Tennessee

College Affordability Profile

College affordability continues to be a concern for students and their families in Tennessee, particularly those in lower income groups. This, along with declining birth rates and other factors, makes maintaining enrollment challenging for postsecondary institutions. Decreasing or stagnant enrollment will, in turn, make reaching state education attainment goals and improving students’ employment outcomes more difficult. This 2019 college affordability profile provides updated data on how affordable different types of public institutions are for Tennessee families at various income levels.

Percentage of Average Family Income Required to Attend College Full Time

In 2016-17, the percentage of family income required to pay for college in Tennessee was lower than the SREB averages for each institutional type except four-year Type 1 institutions.

Families in Tennessee paid a higher percentage of their family income in 2016-17 for a full-time student to attend four-year and technical institutions than in 2011-12.

Families in Tennessee needed, on average, 33% of their income in 2016-17 to pay for educational expenses for a full-time student at four-year Type 1 institutions and 27% at four-year Type 2 institutions.

In 2016-17, Tennessee families needed to pay, on average, 16% and 18% of their income to cover educational expenses at two-year and technical institutions, respectively. Income needed decreased from 2011-12 to 2016-17 for two-year institutions.

SREB College Affordability Profiles detail data and trends specific to each SREB state to assist policymakers 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/AffordabilityProfiles.
Percentage of Income Required for Tuition at Lowest-Priced Colleges for Families Making Less Than $30,000

The percentage of income required for tuition and fees at the lowest-priced public institutions increased from 2011-12 to 2016-17 for Tennessee families making less than $30,000.

For families making less than $30,000, the cost of tuition and fees at the lowest-priced public institutions averaged 22% of income in 2016-17, compared to 18% in 2011-12.

The percentage of income for Tennessee families making less than $30,000 was higher than the SREB and national averages in 2011-12 and 2016-17.


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.

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 2011 needed 54% of their income to pay for educational expenses. In 2016 it was 66%.

Families making over $110,000 only needed 9% of their income in 2011 and 11% in 2016 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 2011 needed 41% of their income to pay for educational expenses. In 2016 it was 54%.

Families making over $110,000 only needed 7% of their income in 2011 and 9% of their income in 2016 to cover expenses at these institutions.
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 2011 to 2016.

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 2011 needed 39% of their income to pay for educational expenses. In 2016 it was 33%.

Families making over $110,000 only needed 6% of their income in 2011 and 5% in 2016 to cover expenses at 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 2011 needed 38% of their income to pay for educational expenses. In 2016 it was 43%.

Families making over $110,000 only needed 5% of their income in 2011 and 3% in 2016 to cover expenses at these institutions.
State Financial Aid Per Student

Tennessee awarded more merit-based aid in 2016-17 per full-time-equivalent (FTE) student than the SREB and national averages. Merit-based aid also increased from 2011-12 to 2016-17.

<table>
<thead>
<tr>
<th></th>
<th>Need Only</th>
<th>Need and Merit</th>
<th>Merit Only</th>
<th>Special Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tennessee (2011-12)</td>
<td>$169</td>
<td>$126</td>
<td>$1,144</td>
<td>$46</td>
</tr>
<tr>
<td>Tennessee (2016-17)</td>
<td>$347</td>
<td>$122</td>
<td>$1,220</td>
<td>$208</td>
</tr>
<tr>
<td>SREB Average (2016-17)</td>
<td>$351</td>
<td>$137</td>
<td>$397</td>
<td>$69</td>
</tr>
<tr>
<td>U.S. Average (2016-17)</td>
<td>$382</td>
<td>$225</td>
<td>$163</td>
<td>$44</td>
</tr>
</tbody>
</table>

The state spent $1,144, on average, per undergraduate FTE student on merit-based aid in 2011-12 compared to $1,220 in 2016-17. The SREB average in 2016-17 was $397 and the national average was $163.

Tennessee spent $347, on average, per FTE for need-based financial aid in 2016-17, slightly less than the SREB average of $351 and the national average of $382.

Student Borrowing at Public Institutions

In 2016-17, Tennessee graduates borrowed more than the SREB and national averages to earn degrees at public four-year Type 1 institutions.

<table>
<thead>
<tr>
<th></th>
<th>Tennessee 2011-12</th>
<th>Tennessee 2016-17</th>
<th>SREB Average 2016-17</th>
<th>US Average 2016-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Four-Year Type 1</td>
<td>$18,313</td>
<td>$22,673</td>
<td>$21,546</td>
<td>$21,139</td>
</tr>
<tr>
<td>Four-Year Type 2</td>
<td>$17,606</td>
<td>$20,862</td>
<td>$22,198</td>
<td>$19,115</td>
</tr>
<tr>
<td>Two-Year</td>
<td>$7,628</td>
<td>$7,534</td>
<td>$9,693</td>
<td>$9,356</td>
</tr>
</tbody>
</table>


Graduates who sought a degree or certificate from four-year Type 1 universities in Tennessee in 2016-17 borrowed, on average, $22,673 and graduates of four-year Type 2 institutions borrowed $20,862. These amounts were noticeably higher than average amounts borrowed in 2011-12.

Students at public two-year colleges borrowed, on average, $7,534 in 2016-17, which was less than the average amount in 2011-12 and the SREB and national averages in 2016-17.
Changes in Tuition and Fees, CPI, and Household Income

Compared to the Consumer Price Index and household income, tuition and fees at Tennessee public colleges and universities increased substantially between 2006-07 and 2016-17.

Over that decade, the CPI increased by 19% and median household income in Tennessee increased by 34%, while tuition and fees increased by 85% at four-year institutions and 78% at two-year institutions.

State Appropriations vs. Tuition and Fees: Share of Funding

Operational funds consisted mostly of tuition and fees for Tennessee’s public four-year institutions in 2016-17.

In 2016-17, net tuition and fees at Tennessee's four-year institutions made up 61% of total funds available for operations of the state's public institutions, while state appropriations supplied the remaining 39%. In comparison, state appropriations provided 54% in 2006-07. The shift in who pays for the majority of operating expenses at public four-year institutions occurred 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 2016-17.

In 2016-17, net tuition and fees at Tennessee's two-year institutions made up 54% of total funds available for operations of the state's public institutions, while state appropriations supplied the remaining 46%. In comparison, state appropriations provided 58% in 2006-07. The shift in who pays for the majority of operating expenses at public four-year institutions occurred after 2008-09.

Source: SREB-State Data Exchange
Additional State Context

**Postsecondary Enrollment.** In 2016-17, 31% of students in Tennessee were enrolled in public four-year Type 1 institutions, 29% 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 2016 cohort, 83% of students attending public four-year Type 1 institutions in Tennessee were still enrolled one year later, 81% were retained after the first year in public four-year Type 2 institutions, and 58% were retained at public two-year colleges.*

**Pell Grants.** In 2016-17, 17% 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 19% of costs in public four-year Type 2 institutions and 28% of costs in public two-year colleges.

**Education Attainment.** In 2017, nearly 43% 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, 55% of the class of 2018 graduated with debt, owing an average of $26,838.


*The Tennessee Higher Education Commission does not report retention data for technical colleges to the SREB-State Data Exchange.

Tennessee Institutions by Type

**Public Four-Year Type**
- East Tennessee State University
- University of Memphis
- The University of Tennessee-Knoxville
- Tennessee State University

**Public Four-Year Type 2**
- Austin Peay State University
- Middle Tennessee 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
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 2016-17 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 2016-17 academic year. Some IPEDS surveys collect data for the prior academic year; for instance, the 2016-17 Student Financial Aid survey collected data for 2015-16.

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 for detailed sources and explanatory notes.