16%	\$18,812	10%

At public four-year Category 1 institutions in Tennessee, families making less than \$30,000 would need 54 percent of their income to cover educational expenses for a student. For families making between \$30,000 and \$48,000 per year, 29 percent of income would be needed.

Net Price as a Percentage of Income, Public Four-Year Category 2 Institutions, 2013

Annual Income	Average in This Income Level	Percentage of Families in This Income Level	Net Price	Percentage of Income Needed
\$0 - \$30,000	\$17,118	27%	\$8,535	50%
\$30,000 - \$48,000	\$39,056	18%	\$10,321	26%
\$48,000 - \$75,000	\$60,839	22%	\$14,253	23%
\$75,000 - \$110,000	\$90,603	16%	\$15,637	17%
\$110,000 and above	\$189,174	16%	\$15,793	8%

At public four-year Category 2 institutions in Tennessee, 50 percent of income would be needed to cover educational expenses for a student in a family making less than \$30,000. For families making between \$30,000 and \$48,000, 26 percent of income would be needed.

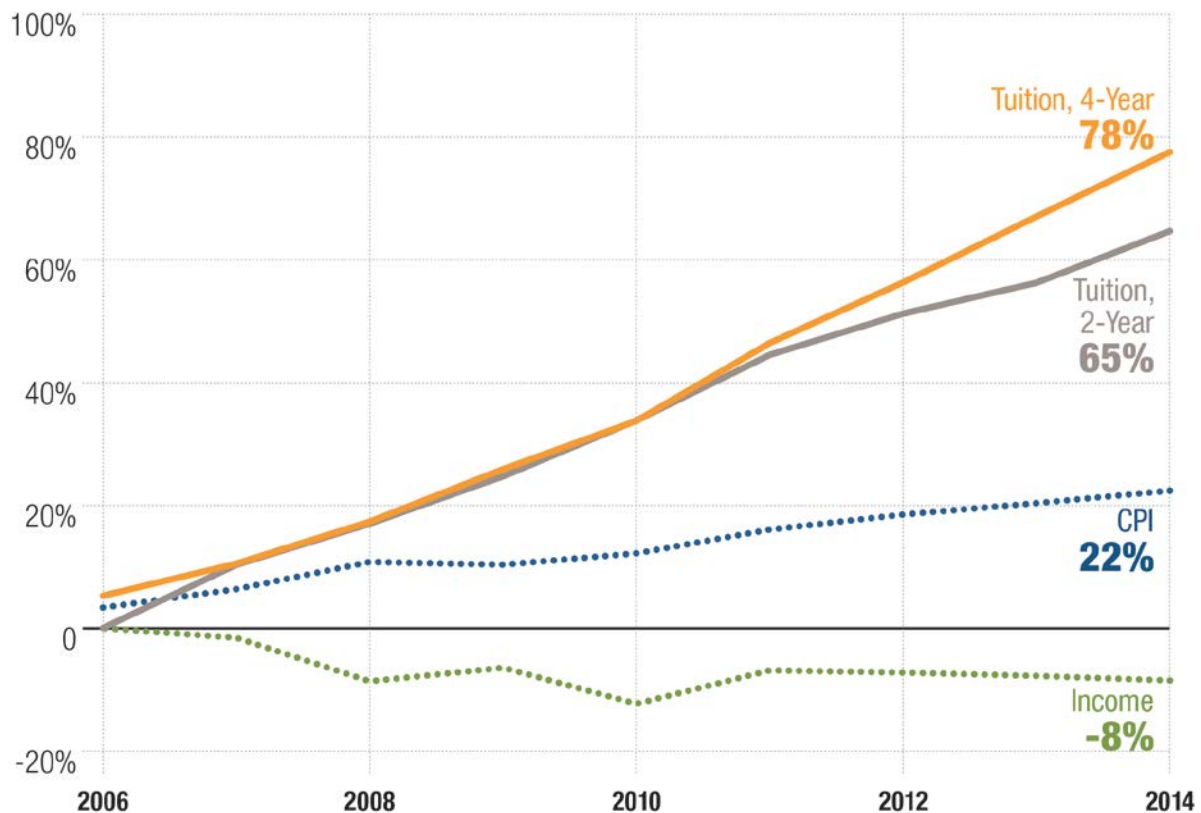
Net Price as a Percentage of Income, Public Two-Year institutions, 2013

Annual Income	Average in This Income Level	Percentage of Families in This Income Level	Net Price	Percentage Income Needed
\$0 - \$30,000	\$17,118	27	\$6,199	36
\$30,000 - \$48,000	\$39,056	18	\$6,772	17
\$48,000 - \$75,000	\$60,839	22	\$8,775	14
\$75,000 - \$110,000	\$90,603	16	\$10,314	11
\$110,000 and above	\$189,174	16	\$11,083	6

At public two-year institutions in Tennessee, 36 percent of income would be needed to cover educational expenses for a student in a family making less than \$30,000. For families making between \$30,000 and \$48,000, 17 percent of income would be needed.

Tennessee: Changes in Tuition and Family Income, 2005-2014

Since 2005, tuition at both public four-year and public two-year institutions in Tennessee has been growing much more rapidly than either inflation or family income



Notes and sources: Consumer Price Index: Bureau of Labor Statistics, South urban area. Tuition and fees: National Center for Education Statistics *Digest of Education Statistics*; Median family income: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements, South region, Table F-6.

Other Contextual Information

- By 2020, the Georgetown Center for the Workforce predicts that 58 percent of jobs in Tennessee will require a postsecondary education or above, below the average for the South (59 percent) and also below the U.S. average (65 percent).
- Sixteen percent of students in Tennessee are enrolled in public four-year Category 1 institutions, 38 percent are enrolled in Category 2 four-year institutions, 32 percent are enrolled in community colleges, and 14 percent are enrolled in technical colleges.
- In 2014, 26 percent of children in Tennessee were living in poverty. This is up from 2004 when 20 percent were living in poverty.

Tennessee Institutions by Type

Category 1 Public Four-Year Institutions

University of Memphis
University of Tennessee, Knoxville

Category 2 Public Four-Year Institutions

Austin Peay State University
East Tennessee State University
Middle Tennessee State University
Tennessee State University
Tennessee Technological University
University of Tennessee at Martin
University of Tennessee at Chattanooga

Community Colleges

Chattanooga State Technical Community College
Cleveland State Community College
Columbia State Community College
Dyersburg State Community College
Jackson State Community College
Motlow State Community College
Nashville State Technical Community College
Northeast State Technical Community College
Pellissippi State Technical Community College
Roane State Community College
Southwest Tennessee Community College
Volunteer State Community College
Walters State Community College

Technical Colleges

Technical Tennessee Technology Center at Athens
Tennessee Technology Center at Chattanooga
Tennessee Technology Center at Covington
Tennessee Technology Center at Crossville
Tennessee Technology Center at Crump
Tennessee Technology Center at Dickson
Tennessee Technology Center at Elizabethton
Tennessee Technology Center at Harriman
Tennessee Technology Center at Hartsville
Tennessee Technology Center at Hohenwald
Tennessee Technology Center at Jacksboro
Tennessee Technology Center at Jackson
Tennessee Technology Center at Knoxville
Tennessee Technology Center at Livingston
Tennessee Technology Center at McKenzie
Tennessee Technology Center at McMinnville
Tennessee Technology Center at Memphis
Tennessee Technology Center at Morristown
Tennessee Technology Center at Murfreesboro
Tennessee Technology Center at Nashville
Tennessee Technology Center at Newbern
Tennessee Technology Center at Oneida
Tennessee Technology Center at Paris
Tennessee Technology Center at Pulaski
Tennessee Technology Center at Ripley

Tennessee Technology Center at
Shelbyville

Tennessee Technology Center at Whiteville

*Category 1 four-year institutions award at least 30 doctoral degrees in five different areas.
Category 2 includes all other four-year institutions.*