

Tennessee

College Affordability Profile

The Southern Regional Education Board convened a Commission on College Affordability in the South and published a report in 2016 emphasizing that affordability is a critical factor in both access to and completion of postsecondary education. In this year's SREB College Affordability Profiles, SREB examined data for the 2021-22 academic year, the most recent year that student financial aid and net price data are available. Tennessee demonstrates a relatively balanced approach to college affordability, with stronger state support than many SREB peers but persistent challenges for lower-income students. The state's emphasis on merit aid and growing state appropriations suggests commitment to affordability, though gaps remain in support or the lowest income families.

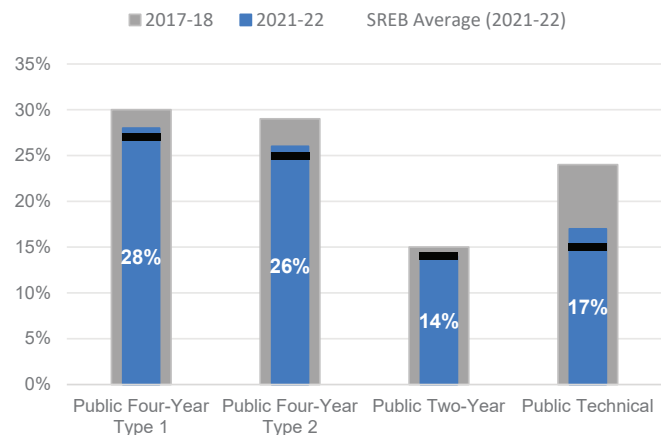
Family Income Needed for Net Price at Public Institutions

In 2021-22, the percentage of family income required to pay for college in Tennessee was lower than 2017-18 for all institutional types.

Tennessee shows improvements across all institution types from 2017-18 to 2021-22, with technical institutions showing the most significant improvement.

The 14-percentage point gap between public four-year Type 1 and two-year institutions indicates moderate variation in affordability across institution types.

While all institution types show improvement, they remain slightly above SREB averages except for two-year institutions which align with SREB averages.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2018 and 2022, 12-Month Enrollment Instructional Activity Files 2018 and 2022. American Community Survey Public Use Microdata Samples 2018 and 2022. Institutional sectors based on SREB-State Data Exchange categories.

Key terms:

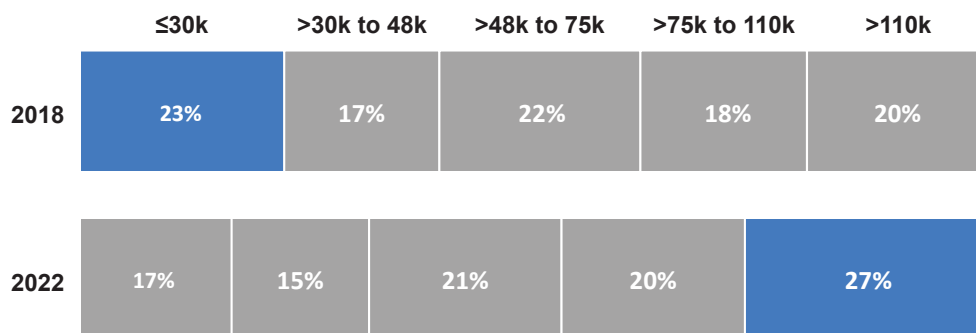
Four-Year Institution Type 1: Four-year institutions that awarded at least 30 doctoral degrees in five different areas.

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

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

Distribution of Average Family Income

In Tennessee, students from families that made \$110,000 or more saw the most substantial increase from 2018 to 2022. The 10-percentage point gap between the highest and lowest income groups in 2022 indicates growing economic disparities among postsecondary students.



Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2018 and 2022.

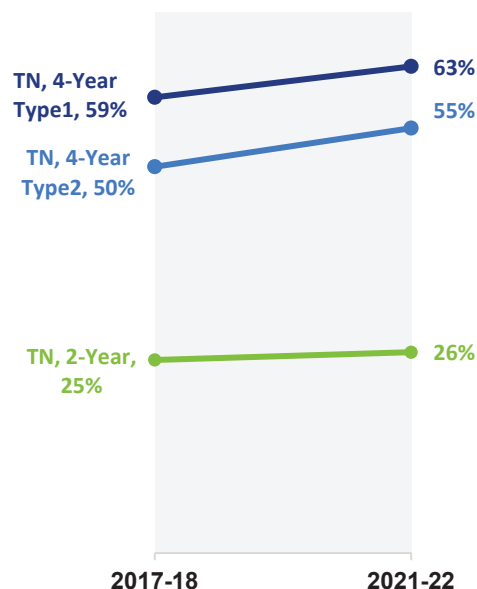
Income Required for Median Tuition and Fees at Public Colleges for Families Making Less Than \$30,000

The percentage of income required for median tuition and fees increased across all institution types for Tennessee families making less than \$30,000.

In 2021-22, families earning less than \$30,000 needed 63% of their income to cover median tuition and fees at four-year Type 1 institutions and 55% at Type 2 institutions. For two-year institutions, the required percentage was 26%.

The 37-percentage point gap between four-year Type 1 and two-year institutions indicates significant disparities in accessibility.

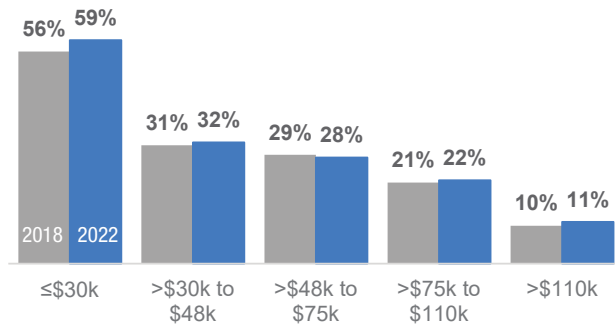
While two-year institutions remain relatively affordable, the universal increase in required income percentages suggests growing affordability challenges for families making less than \$30,000.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Charges Data Files and Directory Files 2018 and 2022, 12-Month Enrollment Instructional Activity Data Files 2018 and 2022. American Community Survey Public Use Micro Sample Files 2018 and 2022.

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

The percentage of income that Tennessee families needed to pay for educational expenses at four-year Type 1 institutions increased for most income categories from 2018 to 2022.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2018 and 2022, 12-Month Enrollment Instructional Activity Files 2018 and 2022. American Community Survey Public Use Microdata Samples, 2018 and 2022. 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 larger for families making less than \$30,000 than for any other income category.

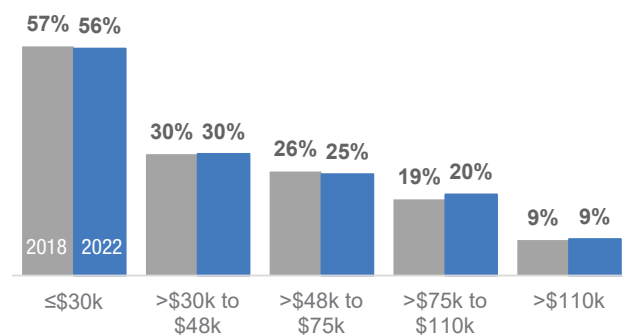
The 48-percentage point gap between highest and lowest income groups in 2022 indicates inequity in affordability. The pattern shows worsening conditions across most income levels, with the lowest-income families facing the most severe burden.

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

The percentage of income that Tennessee families needed to pay for educational expenses at four-year Type 2 institutions changed slightly or remained stable from 2018 to 2022.

In 2022, families earning less than \$30,000 needed 56% of their income to cover educational expenses, while families earning over \$110,000 required 9% of their income in 2022 to pay for these institutions.

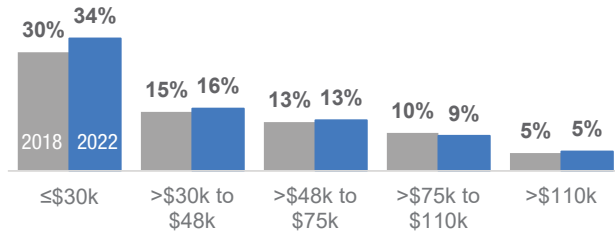
The 47-percentage point gap between highest and lowest income groups in 2022 indicates significant inequity in affordability. The overall pattern shows persistent inequities in the percentage of income required across income brackets.



U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2018 and 2022, 12-Month Enrollment Instructional Activity Files 2018 and 2022. American Community Survey Public Use Microdata Samples, 2018 and 2022. Institutional types based on SREB-State Data Exchange categories.

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

The percentage of income that Tennessee families needed to pay for educational expenses at two-year institutions increased the most for the lowest income category.



The 29-percentage point gap between highest and lowest income groups indicates significant inequity in affordability, though less severe than at four-year institutions.

Two-year institutions maintain relatively stable costs across the period, with the lowest income families still facing the highest proportional burden.

U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2018 and 2022, 12-Month Enrollment Instructional Activity Files 2018 and 2022. American Community Survey Public Use Microdata Samples, 2018 and 2022. Institutional types based on SREB-State Data Exchange categories.

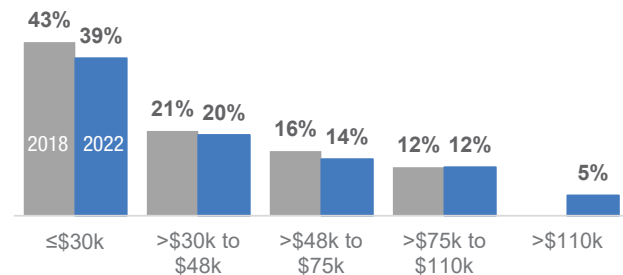
Net Price as a Percentage of Income for Public Technical Institutions

The percentage of income that Tennessee families needed to pay for educational expenses at two-year institutions increased the most for the lowest income category.

Tennessee families making less than \$30,000 needed 39% of their income to pay educational expenses, while families making over \$110,000 needed 5% of their income in 2022 to pay for technical institutions.

The 34-percentage point gap between highest and lowest income groups in 2022 indicates inequity in affordability, though less severe than at four-year institutions.

Technical institutions demonstrate positive trends in affordability, particularly for lower-income families.

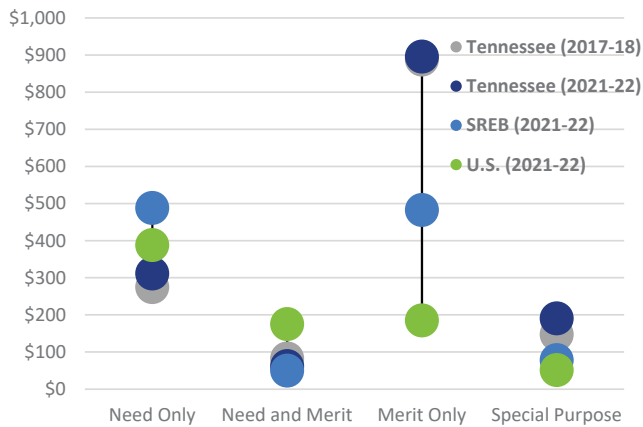


U.S. Department of Education, Integrated Postsecondary Education Data System, Student Financial Aid Files and Directory Files 2018 and 2022, 12-Month Enrollment Instructional Activity Files 2018 and 2022. American Community Survey Public Use Microdata Samples, 2018 and 2022. Institutional types based on SREB-State Data Exchange categories.

State Financial Aid Per Student

Tennessee awarded more merit-based aid and special purpose aid in 2021-22 per full-time-equivalent student than the SREB and national averages. Merit-based aid and special purpose aid also increased from 2017-18 to 2021-22.

	Need Only	Need and Merit	Merit Only	Special Purpose
Tennessee (2017-18)	\$275	\$83	\$888	\$147
Tennessee (2021-22)	\$311	\$62	\$896	\$191
SREB (2021-22)	\$488	\$50	\$483	\$78
U.S. (2021-22)	\$388	\$175	\$185	\$51



Tennessee shows a strong emphasis on merit-only aid, with amounts nearly double the SREB average and almost five times the national average.

While need-based aid increased slightly, it remains below SREB and national averages.

The state maintains higher special purpose aid than both SREB and national averages, suggesting a different approach to student support with particular emphasis on academic achievement.

National Association of State Student Grant & Aid Programs 2018 and 2022 annual survey (results for public institutions only). U.S. Department of Education, Integrated Postsecondary Education Data System Instructional Activity File, 2018 and 2022, and Directory File, 2018 and 2022.

Student Borrowing at Public Institutions

In 2020-21, Tennessee graduates borrowed less than the SREB and national averages to earn degrees at four-year Type 2 and two-year institutions.

	Tennessee 2015-16	Tennessee 2020-21	SREB Average 2020-21	U.S. Average 2020-21
Four-Year Type 1	\$22,730	\$22,048	\$20,710	\$20,550
Four-Year Type 2	\$20,467	\$19,180	\$21,912	\$20,758
Two-Year	\$7,553	\$8,325	\$10,088	\$10,653

U.S. Department of Education, College Scorecard, 2016-17 and 2021-22. U.S. Department of Education, Integrated Postsecondary Education Data System, 12-Month Enrollment Instructional Activity Data Files 2018 and 2022 and Directory Files 2018 and 2022.

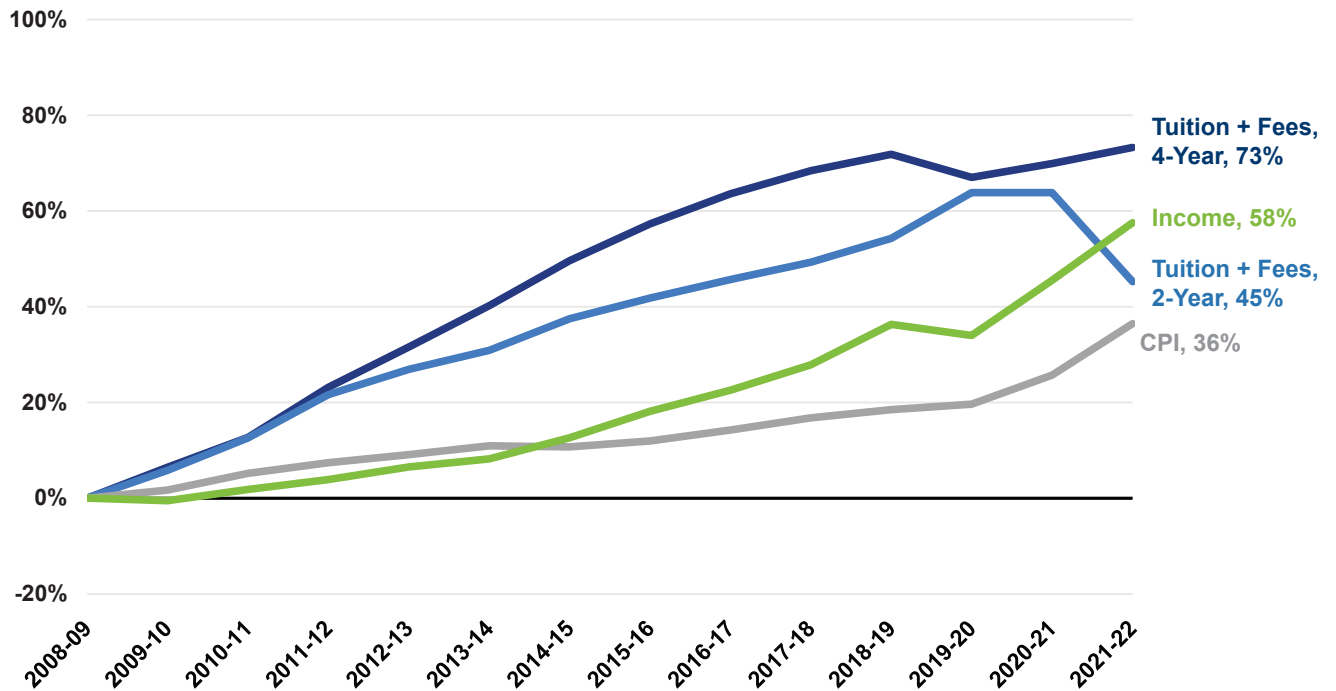
Graduates who sought a degree or certificate from four-year Type 1 universities in Tennessee in 2020-21 borrowed, on average, \$22,048 and graduates of four-year Type 2 institutions borrowed \$19,180. These amounts were less than the average amounts borrowed in 2015-16.

Students at public two-year colleges borrowed, on average, \$8,325 in 2020-21, which was more than the average amount in 2015-16 but less than the SREB and national averages in 2020-21.

Changes in Tuition and Fees, CPI and Family Income

Tennessee's college affordability shows mixed trends, with rising costs at four-year institutions posing concerns, while two-year institutions have maintained better affordability relative to income growth.

Tuition and fee growth at four-year institutions exceeded that of two-year institutions, with sharp increases observed during the early 2010s. While income growth kept pace with tuition and fees at two-year institutions, it lagged the growth at four-year institutions, widening the gap in college affordability between the two.

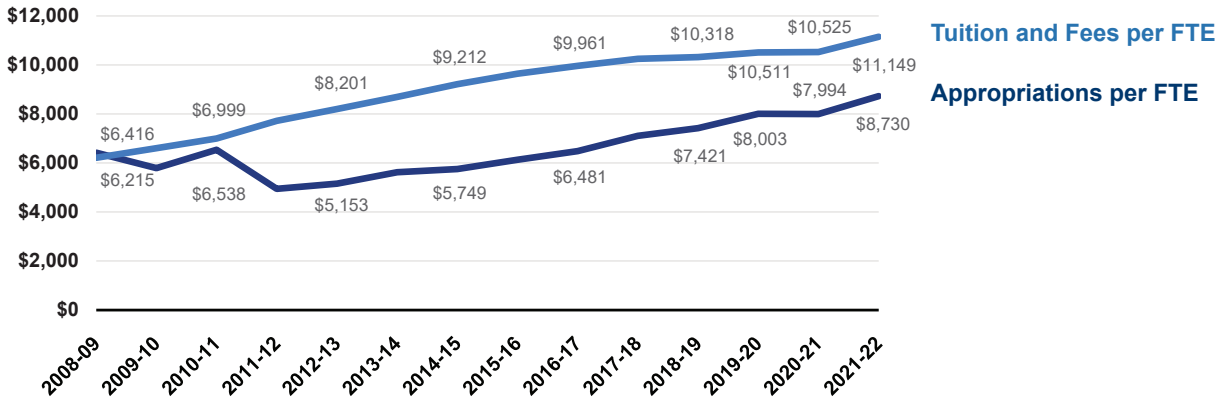


Consumer Price Index retrieved from FRED, Federal Reserve Bank of St. Louis: Bureau of Labor Statistics, South urban area, 2021. Tuition and fees retrieved from the U.S. Department of Education, Integrated Postsecondary Education Data System, Institutional Characteristics Files, 2008 to 2021. Median family income retrieved from the U.S. Census Bureau, U.S. Department of Commerce, American Community Survey, ACS 1-Year Estimates Detailed Tables, Table B19113, 2023.

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 2021-22.

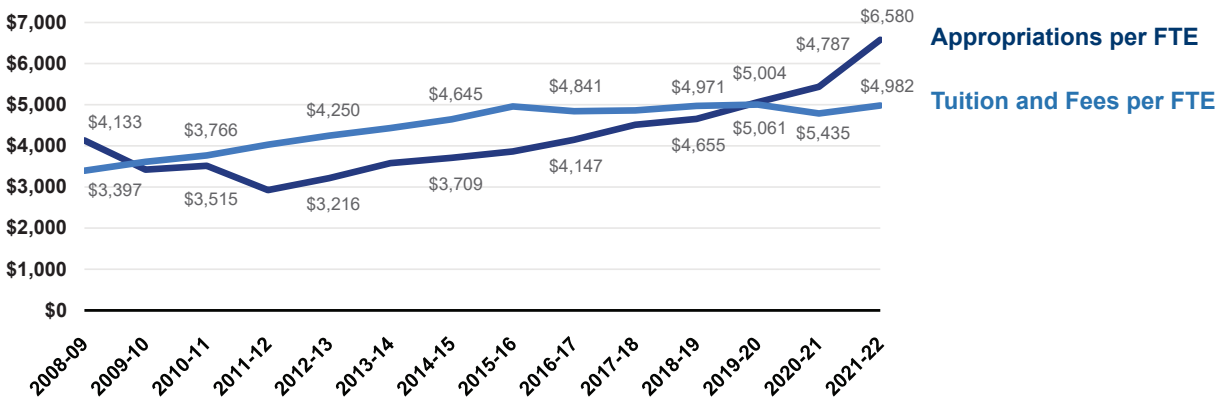
The data shows parallel growth in both funding sources, though tuition and fees grew more rapidly. While both sources show overall increases since 2008-09, the gap between tuition and fees, and appropriations has widened to about \$2,400 by 2021-22.



Source: SREB-State Data Exchange

Most of the operating expenses at Tennessee's public two-year institutions were provided by state and local appropriations in 2021-22.

Tennessee maintains higher state support than tuition revenue, with appropriations exceeding tuition by about \$1,600 in 2021-22. This funding pattern suggests strong state commitment to two-year institution affordability, with state support growing more rapidly than tuition increases.



Source: SREB-State Data Exchange

Tennessee Fast Facts

Postsecondary Enrollment: According to 2021 fall enrollment, 39% of students in Tennessee were enrolled in public four-year Type 1 institutions, 17% were enrolled at public four-year Type 2 institutions, 35% were enrolled in public two-year colleges and 9% were enrolled at technical institutions.

FAFSA: As of July 5, 2024, Tennessee’s high school class of 2024 had a FAFSA completion rate of 64%, an 11% decrease from the rate on the same date in 2023.

Federal Student Aid: In 2021-22, 33% of students receiving any form of federal student aid were awarded Pell Grants, while 36% received federal student loans.

Education Attainment: In 2022, 47.9% of Tennessee’s working adult population (ages 25 to 64) held a postsecondary credential, placing the state 6.4 percentage points below the national average of 54.3%. This figure includes short-term credentials, which account for 6.7% of Tennessee’s credential attainment rate, including certificates and industry-recognized certifications.

Workforce Needs: By 2031, 63% of jobs in Tennessee will require a postsecondary credential. Tennessee ranks 44th among states in the percentage of jobs projected to require such credentials.

Sources: Postsecondary Enrollment: U.S. Department of Education, Integrated Postsecondary Education Data Systems, 2022.

FAFSA: FAFSA Tracker – National, Retrieved November 2024. <https://national.fafsatracker.com/schoolView/42>.

Federal Student Aid: SREB analysis of National Center for Education Statistics student financial aid database, 2021-22.

Educational attainment: Lumina Foundation, A Stronger Nation, Retrieved November 2024.

<https://www.luminafoundation.org/stronger-nation/report/#/progress/state/TN>.

Workforce Needs: Georgetown University, After Everything: Projections of Jobs, Education, and Training Requirements through 2031, Retrieved November 2024. <https://cew.georgetown.edu/cew-reports/projections2031/>.

Tennessee Institutions by Type

Public Four-Year Type 1

East Tennessee State University
Middle Tennessee State University
Tennessee State University

The University of Tennessee-Knoxville
University of Memphis

Public Four-Year Type 2

Austin Peay State University
Tennessee Technological University

The University of Tennessee-Chattanooga
The University of Tennessee-Martin

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

Northeast State Community College
Pellissippi State Community College
Roane State Community College
Southwest Tennessee Community College
Volunteer State Community College
Walters State Community College

Tennessee Institutions by Type

Public Two-Year (continued)

Tennessee College of Applied Technology-Athens
Tennessee College of Applied Technology-Covington
Tennessee College of Applied Technology-Crossville
Tennessee College of Applied Technology-Crump
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-Henry/Carroll
Tennessee College of Applied Technology-Hohenwald
Tennessee College of Applied Technology-Jacksboro
Tennessee College of Applied Technology-Jackson
Tennessee College of Applied Technology-Knoxville
Tennessee College of Applied Technology-Livingston
Tennessee College of Applied Technology-McKenzie
Tennessee College of Applied Technology-McMinnville

Tennessee College of Applied Technology-Memphis
Tennessee College of Applied Technology-Morristown
Tennessee College of Applied Technology-Murfreesboro
Tennessee College of Applied Technology-Northwest
Tennessee College of Applied Technology-Oneida/Huntsville
Tennessee College of Applied Technology-Pulaski
Tennessee College of Applied Technology-Ripley
Tennessee College of Applied Technology-Shelbyville
Tennessee College of Applied Technology-Whiteville

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 2021-22 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 2021-22 academic year. Some IPEDS surveys collect data for the prior academic year; for instance, the 2022-23 Student Financial Aid survey collected data for the 2021-22 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 <https://www.sreb.org/state-affordability-profiles> 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 [SREB.org/Affordability](https://www.sreb.org/Affordability).