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Tennessee Promise Evaluation

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Introduction

In 2014, the General Assembly adopted legislation creating the Tennessee Promise Scholarship Act of 2014, giving recent high school graduates an opportunity to earn an associate degree or technical diploma free of tuition and mandatory fees. The primary eligibility requirement is residency in Tennessee; this differs from other scholarships which may include financial need and/or academic merit criteria. To date, five cohorts of students (starting with the high school graduating class of 2015) have enrolled in a postsecondary institution using the Promise scholarship. Community-based mentor organizations pair each Promise applicant with a paid or volunteer mentor who is to assist students in the college application and financial aid process. Under program requirements, Promise students must begin an eligible degree program the fall semester immediately following high school graduation and maintain continuous full time enrollment. Students may receive the scholarship for up to five semesters or eight trimesters, or until they earn a diploma or associate degree, whichever occurs first.

Public Chapter 900 (2014) requires the Comptroller's Office of Research and Education Accountability (OREA) to review, study, and determine the effectiveness of the program.[1] This report includes an analysis of the first cohort of Promise students, and a partial analysis of cohorts two and three.

Promise students must enroll in a certificate, diploma, or associate degree program.

Diploma or certificate: A credential, other than a degree, that indicates satisfactory completion of training in a program of study. *Diplomas* are offered at Tennessee Colleges of Applied Technology (TCATs). *Certificates* are offered at TCATs, community colleges, and some private institutions.

Students may earn a *certificate* while pursuing a *diploma* or *associate degree*. Once a Promise student earns a diploma or associate degree, they are no longer eligible to participate in the program.

Associate degree: A two-year degree that typically requires successful completion of 60 credit hours, including general education and concentrated courses. Associate degrees are offered at community colleges and some public four-year universities and private institutions.

The Drive to 55

Tennessee Promise is part of the larger statewide Drive to 55 initiative, which aims to equip 55 percent of Tennesseans with a postsecondary credential by 2025. The initiative was introduced in 2013 by then-Governor Bill Haslam as a "strategic initiative to have the best trained workforce in America."

The Drive to 55 is a statewide effort to equip **55 percent of Tennesseans with a postsecondary credential by 2025** to keep up with workforce demands.

"In the year 2025, 55 percent of Tennesseans will need a certificate or degree beyond high school to get a job. Today, only 32 percent of Tennesseans qualify."

-Governor Bill Haslam
2014 State of the State Address

The Drive to 55 includes a suite of programs and initiatives focused on workforce readiness. Key areas of attention are college readiness, access, and completion; helping adults who have earned college credit complete a credential, and connecting education to workforce demands.

In 2014, Governor Haslam proposed the Tennessee Promise scholarship as part of the Drive to 55 initiative. During his State of the State address, the governor noted that 55 percent of the state's population would need a postsecondary diploma or degree in 2025 to get a job. At that time, 32 percent of Tennessee adults had earned a credential past a high school diploma.

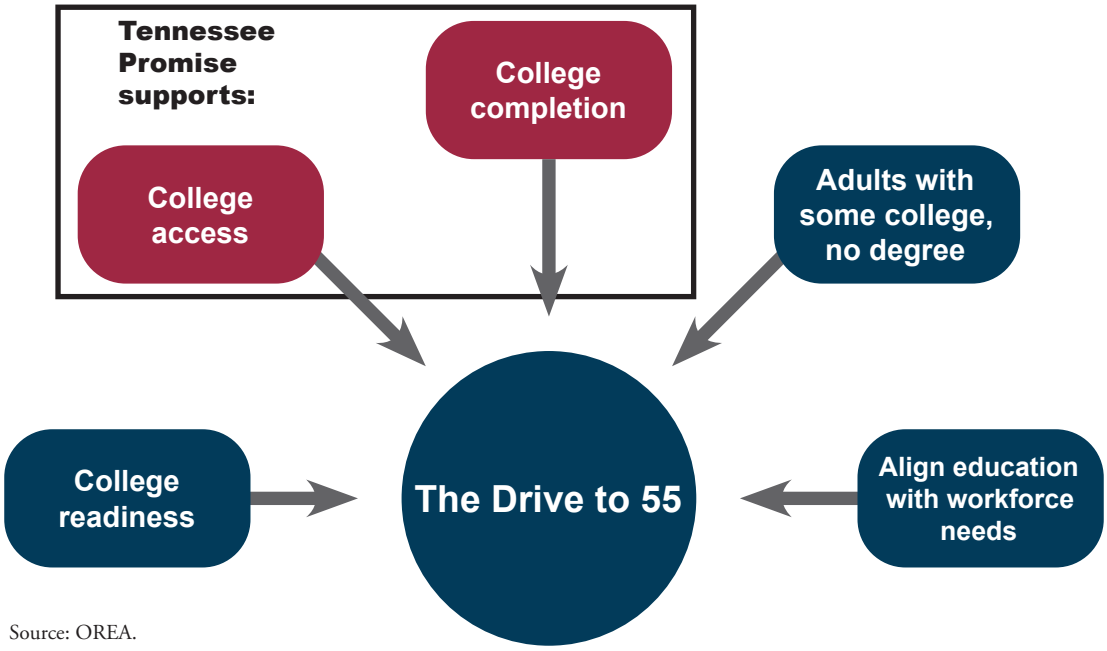
> This isn't just about higher education – it's about better jobs for more Tennesseans. It's about building a stronger economy. We don't have a choice if we want to be the number one state in the Southeast for high quality jobs.

[1] As per PC900 (2014), OREA is directed to study the Tennessee Promise Scholarship in the third year of the program and every four years thereafter.

Tennessee Promise: Access and completion

As set forth in the enacting clause of Public Chapter 900 (2014), Tennessee Promise was established as part of the Drive to 55, which aims to increase the number of Tennesseans with a postsecondary credential. Tennessee Promise supports two of the Drive to 55's five focus areas, college access and completion, specifically for recent high school graduates.

Exhibit i: Tennessee Promise supports college access and completion within the Drive to 55



Source: OREA.

Promise and college access

Tennessee Promise includes several components to increase college access among recent high school graduates. Tennessee Promise aims to simplify college access by removing the biggest barrier to higher education: cost. The scholarship covers tuition and mandatory fees for on-campus courses[2] at eligible institutions regardless of students' academic merit or financial need. The simple state residency requirement allows almost all high school seniors to apply for the Tennessee Promise. Other scholarships that are not universally awarded (such as need- or merit-based scholarships) draw from a smaller applicant pool.

> Tennessee Promise supports **college access**.
>
> The primary eligibility requirement is residency in Tennessee.
>
> All Promise applicants are paired with a **mentor** who can help guide them through the college application and financial aid process.

Additionally, all Promise applicants are paired with a mentor whose purpose is to assist students with the college application and financial aid process during their senior year of high school and the summer between graduation and enrollment in college. Some applicants, especially first-generation college students, may find college application and enrollment procedures difficult to navigate. Through mentors and other components, Promise is designed to provide wraparound support services to students as they transition from high school to college.

Promise and college completion

To increase college completion, Tennessee Promise is structured to encourage timely completion of a postsecondary credential. Promise students are required to enroll in an eligible institution the fall semester immediately following high school graduation and remain enrolled full time. This is meant to help students maintain momentum and keep them on track to earn a credential before the scholarship expires at the end of five semesters or eight trimesters. These requirements differ from

> Promise students must begin college the fall semester immediately following high school graduation and maintain full time continuous enrollment, which helps preserve a student's momentum and keep them on track to earn a credential before the scholarship expires after five semesters or eight trimesters.

[2] The Promise scholarship does not cover the full cost of fees charged for online courses. For certain online courses, such fees are considered mandatory for enrollment. See Section 1 for more details.

other public scholarships offered in Tennessee that give recipients a grace period before enrolling in college or allow part time enrollment. (See Exhibit 1.18 on pages 28-29 for a comparison of Tennessee Promise to other public scholarships.)

Measuring the success of Tennessee Promise

This report focuses on measuring the success of Tennessee Promise's two objectives, college access and completion, through an evaluation of its processes and outcomes. Within those two objectives, there are measurable benchmarks.

OREA measured access by college-going rates (i.e., the number of high school graduates who enroll in college following graduation divided by the total number of high school graduates in a given year) and completion by credit hour accumulation, year-to-year retention, and degree attainment. OREA also analyzed performance on these measures by student subgroup. Students from certain racial, gender, geographic, and socioeconomic subgroups have historically been less likely to enroll, persist, and earn a postsecondary credential, so the degree to which access and completion rates could increase for these subgroups is considerable.

In addition to measuring college access and completion, this report evaluates the processes students must follow to become and remain Promise students. There are steps within the Promise application process where programmatic success can be measured; for example, application and Free Application for Federal Student Aid (FAFSA) filing rates, mandatory meeting attendance, community service completion, and postsecondary enrollment. Once enrolled in higher education, there are additional requirements students must meet to maintain Promise eligibility, such as completing community service hours each semester and maintaining full time continuous enrollment. Available data has been analyzed to measure success and identify the program requirements most often missed by Promise applicants.

> **To reach state goals, Tennessee will not only have to maintain current rates of attainment but also significantly increase the number of people who enroll in programs and earn all types of credentials beyond high school.**
>
> -Lumina Foundation,
> 2019 Stronger Nation Report

A 2019 report from the Lumina Foundation, a private foundation with the goal to increase the number of Americans with high-quality postsecondary credentials, said that Tennessee must maintain current rates of attainment and significantly increase the number of people who enroll in programs and earn all types of credentials beyond high school to meet its goal of equipping 55 percent of adults with a postsecondary credential by 2025.

Report roadmap

This report is separated into five sections. The first explains in detail how Tennessee Promise works, beginning with the program's eligibility and application requirements, terminating events, and exceptions to the rules. Section 1 also details how the program functions as a last-dollar scholarship and provides information about the program's funding source, the Tennessee Promise Endowment Fund.

The remaining sections follow Promise student cohorts through the process, from their senior year of high school when students apply for Promise and complete various requirements, to enrollment in higher education, persistence once enrolled, and attainment of a postsecondary credential.

The chart, below, outlines the report sections. This diagram will be included at the beginning of each section to indicate which cohorts are included and where they are in the process.

Section 1		Section 2	Section 3	Section 4	Section 5
How Tennessee Promise works		Complete application requirements	Enroll in higher education	Complete first year	Complete 5 semesters
	Cohort 1	Fall 2014-Summer 2015	Fall 2015	Spring 2016	Fall 2017*
	Cohort 2	Fall 2015-Summer 2016	Fall 2016	Spring 2017	Fall 2018*
	Cohort 3	Fall 2016-Summer 2017	Fall 2017	Spring 2018	Fall 2019*
Included in this evaluation			Not included in this evaluation		

Note: *TCAT students can remain Promise-eligible for eight trimesters, instead of five semesters as at community colleges and four-year universities. For students who started in the fall, their eighth trimester would be in the spring of their third year.

Data and methodology

During the research phase of this report, completion data was available only for the first cohort of Promise students (high school graduating class of 2015) while application and enrollment data was available for the first three cohorts. Persistence data was available for cohorts 1 and 2. Exhibit ii, above, outlines which cohort(s) are analyzed in each section.

Each section of the report uses a slightly different methodology which will be outlined within the section.

Quantitative data was obtained from the Tennessee Higher Education Commission (THEC), Tennessee Department of Education (TDOE), and the American Community Survey. THEC provided data on all first-time, full time freshmen so that Promise students' performance could be compared to a like group of students. TDOE provided data on all public high school seniors so that Promise applicants and students who did not apply to Promise could be compared. OREA also analyzed data from TDOE's 2017-18 State Report Card to determine general demographic trends among public school students in Tennessee. Census data from the American Community Survey was analyzed to calculate educational attainment rates by subgroups within Tennessee.

To evaluate process steps within Tennessee Promise, OREA conducted surveys and interviews with various stakeholders. At least one official from each of Tennessee's 13 community colleges was interviewed by OREA in 2018. In total, 47 community college administrators representing various departments (e.g., admissions, financial aid, student affairs, etc.) participated in interviews with OREA. In 2019, OREA invited administrators from all 13 community colleges to participate in an online survey. In total, 23 community college administrators responded to OREA's 2019 survey. At least one administrator from each of Tennessee's 13 community colleges participated in the survey. In most cases, multiple administrators from the same community college (i.e., administrators representing different departments) filled out the survey. OREA reviewed interview comments and survey responses to identify common themes.

OREA interviewed a total of six administrators from three TCATs in 2018. Subsequently, administrators from all 27 TCATs were invited to participate in an online survey in 2018. In total, 52 TCAT administrators representing various departments (e.g., financial aid, student services, business office, etc.) responded to OREA's 2018 survey. At least one administrator from each of Tennessee's 27 TCATs participated in the survey. In some cases, multiple administrators from the same TCAT (i.e., administrators representing different departments) filled out the survey. OREA reviewed interview comments and survey responses to identify common themes. All three mentor organizations (tnAchieves, Ayers Foundation, and REDI) participated in a phone interview in 2018.[3] OREA interviewed individuals at THEC, the Tennessee Board of Regents, Advise TN, and TDOE throughout the course of the research.

[3] As of July 2019, REDI is no longer an approved Tennessee Promise mentoring organization.

Section 1: How Tennessee Promise works

Section 1		Section 2	Section 3	Section 4	Section 5
How Tennessee Promise works		Complete application requirements	Enroll in higher education	Complete first year	Complete 5 semesters
	Cohort 1	Fall 2014-Summer 2015	Fall 2015	Spring 2016	Fall 2017*
	Cohort 2	Fall 2015-Summer 2016	Fall 2016	Spring 2017	Fall 2018*
	Cohort 3	Fall 2016-Summer 2017	Fall 2017	Spring 2018	Fall 2019*
		Included in this evaluation	Not included in this evaluation		

Note: *TCAT students can remain Promise-eligible for eight trimesters, instead of five semesters as at community colleges and four-year universities. For students who started in the fall, their eighth trimester would be in the spring of their third year.

The Tennessee Promise scholarship provides a last-dollar scholarship to recent Tennessee high school graduates who enroll in an eligible degree program the fall semester immediately following high school graduation. Promise students may remain in the program until they earn an associate degree or diploma, or until five semesters or eight trimesters have passed, whichever occurs first. The scholarships are funded by the Tennessee Promise Endowment, created in 2014.

This section of the report explains the eligibility, application, and maintenance requirements for the Tennessee Promise scholarship, as well as terminating events and exceptions to the requirements.

Key points

- The primary eligibility criterion for Tennessee Promise is legal residency in Tennessee. Almost all Tennessee high school seniors are eligible to apply. This differs from other scholarships that may also require applicants to meet academic merit or financial need criteria. The Tennessee Promise scholarship is a last-dollar scholarship, meaning it is applied to a student's tuition and mandatory fees after other sources of gift aid. It is possible to be a Tennessee Promise student and receive no funds from the scholarship if tuition and mandatory fees are covered by other gift aid. Other sources of gift aid that are applied before the Promise scholarship include the federal Pell Grant and any scholarships derived from the Tennessee Education Lottery Scholarship (TELS) or the Tennessee Student Assistance Award (TSAA).
- Tennessee Promise covers about 80 percent of students' costs to attend a community college in Tennessee, based on tuition, fees, books, and supplies. Specifically, the Tennessee Promise scholarship covers tuition and mandatory fees for on-campus courses, which cost about $4,200 a year at a community college. Tennessee Promise does not cover books, supplies, or non-mandatory fees, which cost an average of $1,150 per year. Depending on their financial aid award, some students (e.g., full Pell Grant recipients,[4] or students who receive scholarships not derived from TELS or TSAA) may have access to additional funds to pay for items not covered by the Promise scholarship.
- While eligibility criteria are broad, students are responsible for meeting more deadlines in order to earn and maintain the Promise scholarship than for other scholarships (e.g., HOPE, Reconnect, etc.), and a student can lose his or her Promise eligibility by missing one deadline. Other state scholarships allow students more flexibility (e.g., allow delayed entry to college, part time attendance, and the ability to regain the scholarship).
- Tennessee Promise scholarships are paid for by the Tennessee Promise Endowment Fund. Established in 2014 with excess lottery reserves, the fund was intended to become self-sustaining, meaning its investment earnings would be enough to cover the cost of scholarships each year, so that scholarship payments would not depend on annual budget allocations. In two of the past five fiscal years, the fund's investment earnings were insufficient to cover the cost of scholarships. The remaining cost was covered by transfers of excess lottery revenues and funds from the Tennessee Student Assistance Corporation's (TSAC) operating reserve. There was enough money to cover the full cost of scholarships those years because unspent funds from previous years remain in the endowment and the fund has also received an allocation from lottery reserves in each of the last five years.

[4] Students who receive the maximum Pell Grant ($6,195 in the 2019-20 academic year) are considered *full* Pell Grant recipients. Students who receive less than the maximum are considered *partial* Pell Grant recipients.

Who is eligible to apply?

Tennessee Promise is a residency-based scholarship, meaning that application eligibility is determined primarily by legal residency in Tennessee. This differs from other scholarships that may also require applicants to meet academic or financial need criteria. Because the eligibility criteria are broad, almost all Tennessee high school seniors are eligible to apply. Specifically, students are eligible to apply for the Tennessee Promise scholarship if they:

- hold U.S. citizenship,
- live in Tennessee for at least 12 months prior to enrollment in a postsecondary institution, and
- graduate from a Tennessee public or private secondary school, graduate from an out-of-state secondary school as a dependent child of an active-duty military parent, earn a high school diploma as a home school student, or obtain a high school equivalency (HiSET)[5] diploma before the age of 19.

Tennessee Promise scholarship requirements

Requirements for Promise applicants

The Promise application process takes place during the senior year of high school and in the summer after high school graduation. To become a Tennessee Promise student, applicants must:

- complete the Tennessee Promise scholarship application by November 1 of the senior year of high school;
- file the Free Application for Federal Student Aid (FAFSA) by the designated date, generally in January or February of the senior year;
- attend the mandatory meeting hosted by the mentor organization that serves his or her high school. These meetings are offered prior to May 31 each year; students may voluntarily attend any other meetings offered by the mentor organization; and
- complete and submit documentation of eight hours of community service by July 1, unless granted a personal or medical leave of absence. In lieu of community service hours, applicants may complete eight hours of job shadowing.

If a student fails to fill out a **Promise application** or file the **FAFSA** by the designated due date, they are no longer eligible for the Tennessee Promise scholarship.

Promise application exceptions:

Applicants who miss the **mandatory meeting** can attend an alternate session if they have an excused absence, as determined by their mentor organization. Missing the mandatory meeting due to work or transportation issues is not considered an excused absence.

Applicants who are granted a leave of absence are not required to complete **community service** hours for semesters in which they do not enroll.

If a student fails to complete a Promise application[6] or file the FAFSA by the designated due date, they are no longer eligible for the Tennessee Promise scholarship and cannot regain eligibility. There are some exceptions[7] for applicants who cannot attend the mandatory meeting for reasons including:

- participation in a school-sanctioned event (e.g., athletic or music event, competition, etc.), though rehearsals or practices are not considered excusable,
- death in the immediate family,
- personal illness,
- conflict with a postsecondary course,
- conflict with a religious observance, or a
- personal or immediate family emergency.

Students who miss the mandatory meeting for one of these reasons must notify their mentor organization within 72 hours of the meeting, submit an excuse form with documentation supporting the absence, and attend a makeup meeting to remain eligible for Promise. Students who miss the mandatory meeting for any reason other than the excusable absences, including for work or lack of transportation, are no longer eligible for Tennessee Promise.

[5] The High School Equivalency Test (HiSET) is a high school equivalency exam. Individuals who are not currently enrolled in high school can take the HiSET to earn a high school equivalency diploma.

[6] The Tennessee Student Assistance Corporation (TSAC) will consider an appeal for missing the November 1 application deadline for extreme circumstances (e.g., a high school experienced a power outage on the days leading up to the application deadline, a student was hospitalized for an extended period of time, etc.).

[7] These exceptions apply to students who attend a high school served by tnAchieves, which serves 90 of the state's 95 counties and hosts schoolwide mandatory meetings on a designated date. Students served by the Ayers Foundation, which serves the remaining five counties, meet one-on-one with counselors who work daily in their high school. Because the Ayers Foundation counselors meet individually with Promise applicants, there is greater flexibility to schedule meetings when students are available.

One other exception exists during the Promise application process: students who delay their enrollment in postsecondary education due to an approved medical or personal leave of absence are not required to complete community service by July 1. For example, if a Promise applicant does not enroll in college the fall semester immediately following high school graduation due to an approved leave of absence, they are not required to submit community service hours by July 1, but must submit them by the appropriate deadline for the semester in which they enroll (i.e., community service is due by December 1 for the spring term and April 1 for the summer term). See page 11 for more information on leaves of absence.

Exhibit 1.1: Tennessee Promise application process

Senior year of high school and summer after graduation				Fall semester immediately following high school graduation	
Promise applicants				Promise students	
Fill out Promise application by November 1	Fill out FAFSA, usually due in January	Attend mandatory mentor meeting, usually by May 31	Complete and report 8 hours of community service by July 1	Enroll in college and begin attending classes	Complete FAFSA verification (if selected)

Source: OREA.

Requirements for Promise students

Promise *applicants* officially become Promise students when they enroll in eligible degree programs at Promise-eligible institutions the fall semester immediately following high school graduation. (See Exhibit 1.1.) Eligible degree programs are those with a curriculum of courses leading to a certificate, diploma, or associate degree offered at Tennessee's 27 colleges of applied technology (TCATs), 13 community colleges, and any public four-year university or private college or university that offers an associate degree or certificate that is eligible for a Tennessee Education Lottery Scholarship (TELS). Promise students enrolling in an eligible four-year institution must enroll in courses leading to a certificate, diploma, or associate degree; they cannot enroll in courses leading to a bachelor's degree and remain qualified for the Tennessee Promise scholarship. (See Section 3 for more details on Promise-eligible institutions.)

Specifically, Promise students must:

- enroll as a full time[8] student in an eligible degree program at an eligible postsecondary institution the fall semester immediately following graduation from high school or home school, or attainment of a high school equivalency diploma (HiSET), unless the student has an approved medical or personal leave of absence;[9] and
- if selected, complete a process called FAFSA verification, in which students are randomly selected and required to provide documentation that verifies certain information provided on FAFSA forms.

An eligible degree program is a curriculum of courses leading to a **certificate**, **diploma**, or **associate degree**.

Diploma or certificate: A credential, other than a degree, that indicates satisfactory completion of training in a program of study. *Diplomas* are offered at Tennessee Colleges of Applied Technology (TCATs). *Certificates* are offered at TCATs, community colleges, and some private institutions.

Students may earn a *certificate* while pursuing a *diploma* or *associate degree*. Once a Promise student earns a diploma or associate degree, they are no longer eligible to participate in the program.

Associate degree: A two-year degree that typically requires successful completion of 60 credit hours, including general education and concentrated courses. Associate degrees are offered at community colleges and some public four-year universities and private institutions.

[8] A student may enroll less than full time if he or she has a documented disability, if less than full time enrollment is required for the program of study for a semester, or if the student is in the graduation semester and the program of study requires less than full time enrollment for completion.

[9] Provided that all other requirements have been met, students are exempt from enrolling in the fall semester immediately following high school graduation if granted a medical or personal leave of absence for reasons including, but not limited to, illness of the student, illness or death of an immediate family member, extreme financial hardship, fulfillment of a religious commitment, or fulfillment of National Guard active duty. Students enrolling in a TCAT may be granted a personal leave of absence if the chosen program of study has no available openings or begins only in the spring or summer term.

Maintaining the Promise scholarship

Tennessee Promise students must do the following to maintain the scholarship once enrolled in an eligible institution:

- maintain continuous full time enrollment unless granted a personal or medical leave of absence;
- refile the FAFSA application annually;
- complete and submit documentation for eight hours of community service by the specified date for each semester; (community service hours are due by July 1 for the fall semester, December 1 for the spring semester, and April 1 for the summer semester); and
- maintain a minimum cumulative 2.0 GPA if enrolled in an associate degree program or maintain satisfactory academic progress if enrolled in a diploma or certificate program, as calculated at the end of each academic year (i.e., summer term).

Promise students can transfer among Promise-eligible institutions if they meet all other Promise requirements. Transferring does not lengthen or reduce the maximum number of semesters or trimesters that a student may receive the Promise scholarship.

Terminating events

Students may remain as participants in the Tennessee Promise scholarship program until one of the following occurs:

- The student earns a diploma or associate degree.
- The student has attended an eligible postsecondary institution as a Tennessee Promise student for five consecutive semesters (if enrolled in an associate degree program) or eight consecutive trimesters (if enrolled at a TCAT), not including an approved leave of absence[10] or if the student has a documented learning disability. The summer semester is optional and not required for continuous enrollment, unless a student is enrolled in a TCAT. Students enrolled in associate degree programs who choose to use the Promise scholarship during the summer must enroll full time (i.e., 12 credit hours) and the semester counts toward the five-semester limit.
- The student fails to meet any of the eligibility requirements while enrolled in a postsecondary institution, including:

  - dropping below a 2.0 cumulative GPA (if enrolled in an associate degree program) or failing to meet satisfactory academic progress (if enrolled at a TCAT),
  - failing to complete and/or report eight community service hours prior to the designated deadline each semester,
  - not maintaining full time, continuous enrollment (unless the student has a documented disability or approved leave of absence), or
  - failing to refile the FAFSA application annually.

Exhibits 1.2 and 1.3 outline the various requirements and their due dates using the example of two hypothetical community college students enrolled in an associate degree program from cohort 1: one who enrolls in summer courses and one who does not.

[10] If a student's approved leave of absence lasts for six months or less, it will not count against the five-semester limit at an eligible postsecondary institution.

Exhibit 1.2: Requirements for Promise cohort 1, using example of student enrolled in associate degree program who does not take summer classes

	First semester	Second semester		Third semester	Fourth semester		Fifth semester: Promise scholarship expires
Semester	**Fall 2015** Enrollment required	**Spring 2016** Enrollment required	**Summer 2016** Enrollment optional	**Fall 2016** Enrollment required	**Spring 2017** Enrollment required	**Summer 2017** Enrollment optional	**Fall 2017** Enrollment required
Credit hours	Enroll in at least 12 hours	Enroll in at least 12 hours	Student does not enroll in the summer term	Enroll in at least 12 hours	Enroll in at least 12 hours	Student does not enroll in the summer term	Enroll in at least 12 hours
FAFSA	Complete FAFSA verification (if selected)	File the FAFSA		Complete FAFSA verification (if selected)	File the FAFSA		Complete FAFSA verification (if selected)
Community service	Complete and report 8 hours of community service by December 1	None required this semester if not taking summer classes	Complete and report 8 hours of community service by July 1	Complete and report 8 hours of community service by December 1	None required this semester if not taking summer classes	Complete and report 8 hours of community service by July 1	
GPA	Work toward cumulative 2.0 GPA	Work toward cumulative 2.0 GPA	Have cumulative 2.0 GPA by end of academic term (summer)	Work toward cumulative 2.0 GPA	Work toward cumulative 2.0 GPA	Have cumulative 2.0 GPA by end of academic term (summer)	

Exhibit 1.3: Requirements for Promise cohort 1, using example of student enrolled in associate degree program who takes summer classes

	First semester	Second semester	Third semester	Fourth semester	Fifth semester: Promise scholarship expires
Semester	**Fall 2015** Enrollment required	**Spring 2016** Enrollment required	**Summer 2016** Enrollment optional, but counts against five semester limit	**Fall 2016** Enrollment required	**Spring 2017** Enrollment required
Credit hours	Enroll in at least 12 hours	Enroll in at least 12 hours	Enroll in at least 12 hours	Enroll in at least 12 hours	Enroll in at least 12 hours
FAFSA	Complete FAFSA verification (if selected)	File the FAFSA		Complete FAFSA verification (if selected)	
Community service	Complete and report 8 hours of community service by December 1	Complete and report 8 hours of community service by April 1	Complete and report 8 hours of community service by July 1	Complete and report 8 hours of community service by December 1	
GPA	Work toward cumulative 2.0 GPA	Work toward cumulative 2.0 GPA	Have cumulative 2.0 GPA by end of academic term (summer)	Work toward cumulative 2.0 GPA	

Source: OREA.

Exceptions to the scholarship requirements

Once Promise students are enrolled in college, there are some exceptions to the requirements:

Personal or medical leave of absence:

- Provided that all other requirements have been met, students can be exempt from timely enrollment in the initial semester or full time and/or continuous enrollment if granted a medical or personal leave of absence for reasons including, but not limited to, illness of the student, illness or death of an immediate family member, extreme financial hardship, fulfillment of a religious commitment, or fulfillment of National Guard active duty. If a student's approved leave of absence lasts for six months or less, it will not count against the five-semester limit. Each postsecondary institution's Institutional Review Panel considers requests for personal and medical leaves of absence.
- Students enrolling in a TCAT may be granted a personal leave of absence if the chosen program of study has no available openings or begins only in the spring or summer term. Alternately, students enrolling in a TCAT may enroll in the summer term immediately following high school graduation if their chosen program has available openings and if the student has completed his or her community service requirement (i.e., community service hours are due by April 1 for the summer term as opposed to July 1 for the fall term).
- Promise students with approved personal or medical leaves of absence are not required to complete community service hours for semesters or trimesters in which they are not enrolled.

Other full time enrollment exceptions: A student may enroll less than full time if he or she has a documented disability, if less than full time enrollment is required for the program of study for a semester, or if the student is in the graduation semester and the program of study requires less than full time enrollment for completion.

Summer term:

- For students enrolled in a TCAT, the summer term is required for continuous enrollment.
- For students enrolled in an associate degree program, the summer term is optional. If a student chooses to attend classes in the summer semester using the Tennessee Promise scholarship, he or she must enroll full time (i.e., 12 credit hours) and the semester counts toward the five-semester limit. Summer classes are typically offered in an accelerated format compared to classes taught in the spring or fall (i.e., summer courses are taught in five- or 10-week terms while fall and spring courses are taught in 15-week terms). If students want to attend classes part time during the summer, they may do so at their own expense, without using the Tennessee Promise scholarship to cover tuition and mandatory fees. In this case, the summer term would not count toward a student's five semester limit.

Costs covered by Tennessee Promise

The Tennessee Promise scholarship covers tuition and mandatory fees for on-campus courses, defined as tuition and fees that are required for enrollment or attendance and are charged to all students. The Tennessee Promise scholarship does not cover fees charged for specific courses, online classes, books, or supplies, though these are required for some programs of study. See pages 18-27 for information on items not covered by Promise.

Tennessee Promise covers tuition and mandatory fees after gift aid has been awarded.

It does not cover books or non-mandatory fees.

Tennessee Promise is a last-dollar scholarship

As a last-dollar scholarship, Tennessee Promise is applied after a student is awarded other sources of gift aid. According to Tennessee Code Annotated (TCA) 49-4-708 (b)(6), gift aid for the purposes of the Tennessee Promise scholarship includes the federal Pell Grant, the Tennessee Education Lottery Scholarship (TELS), and the Tennessee Student Assistance Award (TSAA). Since the Tennessee Promise scholarship is applied after these sources of gift aid, a Promise student's award amount can range from zero to the full cost of tuition and mandatory fees for on-campus courses at a TCAT or community college, or a comparable amount at an eligible four-year university. (See pages 17-18 for information about the Promise scholarship amount awarded at four-year universities.)

Exhibit 1.4 details how Tennessee Promise works as a last-dollar scholarship for hypothetical students attending community college. All four students, Jack, Jenny, Lucy, and Josh are considered Promise students even though the amount of funding they received from the Promise scholarship varies from zero dollars to the full cost of tuition and mandatory fees for on-campus courses (approximately $4,200).[11] This is because they receive varied amounts of gift aid (i.e., TELS, TSAA, and federal Pell Grant) which is applied before the Promise scholarship.

Because the Promise scholarship only pays for tuition and mandatory fees for on-campus courses, Promise students are required to pay for books and non-mandatory fees (about $1,150 annually).[12] For example, in Exhibit 1.4, Jack's tuition and mandatory fees were covered by a combination of gift aid (HOPE scholarship) and the Promise scholarship, and Jenny's tuition and mandatory fees were covered entirely by the Promise scholarship. Both Jack and Jenny are responsible to pay for their books and non-mandatory fees.

Tennessee Promise is applied after other sources of gift aid, including TELS, TSAA, and the federal Pell Grant.

Tennessee Education Lottery Scholarships (TELS)

HOPE
academic merit

HOPE Aspire
academic merit and financial need

HOPE Access
academic merit and financial need

General Assembly Merit Scholarship
academic merit

Wilder-Naifeh Grant
Tennessee residency

Tennessee Student Assistance Award (TSAA) and the federal **Pell Grant** are awarded based on financial need.

If a student receives gift aid from sources other than the Pell Grant, TELS, or TSAA, those amounts do not factor into a student's Promise award amount. This means that a Promise student could use other scholarship sources (i.e., scholarships from any source other than the Pell Grant, TELS, or TSAA, such as from a local business or foundation) to pay for items not covered by Promise (e.g., books, non-mandatory fees, supplies, transportation, and living expenses).

For example, in Exhibit 1.4, Josh's tuition and mandatory fees were covered by a combination of gift aid (partial Pell Grant) and the Promise scholarship. Josh also earned $2,000 from other scholarships (his community college's foundation and the Rotary Club) and was able to use that additional money to pay for items not covered by Promise. After paying $1,150 for his books and non-mandatory fees, Josh had $850 left over to pay for other expenses (e.g., food, transportation, housing).

Depending on their financial aid award, some students (e.g., full Pell Grant recipients, students who receive scholarships not derived from TELS or TSAA) may have access to additional funds to pay for items not covered by the Promise scholarship.

Students who receive a full Pell Grant[13] do not receive Promise scholarship dollars because a full Pell grant award is generally greater than the cost of tuition and mandatory fees. Full Pell Grant recipients typically have additional funding to pay for books, non-mandatory fees, and other expenses. For example, in Exhibit 1.4, Lucy received a full Pell Grant in the amount of $6,195. After paying for tuition and mandatory fees ($4,200) and books and non-mandatory fees ($1,150), Lucy had $845 left over to pay for other expenses (e.g., food, transportation, housing). If Lucy had received a partial Pell Grant, Promise would have covered any remaining balance of tuition and mandatory fees and Lucy would have been responsible to pay for her books, non-mandatory fees, and other expenses. (See Exhibit 1.5 and the box on pages 16-17 for more details on this scenario.)

Since the Tennessee Promise is a last-dollar scholarship that is applied after other sources of gift aid, **a Promise student's award amount can range from zero to the full cost of tuition and mandatory fees.**

[11] This figure represents the annual average tuition at all 13 community colleges from the 2015-16 through the 2017-18 school year. See Exhibit 1.6 on page 18 for the yearly cost of tuition and mandatory fees at Promise-eligible institutions.

[12] This figure represents the annual average cost of books and non-mandatory fees paid by Promise students, as reported by community college officials in OREA's 2019 survey. The actual cost of books and non-mandatory fees will vary by community college and program of study. See pages 18-27 for more information about mandatory versus non-mandatory fees.

[13] For the 2019-20 academic year, the maximum federal Pell Grant award is $6,195.

Exhibit 1.4: Tennessee Promise is a last-dollar scholarship

Tennessee Promise is a last-dollar scholarship

Tennessee Promise covers tuition and mandatory fees after gift aid has been awarded. It does not cover books or non-mandatory fees.

Gift aid for the purposes of the Tennessee Promise scholarship includes the federal Pell Grant, the Tennessee Education Lottery Scholarship (e.g., the HOPE scholarship), and the Tennessee Student Assistance Award.

Students may use other scholarships* to pay for items not covered by the Promise scholarship, such as books, non-mandatory fees, housing, and transportation.

Since Tennessee Promise is a last-dollar scholarship that is applied after other sources of gift aid, a Promise student's award amount can range from zero dollars to the full cost of tuition and mandatory fees.

Jack: Promise student attending community college

Tuition/mandatory fees: -$4,200
Books/non-mandatory fees: -$1,150
Gift aid (HOPE scholarship): +$3,000
Tennessee Promise: +1,200
Balance: -$1,150

Jack's tuition and mandatory fees were covered by gift aid and Tennessee Promise. He is responsible for paying $1,150 for his books and non-mandatory fees.

Jenny: Promise student attending community college

Tuition/mandatory fees: -$4,200
Books/non-mandatory fees: -$1,150
Gift aid: $0
Tennessee Promise: +4,200
Balance: -$1,150

Jenny's tuition and mandatory fees were covered entirely by Tennessee Promise. She is responsible for paying $1,150 for her books and non-mandatory fees.

Lucy: Promise student attending community college

Tuition/mandatory fees: -$4,200
Books/non-mandatory fees: -$1,150
Gift aid (full Pell Grant): +$6,195
Tennessee Promise: $0
Balance: +$845

Lucy's tuition, mandatory fees, books, and non-mandatory fees were covered in full by her Pell Grant, and she has $845 left over. Lucy is still a Promise student even though she has not received any funding from Promise.

Josh: Promise student attending community college

Tuition/mandatory fees: -$4,200
Books/non-mandatory fees: -$1,150
Gift aid (partial Pell Grant): +$3,000
Tennessee Promise: +$1,200
Other scholarships*: +$2,000
Balance: +850

Josh's tuition and mandatory fees were covered by gift aid and Tennessee Promise. He used other scholarships to pay for books and non-mandatory fees, and has $850 left over.*

Notes: *Refers to any scholarship other than those defined as gift aid; for example, private scholarships awarded by community businesses or foundations. The cost of tuition, fees, and books represents the annual average for all Tennessee community colleges; the actual cost may vary by institution and program of study.

Source: OREA.

Tennessee Promise as a backup plan

Promise students who receive partial or no funding from the Promise scholarship (because tuition and mandatory fees were covered by other gift aid; refer to Jack, Lucy, and Josh in Exhibit 1.4) are encouraged by local and higher education stakeholders to maintain their eligibility for Promise as a backup plan, in case they receive less funding in the future from gift aid, such as the Pell Grant program. All Promise students, regardless of their Promise scholarship amount, are required to meet the Promise program requirements, including community service, each semester or trimester to continue participating in the Promise program.

Exhibit 1.5 details how Tennessee Promise works as a backup plan for Lucy and Jack, both of whom had some or all of their tuition and mandatory fees covered by other sources of gift aid during their first year of college. In their second year of college, Lucy's and Jack's gift aid was reduced. Because both students continued meeting the requirements to remain part of the Promise program (i.e., maintained full time continuous enrollment, earned a minimum 2.0 cumulative GPA, refiled the FAFSA, and completed eight hours of community service each semester), the Promise scholarship kicked in to cover their remaining tuition and mandatory fees.

In his first year of college, Jack's tuition and mandatory fees were covered by a combination of the HOPE and Promise scholarships. In his second year of college, Jack no longer received the HOPE scholarship, so Promise kicked in to cover his tuition and mandatory fees entirely. As was the case his first year of college, Jack was still responsible for paying $1,150 for his books and non-mandatory fees. Had Jack not maintained his Promise eligibility, the Promise scholarship would not have been available as a backup plan when he lost the HOPE scholarship. In addition to paying for his books and non-mandatory fees, Jack would have also been responsible for paying $4,200 for his tuition and mandatory fees.

In her first year of college, Lucy received a full Pell Grant in the amount of $6,195, meaning her tuition and mandatory fees were covered entirely by the grant and she had money left over to pay for books, non-mandatory fees, and additional expenses. After her first year of college, Lucy's Pell Grant was reduced from a full to a partial Pell Grant. (The amount of funding a student receives from the federal Pell Grant is determined by their expected family contribution (EFC) and other factors. The EFC is based on family income, household size, and the number of family members enrolled in college. A student's Pell Grant can fluctuate from year to year if a parent earns more or less money, or if a family member enrolls in or graduates from college.)

In her second year of college, Lucy received a partial Pell Grant in the amount of $4,000, so Promise kicked in to cover the remaining $200 of her tuition and mandatory fees. Unlike last year, Lucy is now responsible for paying $1,150 for her books and non-mandatory fees and she does not have grant money left over to pay for additional expenses (e.g., food, transportation, housing). Had Lucy not maintained her Promise eligibility, the Promise scholarship would not have kicked in to cover her remaining balance of tuition and mandatory fees when her Pell Grant was reduced.

Lucy and other Promise students who are partial Pell Grant recipients are low-income students (as evidenced by their Pell eligibility) and may have difficulty paying for items such as books and non-mandatory fees, which are not covered by the partial Pell Grant or the Promise scholarship. Some partial Pell Grant recipients may qualify for other public scholarships (e.g., HOPE, Access, or Aspire) if they meet certain merit criteria, such as income or academic thresholds. See Exhibit 1.18 for more about requirements for other public scholarships.

Exhibit 1.5: Tennessee Promise as a backup plan

Tennessee Promise as a backup plan

Because Tennessee Promise is a last-dollar scholarship, it kicks in after other gift aid* has been applied. This means that Promise students receive various award amounts from the Promise scholarship based on the amount of gift aid they receive. Promise students whose gift aid fully covers the cost of tuition and mandatory fees do not receive funding from the Promise scholarship.

Promise students who do not receive funding from the program are encouraged by local and higher education stakeholders to continue participating in the Promise program as a backup plan in case they receive less gift aid funding in the future.

Promise students who begin receiving less gift aid will then receive more funding from the Promise program to cover the remaining balance of tuition and mandatory fees.

Year one:

Jack: Promise student attending community college

Tuition/mandatory fees: -$4,200
Books/non-mandatory fees: -$1,150
Gift aid (HOPE scholarship): +$3,000
Tennessee Promise: +1,200
Balance: -$1,150

Jack's tuition and mandatory fees were covered by gift aid and Tennessee Promise. He is responsible for paying $1,150 for his books and non-mandatory fees.

Lucy: Promise student attending community college

Tuition/mandatory fees: -$4,200
Books/non-mandatory fees: -$1,150
Gift aid (full Pell Grant): +$6,195
Tennessee Promise: $0
Balance: +$845

Lucy's tuition, mandatory fees, books, and non-mandatory fees were covered in full by her Pell Grant, and she has $845 left over. Lucy is still a Promise student even though she has not received any funding from Promise.

Year two:

Jack: Promise student attending community college

Tuition/mandatory fees: -$4,200
Books/non-mandatory fees: -$1,150
Gift aid (HOPE scholarship): $0
Tennessee Promise: +4,200
Balance: -$1,150

After his first year of college, Jack lost the HOPE scholarship. This year, Tennessee Promise is covering the cost of his tuition and mandatory fees entirely. He is responsible for paying $1,150 for his books and non-mandatory fees.

Lucy: Promise student attending community college

Tuition/mandatory fees: -$4,200
Books/non-mandatory fees: -$1,150
Gift aid (partial Pell Grant): +$4,000
Tennessee Promise: +$200
Balance: -$1,150

Lucy's Pell Grant was reduced. This year, Tennessee Promise is covering her remaining balance of tuition and mandatory fees. Unlike last year, Lucy is responsible for paying $1,150 for her books and non-mandatory fees.

Notes: *Gift aid for the purposes of the Tennessee Promise scholarship includes the federal Pell Grant, the Tennessee Education Lottery Scholarship (e.g., the HOPE scholarship), and the Tennessee Student Assistance Award. The cost of tuition, fees, and books represents the annual average for all Tennessee community colleges; the actual cost may vary by institution and program of study.

Source: OREA.

The federal Pell Grant

The federal Pell Grant is awarded to students with exceptional financial need who have not yet earned a bachelor's degree for up to 12 semesters (or approximately six years). A student's Pell Grant award amount is based on the cost of attendance at his or her chosen institution (including the cost of tuition, fees, books, supplies, living expenses, and transportation), the number of hours enrolled (i.e., Pell Grant recipients can enroll full time or part time), and the student's expected family contribution (EFC). A student's EFC is calculated annually by information provided on the FAFSA using a formula that considers family income (including taxed and untaxed income, assets, and public assistance), family size, and the number of family members attending college. In the 2019-20 academic year, a student's EFC can range from $0 to $5,576 to be considered eligible for the Pell Grant, and the maximum Pell Grant award is $6,195 (or $3,097.50 per semester). The maximum EFC considered for Pell eligibility and the maximum award amount change each year. Refer to Exhibit 1A below. Students who receive the maximum Pell Grant are considered full Pell Grant recipients and students who receive less than the maximum are considered partial Pell Grant recipients.

Exhibit 1A: Maximum EFC and award amount for the federal Pell Grant | 2015-16 through 2019-20

Cohort included in this evaluation?	Promise cohort	Academic year	Maximum EFC for Pell eligibility	Maximum award amount
Yes	1	2015-16	$5,198	$5,775
Yes	2	2016-17	$5,234	$5,815
Yes	3	2017-18	$5,328	$5,920
No	4	2018-19	$5,486	$6,095
No	5	2019-20	$5,576	$6,195

Note: Maximum award amount is based on full time attendance in the fall and spring semesters; students may be eligible for additional grant funding in the summer term.
Source: Federal Pell Grant payment schedules.

As of July 1, 2017, Pell Grant recipients are eligible to receive additional Pell Grant funds (known as "year-round Pell") if they enroll at least half-time in the summer. Students who receive year-round Pell are eligible for up to 150 percent of their Pell Grant for an award year. For example, if a Pell Grant recipient received $4,000 for the award year (i.e., $2,000 in each fall and spring semesters), he or she can receive an additional $2,000 in the summer semester.

Pell Grant recipients who remain in the Promise program are more likely to earn a degree

Since Tennessee Promise is a last-dollar scholarship that is applied after other sources of gift aid (such as the Pell Grant), a Promise student's award amount can range from zero dollars to the full cost of tuition and mandatory fees.

Even though Pell Grant recipients may receive little to no money from the Promise scholarship, the Promise program provides nonmonetary benefits that promote retention and encourage timely degree completion. Potential benefits provided to Promise students include mentoring, assistance with the FAFSA process, and encouragement from institution-based financial aid, academic, and student support advisors to help students remain continuously enrolled full time. (Full time enrollment is not required to maintain Pell Grant eligibility, though it is required for Promise program participants; continuous enrollment is required for Promise.)

As explained on pages 69-95, Promise students from the first cohort outperformed their peers who did not participate in Promise by earning more credit hours, staying enrolled longer, and completing degrees at higher rates. This remained true even when considering a student's income, status as a first-generation college student, race, ACT score, and geographic location.

Pell Grant recipients are considered low-income students, as evidenced by their Pell eligibility. Low-income students have historically attended and completed college at lower rates than higher-income students, so keeping Pell Grant recipients in the Promise program increases their likelihood of earning a degree.

Full Pell versus partial Pell and the Promise scholarship

Students who receive the maximum Pell Grant ($6,195 in the 2019-20 academic year) are considered full Pell Grant recipients. Students who receive less than the maximum are considered partial Pell Grant recipients. On average, the cost of tuition, fees (mandatory and non-mandatory), books, and supplies at a Tennessee community college is $5,350 annually ($4,200 for tuition and mandatory fees plus $1,150 for books and non-mandatory fees). Students who receive a full Pell Grant ($6,195) have about $845 left over to pay for other expenses (e.g., food, transportation, housing) while students who receive a partial Pell Grant are responsible for covering any remaining balance of tuition, fees, books, supplies, and living expenses not covered by the grant.

If a partial Pell Grant recipient is a Promise student, the Tennessee Promise scholarship will kick in to cover the student's remaining balance of tuition and mandatory fees, though depending on the Pell award amount, partial Pell Grant recipients may not have any remaining funds to pay for books, non-mandatory fees, or living expenses (as compared to full Pell recipients). See Exhibit 1B below and refer to Lucy in Exhibit 1.5 on page 15. Because partial Pell Grant recipients are considered low-income (as evidenced by their Pell eligibility), they may experience difficulty paying for items not covered by the partial Pell Grant or the Promise scholarship.

Exhibit 1B: Tennessee Promise scholarship for full and partial Pell Grant recipients

	Full Pell Grant student receiving $6,195	**Partial Pell Grant student receiving between $4,200 and $6,194**	**Partial Pell Grant student receiving less than $4,200**
Tuition and mandatory fees: $4,200 annual average	$4,200 covered in full by Pell Grant	$4,200 covered in full by Pell Grant	$4,200 covered by a combination of the Pell Grant and Tennessee Promise scholarship
Books, non-mandatory fees: $1,150 annual average	$1,150 covered in full by Pell Grant	Some funding left over to pay for books and non-mandatory fees	No funds left over to pay for books and non-mandatory fees
Living expenses: housing, transportation, food	About $845 left over to pay for living expenses	Little or no funds left over to pay for living expenses	No funds left over to pay for living expenses

Source: OREA.

Promise scholarship amount by institution type

If a Promise student attends a community college or TCAT, tuition and mandatory fees for on-campus courses, averaging about $4,200 and $3,600 per year respectively, will be covered in full. These charges may be covered solely through the gift aid that is applied prior to the Promise award, by a combination of the Tennessee Promise scholarship and gift aid, or entirely with Tennessee Promise scholarship dollars.

If a Promise student attends an eligible public or private four-year institution, the Tennessee Promise scholarship award amount is the average cost of tuition and mandatory fees at Tennessee's community colleges (about $4,200), less any gift aid applied before the Promise scholarship. For example, if a Promise student attends a private university that charges $20,000 a year for tuition and mandatory fees, the student will receive up to the average cost of tuition and mandatory fees at a community college ($4,200 annually) from the Promise scholarship and will be responsible to pay the $15,800 remaining balance of tuition and mandatory fees ($20,000 tuition minus $4,200 Promise scholarship equals $15,800 remaining tuition and mandatory fees) in addition to other expenses (e.g., non-mandatory fees, books, etc.). If a Promise student attending a four-year university receives other gift aid, such as $3,500 a year from the HOPE scholarship, the Promise scholarship will cover the remaining cost up to $4,200 total (i.e., Promise will pay $700).

Exhibit 1.6 displays the average cost of tuition and mandatory fees at each category of Promise-eligible institution for the first three years of the program.

Exhibit 1.6: Annual average tuition and mandatory fees for on-campus courses at Promise-eligible institutions

The Tennessee Promise scholarship covers tuition and mandatory fees for on-campus courses in full at TCATs and community colleges.				
Institution	**2015-16**	**2016-17**	**2017-18**	**Average**
TCATs	$3,554	$3,647	$3,737	$3,646
Community colleges	$4,121	$4,226	$4,335	$4,227
A Promise student could receive about $4,200 if they attend an eligible four-year institution. Promise students attending public four-year or private institutions are responsible for the remaining cost of their tuition and mandatory fees.				
Locally governed institutions (LGI)	$7,609	$7,782	$8,001	$7,797
Private institutions	$19,531	$20,071	$20,590	$20,064

Note: The tuition and mandatory fees listed for TCATs, community colleges, and LGIs is based on enrollment in 15 credit hours.
Source: THEC Factbook; Tennessee Independent Colleges and Universities Association.

Costs not covered by Tennessee Promise

The Tennessee Promise scholarship covers tuition and mandatory fees for on-campus courses, defined as tuition and fees that are required for enrollment or attendance and are charged to all students, such as the student government fee, parking fee, and student activity fee.

Mandatory fees:
Fees that are required for enrollment or attendance and are **charged to all students**

Non-mandatory fees

Non-mandatory fees are not covered by the Tennessee Promise scholarship. They include fees that are not charged to all students, such as those for specific courses and programs of study. These include science lab fees, online course fees, and specific program fees.

Non-mandatory fees:
Fees that are ***not* charged to all students,** such as those charged for individual courses or programs (e.g., science, allied health, online)

Science lab fees

Students enrolled in most associate degree programs are required to complete 41 hours of general education courses, including two science courses (e.g., biology, chemistry) which include a lab fee. For example, students enrolled in a science course at Volunteer State Community College are required to pay a $20 lab fee per science course.

Program-specific fees

Students enrolled in specific programs are responsible for course fees, and the cost can vary greatly across programs. For example, students enrolled in the nursing program at Pellissippi State Community College must pay $25 per credit hour for nursing courses. Pellissippi State's nursing program requires 39 credit hours of nursing courses, so those students pay $975 in fees over the course of their enrollment. Students enrolled in the Associate of Applied Science in business and culinary arts program at Walters State Community College must pay $20 per credit hour for culinary arts courses. The program requires 33 credit hours of culinary arts courses, so students enrolled in that program at Walters State pay $660 in course-specific fees. See Exhibit 1.7.

Textbooks, supplies, tools, and uniforms at TCATs

Most programs offered at TCATs require students to purchase supplies, tools, uniforms, and books that are not covered by Promise. The two most popular program areas at TCATs are mechanic/automotive repair and health professions. The additional costs for these programs vary.

Costs for the following 12-month (i.e., three trimesters) health programs ranged from approximately $660 to $2,100:

- dental assistant program costs at TCAT Dickson totaled $2,097,
- surgical technology program costs at TCAT Murfreesboro totaled $664, and
- pharmacy technology program costs at TCAT Oneida totaled $1,351.

The costs of specific items, such as supplies, uniforms, and textbooks, can also vary by TCAT. For example, the cost of supplies and textbooks for the master automotive technology program at TCAT Nashville totaled $4,260, while the cost for these items in the same program at TCAT Athens totaled $4,655. The master automotive technology program at both TCATs typically lasts for 20 months (i.e., five trimesters). See Exhibit 1.7. The cost of program-specific expenses may be split among trimesters depending on program requirements (i.e., a TCAT student may not be required to pay the total amount for fees, supplies, and textbooks prior to enrollment in the initial trimester).

Exhibit 1.7: Examples of program-specific fees, supplies, and tools not covered by Tennessee Promise

Program of study	Approximate total cost of fees, supplies, and tools not covered by Promise
Nursing	**$975** (Associate of Applied Science in Nursing, AASN, program at Pellissippi State)
Culinary arts	**$660** (Associate of Applied Science, AAS, program at Walters State)
Dental assistant	**$2,097** (TCAT Dickson; 12-month program)
Surgical technology	**$664** (TCAT Murfreesboro; 12-month program)
Pharmacy technology	**$1,351** (TCAT Oneida; 12-month program)
Master automotive technology	**$4,260** (TCAT Nashville; 20-month program) **$4,655** (TCAT Athens; 20-month program)

Source: Community college and TCAT fee sheets.

Online course fees: TN eCampus and institution-based online courses

As an alternative to attending traditional classes on campus, students may choose to enroll in online courses, either in addition to or instead of attending traditional classes.

Online courses for students enrolled in Tennessee community colleges fall into two categories: (1) TN eCampus online courses and (2) institution-based online courses. TN eCampus courses are developed and taught through a collaborative effort among Tennessee public colleges and universities, are delivered fully online, and are available to students enrolled in any community college and some public universities. TN eCampus courses may be taught by a professor from a different institution than the community college in which the student is enrolled. A student can complete a degree solely through TN eCampus courses or may take TN eCampus courses to satisfy some degree requirements. A student who enrolls in TN eCampus courses must also be enrolled in a community college, which is considered the student's "home" institution for admission, registration, and the awarding of a degree.

There are **two categories of online courses** offered at community colleges.

TN eCampus courses are developed and taught by instructors from institutions across Tennessee and are available to students enrolled in any community college and some public universities.

Institution-based online courses are developed and taught by instructors at a specific community college and are only available to students enrolled in that institution.

The other category of online courses for students enrolled in Tennessee community colleges is institution-based online courses. These courses are developed and taught by instructors at a specific community college, and are only available to students enrolled in that institution. The availability of institution-based online courses varies by community college and semester, and such courses may be offered entirely online or through a hybrid format (i.e., part of the course is taught in the classroom and part is taught online).

Students may enroll in a combination of traditional on-campus, TN eCampus, and institution-based online courses, and are charged the associated tuition and fee rates for each type of course. For both online course types, the Tennessee Promise scholarship will cover up to the amount of tuition and fees that would be charged to a student enrolled in an equal number of credit hours on campus. Any remaining tuition or fees for online courses are the financial responsibility of the Promise student. Exhibit 1.16 and the following sections compare and contrast the tuition and fees charged for traditional on-campus, institution-based online, and TN eCampus courses, including how much is and is not covered by the Promise scholarship.

For online courses, the Tennessee Promise scholarship will cover up to the amount of tuition and mandatory fees charged to a student enrolled in an equal number of credit hours on campus. **Any overage in tuition and fees for online courses is the financial responsibility of the Promise student.**

Institution-based online courses

Institution-based online courses are subject to the same tuition rate and mandatory fees (e.g., campus access fee, technology fee, etc.) charged for traditional on-campus courses. All 13 community colleges charge the same tuition rate (i.e., $168 per-credit-hour for the first 12 hours, and $35 per-credit-hour for additional hours over 12), while mandatory fees vary. See Exhibit 1.10. Since institution-based online courses are subject to the same tuition and mandatory fee rates as traditional on-campus courses, the tuition and mandatory fee costs for such courses are covered in full by the Promise scholarship.

> Out of 13 community colleges, five charge an extra fee for institution-based online courses. The fees range between $30 and $126 per three-hour online course, depending on the community college.
>
> Institution-based online course fees are not covered by the Promise scholarship and are the financial responsibility of the Promise student.

Five out of 13 community colleges charge an extra fee for institution-based online courses, however. (The other eight community colleges do not charge an extra fee for institution-based online courses.) The fees range between $30 and $126 per three-hour online course, depending on the community college. The extra fee charged for institution-based online courses at these five community colleges is not covered by the Promise scholarship and is the financial responsibility of the Promise student. See Exhibit 1.8.

Exhibit 1.8: Fees charged for institution-based online courses | fall 2019

Community college	Fee per-credit-hour	Fee per three-hour course
Chattanooga	$0	$0
Cleveland	$10	$30
Columbia	$42	$126
Dyersburg	$25	$75
Jackson	$0	$0
Motlow	$0	$0
Nashville	$0	$0
Northeast	$0	$0
Pellissippi	$0	$0
Roane	$18	$54
Southwest	$0	$0
Volunteer	$0	$0
Walters	$10	$30

Source: Community college fall 2019 fee sheets.

TN eCampus courses

TN eCampus courses are subject to a different tuition and fee rate than traditional on-campus courses. TN eCampus tuition is not reduced for hours enrolled over 12, as is the case for traditional on-campus courses. Also, the fees charged for TN eCampus courses are higher than those charged for traditional on-campus courses. The Promise scholarship does not cover all of the tuition and fees charged for TN eCampus courses, and the remaining tuition and fees for such courses is the financial responsibility of the Promise student. The amount of TN eCampus tuition and fees a Promise student is financially responsible for paying depends on the total number of credit hours in which the student enrolls, how many credit hours are TN eCampus courses versus traditional on-campus courses, and the community college attended.

> Tennessee Promise covers TN eCampus tuition and fees up to the amount that would be charged to a student taking an equal number of credit hours on campus.
>
> TN eCampus tuition and fees are not reduced or capped for additional hours over 12, as is the case for traditional on-campus courses.
>
> Any remaining tuition and fees for TN eCampus courses are the financial responsibility of the Promise student.

For traditional on-campus courses, all 13 community colleges charge $168 per credit hour in tuition for the first 12 credit hours, and $35 per credit hour for hours enrolled over 12.[14] By comparison, the tuition rate for TN eCampus courses is not reduced for hours enrolled over 12 and remains at $168 per credit hour for all hours in which the student is enrolled. As shown in Exhibit 1.9, students enrolled in up to 12 credit hours of traditional on-campus or TN

[14] This tuition rate also applies to institution-based online courses.

eCampus courses are charged the same rate for tuition (i.e., $168 per credit hour), but students who enroll in more than 12 credit hours are charged different rates (i.e., $168 per credit hour for TN eCampus courses versus $35 per credit hour for traditional on-campus courses). This means that a student enrolled in 15 credit hours (12 hours in traditional on-campus courses and a three-hour TNeCampus course) at any of the state's community colleges would be charged about $400 more in tuition than a student enrolled in traditional on-campus courses for 15 credit hours. This $400 in additional tuition is not covered by the Promise scholarship and is the financial responsibility of the Promise student.

Exhibit 1.9: Tuition for TN eCampus courses and traditional on-campus courses

TN eCampus courses					
All 13 community colleges charge the same rate for TN eCampus tuition. **TN eCampus tuition:** $168 per credit hour. There is not a reduced tuition rate per credit hour for additional hours over 12.					
Traditional on-campus and institution-based online courses					
All 13 community colleges charge the same rate for tuition. **Tuition:** $168 per credit hour up to 12 hours; $35 per credit hour for hours over 12					
	3 hours	**6 hours**	**9 hours**	**12 hours**	**15 hours**
Tuition for TN eCampus	$504	$1,008	$1,512	$2,016	$2,520
Tuition for traditional on-campus	$504	$1,008	$1,512	$2,016	$2,121

Source: Community college fall 2019 fee schedules.

Mandatory fees for traditional on-campus and institution-based online courses vary by community college, with maximum fees ranging from $131 to $173, as shown in Exhibit 1.10.[15] The mandatory fee amount is capped at all 13 community colleges, however, which means students are not charged any additional mandatory fees once the cap is reached. For example, as shown in Exhibit 1.10, a student enrolled at Chattanooga State Community College is charged the institution's maximum amount for mandatory fees ($163) once he or she enrolls in 12 hours of courses; there are no additional mandatory fees if the student enrolls in additional credit hours. Four community colleges cap mandatory fees at either six or nine credit hours. At Dyersburg State, a student is charged the institution's maximum amount for mandatory fees ($153) at six credit hours, while a student enrolled at Cleveland State, Pellissippi State, or Southwest Tennessee is charged each institution's maximum amount for mandatory fees ($153, $173, and $163, respectively) at nine credit hours.

In contrast, the fees charged for TN eCampus courses ($67 per credit hour, or $201 per three-hour course) are not capped at a certain number of credit hours or reduced once a certain number of credit hours is reached, as shown in Exhibit 1.10. In addition, the fees for TN eCampus courses are higher than those for traditional on-campus courses regardless of the number of hours. The average fee amount charged to a student enrolled in 12 hours of traditional on-campus courses is about $155 compared to $804 in TN eCampus fees for the same number of hours.

[15] Five out of 13 community colleges charge an extra fee for institution-based online courses. The other eight community colleges do not charge an extra fee for institution-based online courses.

Exhibit 1.10: Fees for TN eCampus and traditional on-campus courses

TN eCampus courses					
All 13 community colleges charge the same rate for TN eCampus fees: $67 per credit hour. There is not a reduced tuition rate per credit hour for additional hours over 12.					
Traditional on-campus and institution-based online courses					
Mandatory fees: vary by institution, though no community college charges additional mandatory fees for hours enrolled over 12. Four community colleges cap mandatory fees at 6 or 9 hours.					
	3 hours	6 hours	9 hours	12 hours	15 hours
Fees for TN eCampus	$201	$402	$603	$804	$1,005
Fees for traditional on-campus courses					
Chattanooga	$58.20	$107.00	$137.00	$163.00	$163.00
Cleveland	$79.75	$122.50	$153.00	$153.00	$153.00
Columbia	$84.00	$114.00	$144.00	$170.00	$170.00
Dyersburg	$112.50	$153.00	$153.00	$153.00	$153.00
Jackson	$60.00	$90.00	$120.00	$146.00	$146.00
Motlow	$70.00	$100.00	$130.00	$156.00	$156.00
Nashville	$45.00	$75.00	$105.00	$131.00	$131.00
Northeast	$70.00	$109.00	$148.00	$159.00	$159.00
Pellissippi	$95.00	$147.00	$173.00	$173.00	$173.00
Roane	$75.00	$123.00	$152.00	$155.00	$155.00
Southwest	$101.00	$155.00	$163.00	$163.00	$163.00
Volunteer	$64.00	$94.00	$124.00	$150.00	$150.00
Walters	$67.50	$115.50	$144.50	$147.50	$147.50
Average	**$75.53**	**$115.77**	**$142.04**	**$155.35**	**$155.35**

Source: Community college fall 2019 fee schedules.

Exhibit 1.11 shows the amount in tuition and fees covered by Promise for a student enrolled in nine hours of traditional on-campus courses and one three-hour course through TN eCampus at Chattanooga State Community College. In this scenario, a Promise student would be financially responsible for $175 in mandatory fees for this semester that is not covered by the Promise program. The $175 balance is due to the difference in the fee amount charged for a three-hour TN eCampus course versus a three-hour traditional on-campus course.

Exhibit 1.11: Tuition and fee charges for a student enrolled in a combination of TN eCampus and traditional on-campus courses at Chattanooga State Community College | 12 credit hours total

		Tuition	Fees	Total
Student enrolls in 12 hours total	Charge for **nine** hours **traditional on campus**	$168 x 9 hours **$1,512**	*Mandatory fees for 9 hours* **$137**	$1,512 tuition + $137 fees **$1,649**
	Charge for **three** hours **TN eCampus**	$168 x 3 hours **$504**	$67 x 3 hours **$201**	$504 tuition + $201 fees **$705**
Total charge for tuition and fees		**$2,016 tuition**	**$338 fees**	$2,016 tuition + $338 fees **$2,354**
Amount that Promise will cover (i.e., the amount that would be charged to a student enrolled in 12 credit hours of traditional on-campus courses at Chattanooga State)		$168 x 12 hours **$2,016**	*Mandatory fees for 12 hours* **$163**	$2,016 tuition + $163 fees **$2,179**
Amount for which the Promise student is financially responsible (i.e., the difference between the student's total tuition and fee charge and what the Promise scholarship covers)		$2,016 - $2,016 **$0 tuition**	$338 - $163 **$175 fees**	$2,354 - $2,179 **$175**

Source: OREA analysis of community college fall 2019 fee schedules.

This student would be financially responsible for additional costs if he or she enrolled in more TN eCampus credit hours and fewer on-campus credit hours. See Exhibit 1.12. The Promise student would be financially responsible for $346 to enroll in six hours through TN eCampus, $498.20 to enroll in nine hours, and $641 to enroll in 12 credit hours.[16]

Exhibit 1.12: TN eCampus costs for which Promise students are financially responsible | 12 credit hours total at Chattanooga State Community College

3 hours TN eCampus (9 hours on campus)	6 hours TN eCampus (6 hours on campus)	9 hours TN eCampus (3 hours on campus)	12 hours TN eCampus (no hours on campus)
$175.00	$346.00	$498.20	$641.00

Note: The figures displayed in this table were calculated using the formula outlined in Exhibit 1.11.
Source: OREA analysis of community college fall 2019 fee schedules.

Continuing with the example, Exhibit 1.13 shows that a Promise student who enrolled in 15 credit hours (12 hours of traditional on-campus courses and one three-hour TN eCampus course) at Chattanooga State Community College would be financially responsible for a total of $600 for the semester in tuition and mandatory fees not covered by the Promise program.

[16] These figures were calculated using the formula outlined in Exhibit 1.11.

Exhibit 1.13: Tuition and fee charges for a student enrolled in a combination of TN eCampus and traditional on-campus courses at Chattanooga State Community College | 15 credit hours total

		Tuition	Fees	Total
Student enrolls in 15 hours total	**Charge for 12 hours traditional on campus**	$168 x 12 hours **$2,016**	*Mandatory fees for 12 hours* **$163**	$2,016 tuition + $163 fees **$2,179**
	Charge for three hours TN eCampus	$168 x 3 hours **$504**	$67 x 3 hours **$201**	$504 tuition + $201 fees **$705**
Total charge for tuition and fees		**$2,520 tuition**	**$364 fees**	$2,520 tuition + $364 fees **$2,884**
Amount that Promise will cover (i.e., the amount that would be charged to a student enrolled in 15 hours on campus at Chattanooga State)		$168 x 12 hours + $35 x 3 hours **$2,121**	*Mandatory fees for 15 hours* **$163**	$2,121 tuition + $163 fees **$2,284**
Amount for which the Promise student is financially responsible (i.e., the difference between total tuition and fee charge and what the Promise scholarship covers)		$2,520 - $2,121 **$399 tuition**	$364 - $163 **$201 fees**	$2,884 - $2,284 **$600**

Source: OREA analysis of community college fall 2019 fee schedules.

The $600 balance is the result of two factors:

1. A difference in the tuition rate for on-campus and TN eCampus credit hours beyond the 12 credit-hour threshold. The tuition rate for TN eCampus courses is $168 per credit hour and is not reduced for additional hours beyond 12, while the $168 per credit hour tuition rate for traditional on-campus courses drops to $35 per credit hour for any hours over 12. The Promise student would be responsible for $399 in tuition costs under this scenario.
2. The cost of mandatory fees not covered by the Promise program. The mandatory fees charged for TN eCampus courses are higher than those charged for traditional on-campus courses. The Promise student would be responsible for $201 in fee costs under this scenario.

This student would be financially responsible for additional costs if he or she enrolled in more TN eCampus credit hours and fewer on-campus credit hours. See Exhibit 1.14. The Promise student would be financially responsible for $775 to enroll in six hours through TN eCampus, $946 to enroll in nine hours, $1,098.20 to enroll in 12 hours, and $1,241 to enroll in 15 credit hours.[17]

[17] These figures were calculated using the formula outlined in Exhibit 1.13.

Exhibit 1.14: TN eCampus costs for which Promise students are financially responsible | 15 credit hours total at Chattanooga State Community College

3 hours TN eCampus (12 hours on campus)	6 hours TN eCampus (9 hours on campus)	9 hours TN eCampus (6 hours on campus)	12 hours TN eCampus (3 hours on campus)	15 hours TN eCampus (no hours on campus)
$600.00	$775.00	$946.00	$1,098.20	$1,241.00

Note: The figures displayed in this table were calculated using the formula outlined in Exhibit 1.13.
Source: OREA analysis of community college fall 2019 fee schedules.

A Promise student attending Chattanooga State Community College who enrolled in institution-based online courses instead of TN eCampus courses would not be financially responsible for additional tuition and mandatory fee costs. The tuition and mandatory fee rate is the same for institution-based online courses and traditional on-campus courses, regardless of the number of hours in which the student enrolls. In addition, Chattanooga State is one of eight community colleges in Tennessee that does not charge an additional fee to students who enroll in institution-based online courses. (Five of the state's 13 community colleges charge an additional fee to students who enroll in institution-based online courses. See Exhibit 1.8.)

The costs associated with TN eCampus courses for which Promise students are financially responsible differs by community college. This is because the mandatory fees charged for traditional on-campus courses vary across all 13 community colleges, which means the amount covered by the Promise scholarship at each institution also varies. Exhibit 1.15 shows the costs associated with TN eCampus courses at each community college for which Promise students are financially responsible. The figures are based on the total number of credit hours taken (i.e., 12 or 15 credit hours) and the mix of TN eCampus and traditional on-campus courses. On average, Promise students are financially responsible for between $188 and $1,250 in TN eCampus costs depending on the community college and the number of hours enrolled.

Exhibit 1.15: TN eCampus costs for which Promise students are financially responsible

	Student enrolled in 12 hours total				Student enrolled in 15 hours total				
Traditional on-campus	**9 hours**	**6 hours**	**3 hours**	**0 hours**	**12 hours**	**9 hours**	**6 hours**	**3 hours**	**0 hours**
TN eCampus	**3 hours**	**6 hours**	**9 hours**	**12 hours**	**3 hours**	**6 hours**	**9 hours**	**12 hours**	**15 hours**
Chattanooga	$175.00	$346.00	$498.20	$641.00	$600.00	$775.00	$946.00	$1,098.20	$1,241.00
Cleveland	$201.00	$371.50	$529.75	$651.00	$600.00	$801.00	$971.50	$1,129.75	$1,251.00
Columbia	$175.00	$346.00	$517.00	$634.00	$600.00	$775.00	$946.00	$1,117.00	$1,234.00
Dyersburg	$201.00	$402.00	$562.50	$651.00	$600.00	$801.00	$1,002.00	$1,162.50	$1,251.00
Jackson	$175.00	$346.00	$517.00	$658.00	$600.00	$775.00	$946.00	$1,117.00	$1,258.00
Motlow	$175.00	$346.00	$517.00	$648.00	$600.00	$775.00	$946.00	$1,117.00	$1,248.00
Nashville	$175.00	$346.00	$517.00	$673.00	$600.00	$775.00	$946.00	$1,117.00	$1,273.00
Northeast	$190.00	$352.00	$514.00	$645.00	$600.00	$790.00	$952.00	$1,114.00	$1,245.00
Pellissippi	$201.00	$376.00	$525.00	$631.00	$600.00	$801.00	$976.00	$1,125.00	$1,231.00
Roane	$198.00	$370.00	$523.00	$649.00	$600.00	$798.00	$970.00	$1,123.00	$1,249.00
Southwest	$201.00	$394.00	$541.00	$641.00	$600.00	$801.00	$994.00	$1,123.00	$1,241.00
Volunteer	$175.00	$346.00	$517.00	$654.00	$600.00	$775.00	$946.00	$1,117.00	$1,254.00
Walters	$198.00	$370.00	$523.00	$656.50	$600.00	$798.00	$970.00	$1,123.00	$1,256.50
Average	**$187.69**	**$362.42**	**$523.19**	**$648.65**	**$600.00**	**$787.69**	**$962.42**	**$1,123.19**	**$1,248.65**

Note: The figures displayed in this table were calculated using the formula outlined in Exhibits 1.11 and 1.13.
Source: OREA analysis of community college fall 2019 fee schedules.

Exhibit 1.16: Tuition and fee overview for traditional on-campus, institution-based online, and TN eCampus courses

Course type	Traditional on-campus	Institution-based online	TN eCampus
Tuition			
Rate	The same rate is charged at all 13 community colleges: $168 per credit hour up to 12 credit hours; $35 per credit hour for additional hours over 12.		The same rate is charged at all 13 community colleges: $168 per credit hour. There is not a reduced tuition rate per credit hour for additional hours over 12.
Covered by the Promise scholarship?	Yes	Yes	Yes, up to 12 hours enrolled. The difference in tuition costs for additional hours beyond 12 are the financial responsibility of the Promise student.
Fees			
Rate	Varies by community college, though none charge fees for additional hours over 12.	Five community colleges charge an extra fee to students enrolled in institution-based online courses. The fees range from $30 and $126 per three-hour online course. The other eight community colleges do not charge an extra fee to students enrolled in institution-based online courses.	The same rate is charged at all 13 community colleges: $67 per credit hour. There is not a reduced fee rate per credit hour for additional hours over 12.
Covered by the Promise scholarship?	Yes	No	The amount of TN eCampus fees covered by Promise, and the remaining balance for which a Promise student is financially responsible, depend on the student's community college and the number of hours in which the student enrolls.

Source: OREA; community college fee sheets fall 2019.

The average cost of books, fees, and supplies at community colleges

According to survey data collected from community college financial aid administrators by OREA,[18] the average cost of books, fees, and supplies not covered by the Tennessee Promise scholarship is $1,150 annually, with amounts ranging from $800 to $1,600. Exhibit 1.17 outlines what the Promise scholarship does and does not pay for, including examples of mandatory and non-mandatory fees.

For students attending community college, Tennessee Promise covers about 80 percent of the cost of attendance at a community college considering tuition, fees, supplies, and books.

On average, Promise students attending community college pay an additional **$1,150 annually** for books, fees, and supplies that are **not covered** by the Tennessee Promise scholarship.

[18] In an online survey sent to all 13 community colleges by OREA in 2019, financial aid officials were asked, "In your experience, how much do students pay, per semester, for fees, books, and other supplies not covered by the Promise scholarship? (Please do not include costs like transportation, housing, food, or other living expenses.)" A financial aid official from 12 of 13 total community colleges responded to the question and responses varied from $400 to $800 per semester. The mean ($575) was doubled to determine the average annual cost of $1,150. The exact cost of books, fees, and supplies not covered by the Promise scholarship varies by student, program, and community college.

Exhibit 1.17: What Tennessee Promise does and does not pay for at a community college

Tennessee Promise pays for	Tennessee Promise does not pay for
Tuition **Mandatory fees** that are *charged to all students*, including: • Student government fee • Student access fee (includes parking fee) • Activity fee • International education fee • Sustainable campus fee	**Housing** **Transportation** **Books** **Supplies** **Non-mandatory fees**, including fees required for individual courses, such as: • Allied health (e.g., nursing, paramedic, radiology, vet tech, etc.) • Science labs (e.g., biology, anatomy and physiology, chemistry, etc.) • Online courses (i.e., TN eCampus,* institution-based online courses)
The average cost of tuition and mandatory fees at Tennessee's community colleges is **$4,200 per year**.	The average cost of books, supplies, and non-mandatory fees at community colleges is **$1,150 per year**. This does not include the additional cost of housing and transportation.

Note:* The Promise scholarship may cover a portion of a student's TN eCampus fees. See pages 20-26 for details.
Source: TCA 49-4-708; community college fee sheets; OREA survey of community college financial aid officials, March 2019.

Tennessee Promise compared to other public scholarships

Exhibit 1.18 compares the eligibility and maintenance requirements of the Tennessee Promise scholarship to other public scholarships available to Tennessee students, including other Drive to 55 scholarships, two of the Tennessee Education Lottery Scholarships (TELS), the Tennessee Student Assistance Award (TSAA), and the federal Pell Grant. A Promise student could also receive any of these scholarships (except for Reconnect, which requires status as an independent student).[19]

Like Tennessee Promise, the primary eligibility criterion for other Drive to 55 scholarships (Tennessee Reconnect and TCAT Reconnect) is legal residency in Tennessee. Residency is also the primary eligibility criterion for the Wilder-Naifeh Technical Skills Grant. Other scholarships, such as HOPE, TSAA, and the federal Pell Grant, are awarded primarily for academic merit or financial need (though students must also be Tennessee residents to receive HOPE or TSAA). The Promise and Reconnect scholarships are awarded on a last-dollar basis after other gift aid (TELS, TSAA, or the federal Pell Grant) has been applied to a student's tuition bill.

As part of the Drive to 55, the Tennessee Promise and Reconnect programs were created to increase postsecondary credential attainment, though for different target groups. Tennessee Promise was created for recent high school graduates, and Reconnect was created for adults who never went to college or who started college but did not earn a credential. Though created for the same goal (credential attainment), differences exist between the two programs. Reconnect students may enroll part time (i.e., minimum of six credit hours) while Promise students must enroll full time (i.e., 12 credit hours). The full time enrollment requirement of Promise is intended to preserve students' momentum and keep participants on track to earn a credential within the five-semester limit. The Reconnect program allows part time enrollment because adult students are more likely to have work and/or family obligations, though community college and TCAT officials told OREA during 2018 interviews that many Promise students on their campuses have the same constraints. Additionally, Promise students are required to complete eight hours of community service each semester while Reconnect students are required to complete an annual questionnaire that generates a personalized Reconnect Success Plan (i.e., the plan connects a student with community and institution-based resources).

Like Promise, the HOPE scholarship was created for recent high school graduates. HOPE recipients must earn a minimum 3.0 high school GPA or 21 on the ACT while Promise eligibility does not include academic merit. Though both programs target recent high school graduates, students who receive the HOPE scholarship can delay enrollment in postsecondary education for up to 16 months after high school graduation, while Promise students are required to enroll

[19] To qualify as an independent student, an applicant must be at least 24 years old, married, have a child or other dependent(s), serve actively in the military or be a veteran, be orphaned or have lived in foster care, be an emancipated minor, or be an unaccompanied youth who is homeless or self-supporting.

the fall semester immediately following high school graduation. HOPE scholarship recipients are permitted to attend college part time, including during the summer term, while Promise students must enroll full time. (If Promise students wish to enroll part time in the summer, they may do so, but at their own expense.) Both programs require students to maintain a minimum GPA to remain eligible, though the GPA threshold is higher for HOPE than for Promise. HOPE scholarship recipients are given one opportunity to regain the scholarship if they fail to maintain the required GPA, while Promise students are not able to regain the scholarship if they drop below the required 2.0 cumulative GPA.

Exhibit 1.18: Eligibility and maintenance requirements of Tennessee Promise and other public scholarships

	Drive to 55 scholarships			Tennessee Education Lottery Scholarships (TELS)*		Other state scholarship	Federal scholarship
	Tennessee Promise	Tennessee Reconnect	TCAT Reconnect	HOPE	Wilder-Naifeh Grant	Tennessee Student Assistance Award (TSAA)	Pell Grant
Eligible institutions	Community college, TCAT, public four-year university or private institution offering associate degree	Community college, public or private university offering associate degree	TCAT	Community college, public or private university	TCAT	Community college, TCAT, public or private college or university	Community college, TCAT, public or private college or university
Enrollment cut off	Enroll the fall term immediately following high school graduation	No	No	Enroll within 16 months of high school graduation	No	No	No
Primary eligibility criterion	Residency	Residency; qualify as independent student^	Residency; qualify as independent student^	Academic	Residency	Financial need	Financial need
First dollar/ last dollar	Last dollar	Last dollar	Last dollar	Middle dollar (after Pell or TSAA)	Middle dollar (after Pell or TSAA)	First dollar	First dollar
Minimum required enrollment	Full-time, continuous semesters/ trimesters	Part-time, continuous semesters	Full-time, continuous trimesters	Part-time, continuous semesters	Continuous trimesters	Part-time	Part-time
Summer term	Optional unless enrolled in TCAT; must enroll full time to use scholarship; can enroll part time without scholarship	Optional	Required	Optional; can enroll part time and receive partial scholarship	Required	Optional; can enroll part time and receive partial scholarship	Optional; can enroll part time and receive partial scholarship
Minimum GPA	Minimum cumulative 2.0 GPA or satisfactory academic progress** (at TCAT)	Minimum cumulative 2.0 GPA	Maintain satisfactory academic progress**	Minimum 2.75 GPA through the first 48 hours and 3.0 GPA thereafter	Maintain satisfactory academic progress**	Maintain satisfactory academic progress**	Maintain satisfactory academic progress**
Ability to regain eligibility?	No	No	No	Yes	No	Yes	Yes
Other requirements	Complete 8 hours community service each term	Complete a questionnaire each year	No	No	No	No	No

	Drive to 55 scholarships			Tennessee Education Lottery Scholarships (TELS)*		Other state scholarship	Federal scholarship
	Tennessee Promise	Tennessee Reconnect	TCAT Reconnect	HOPE	Wilder-Naifeh Grant	Tennessee Student Assistance Award (TSAA)	Pell Grant
Terminating events	The student earns a diploma or associate degree, or five semesters/ eight trimesters have passed	The student earns an associate degree or five years have passed	The student earns a certificate or diploma	The student earns a bachelor's degree or five years have passed	The student earns a certificate or diploma	The student earns a credential or completes the total number of hours necessary for the program of study	The student earns a bachelor's degree, or 12 semesters have passed

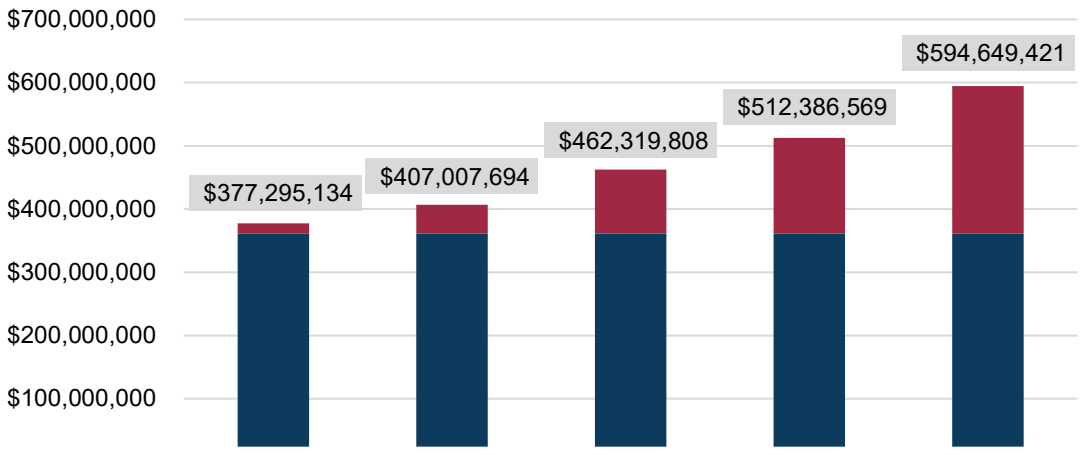
Notes: *Additional TELS scholarships include the HOPE Aspire, HOPE Access, General Assembly Merit Scholarship, and others. **Satisfactory academic progress (SAP) is determined by each institution and includes a combination of grades (GPA at a community college or university, letter grade at a TCAT) and percentage of attempted hours that are completed. SAP also considers the length of time (i.e., semesters, trimesters) it takes to complete a program of study; students who exceed the maximum program length may be ineligible for financial aid. ^Students are considered "independent" on the FAFSA if they meet one or more of the following requirements: at least 24 years old, married, have a child or other dependent(s), active duty military, veteran, orphaned or in foster care, emancipated minor, or unaccompanied youth who is homeless or self-supporting.
Source: OREA.

The Tennessee Promise Endowment Fund

Tennessee Promise scholarships are funded by the Tennessee Promise Endowment Fund. The $361 million principal of the fund, which is designated as nonspendable (i.e., required to be maintained intact), was established by Public Chapter 900 in 2014.[20] Funds from the endowment are invested annually by the State Treasurer; any revenue above the $361 million nonspendable principal is available for scholarship payments and administrative costs. The endowment was created with the intention that it become self-sustaining (i.e., its annual investment earnings would be enough to cover the cost of scholarships each year), so that scholarship funding would not depend on annual state budget allocations.

From 2014-15 to 2018-19, the amount of funding available for scholarships increased by about $217.4 million, with the total fund balance increasing from $377.3 million to $594.6 million. See Exhibit 1.19.

Exhibit 1.19: Tennessee Promise Endowment Fund annual fund balance



	2014-15	2015-16	2016-17	2017-18	2018-19
Restricted for scholarships	$15,913,809	$45,626,369	$100,938,483	$151,005,244	$233,268,096
Nonspendable principal	$361,381,325	$361,381,325	$361,381,325	$361,381,325	$361,381,325

Source: Tennessee Promise Scholarship Endowment Fund balance sheets.

[20] The endowment was established with program-generated revenues of TSAC invested as part of the Chairs of Endowment Fund and the balance of the Lottery for Education account, excluding the general shortfall reserve and the sum of $10 million.

Revenue and expenditures

Since 2014, the Tennessee Promise Endowment Fund has received revenue annually from three sources:

- interest accrued from the fund's investments,
- excess lottery reserves, and
- Tennessee Student Assistance Corporation (TSAC) operating funds.

The fund, aside from the $361 million nonspendable principal, may be spent on:

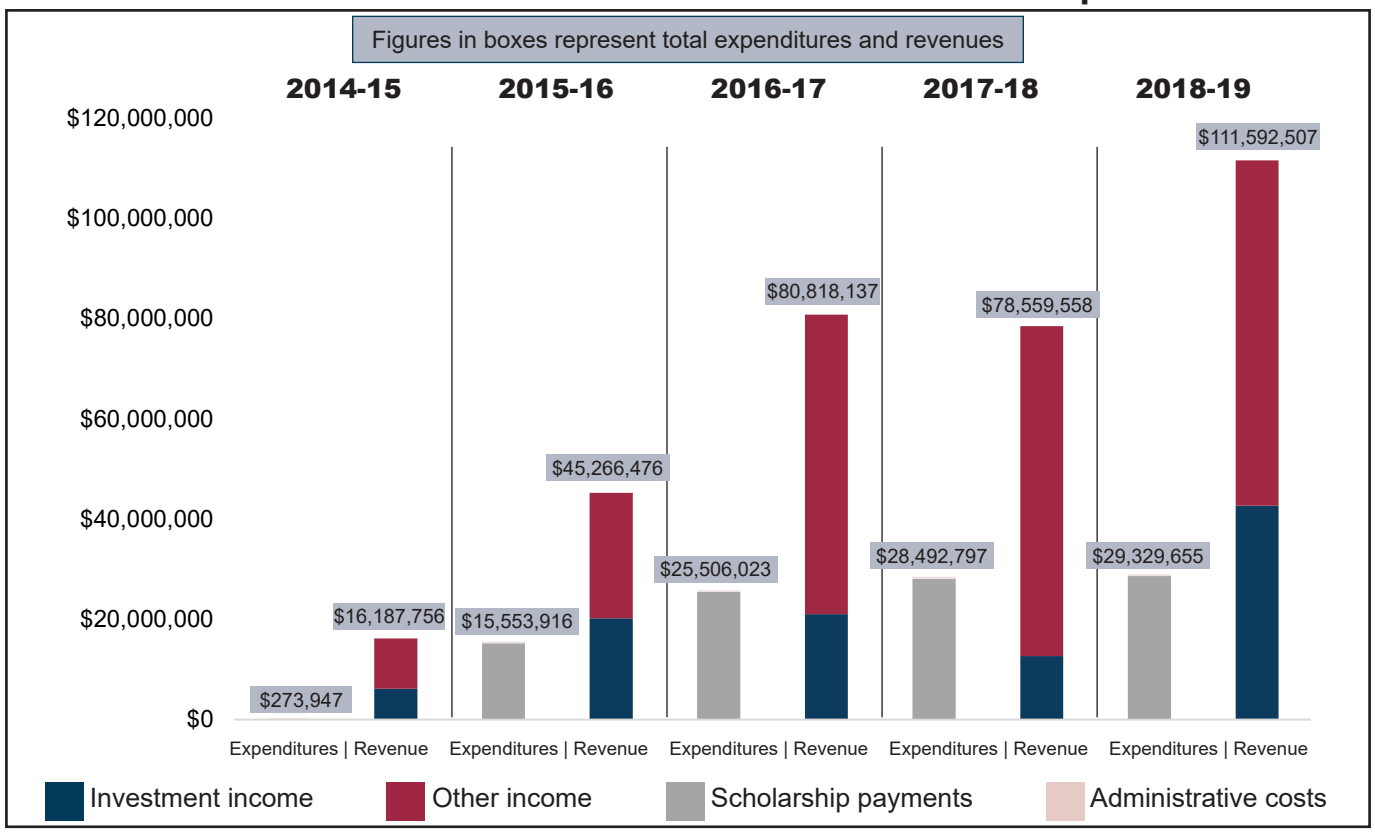
- Tennessee Promise scholarship payments, and
- administrative fees associated with overseeing the fund.

Exhibit 1.20 displays the annual revenue and expenditures of the Tennessee Promise Endowment Fund. For each year, the bar on the left represents the total expenditures and the bar on the right represents total revenue.

From 2014-15 through 2018-19, the fund's total revenue outpaced expenditures. Annually, the fund's largest source of revenue came from excess lottery reserves and TSAC operating funds (combined as "other income"), receiving a total of $229.6 million in allocations from 2014-15 through 2018-19. During the same five years, the fund generated a total of $102.8 million from investment earnings.

The fund's largest expense is for Tennessee Promise scholarships, with a total of $97.4 million expended for scholarships in 2015-16 through 2018-19. (The fund was established in 2014-15, but students did not begin receiving the scholarship until 2015-16.) Annually, a small portion of the fund is spent on administrative costs. At the end of each fiscal year, any unspent funds remain in the endowment rather than reverting to the general fund.

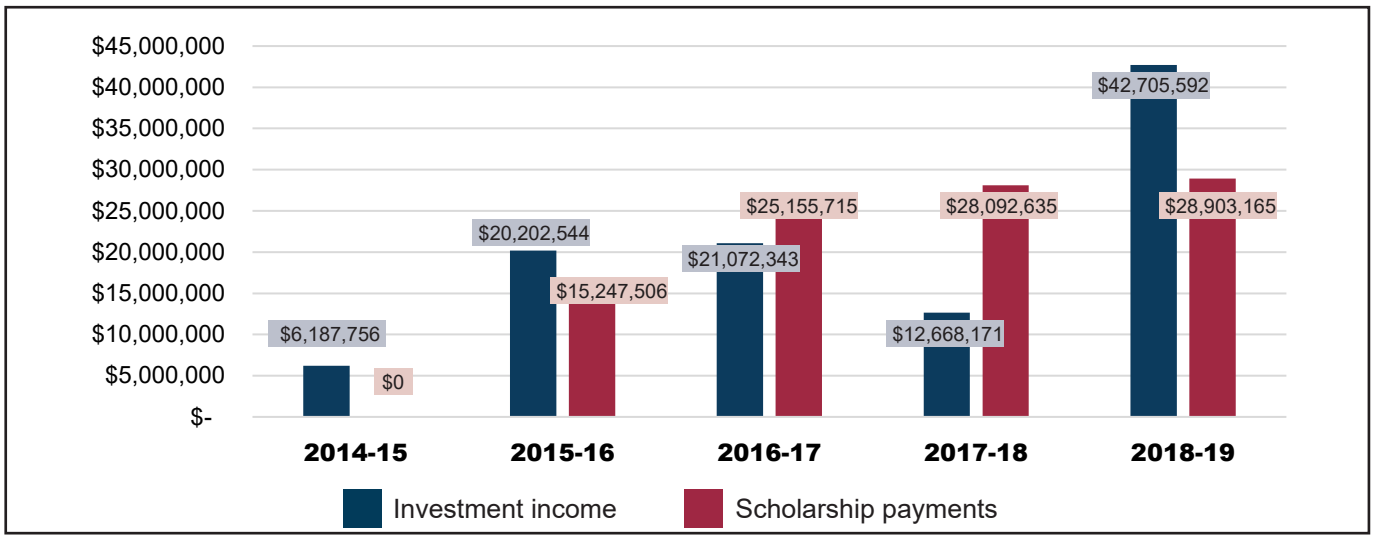
Exhibit 1.20: Tennessee Promise Endowment Fund annual revenue and expenditures



Notes: Other income includes excess lottery reserves and TSAC operating funds. The Tennessee Promise Endowment was established in 2014-15, but students did not begin receiving the Tennessee Promise scholarship until 2015-16.
Source: OREA analysis of Tennessee Promise Scholarship Endowment Fund balance sheets.

The Tennessee Promise Endowment Fund was created with the intention that it become self-sustaining, meaning its earned interest would be enough to cover scholarship payments each year. Exhibit 1.21 compares annual investment income to scholarship payments.

Exhibit 1.21: Tennessee Promise Endowment Fund investment income compared to scholarship payments



Note: The Tennessee Promise Endowment was established in 2014-15, but students did not begin receiving the Tennessee Promise scholarship until 2015-16.
Source: OREA analysis of Tennessee Promise Scholarship Endowment Fund balance sheets.

In 2015-16, the first year that Tennessee Promise scholarships were awarded, the fund's investment earnings exceeded the cost of scholarships. In the following two years, the opposite was true. In 2016-17, the fund paid about $4.1 million more for scholarships than its investment earnings, and in 2017-18, the fund paid more than double the amount it accrued from interest. According to the Department of Treasury, the poor returns in 2017-18 were due to unfavorable conditions that affected most investments across the market. Because unspent funds from previous years remain in the endowment year over year, the fund had enough money to cover the full costs of scholarships those years. In 2018-19, the fund generated more than enough investment earnings to cover the cost of scholarships (in excess of $13.8 million).

In the first five years, the endowment received annual allocations of excess lottery reserves and TSAC operating funds to serve as additional revenue alongside investment earnings. (See "other income" in Exhibit 1.20.) It is anticipated that as the fund accrues more interest in the coming years, allocations from other sources (e.g., lottery reserves) will decrease.[21]

[21] TSAC can no longer transfer funds from its operating fund.

Section 2: Who becomes a Promise student?

Section 1		Section 2	Section 3	Section 4	Section 5
How Tennessee Promise works		Complete application requirements	Enroll in higher education	Complete first year	Complete 5 semesters
	Cohort 1	Fall 2014-Summer 2015	Fall 2015	Spring 2016	Fall 2017*
	Cohort 2	Fall 2015-Summer 2016	Fall 2016	Spring 2017	Fall 2018*
	Cohort 3	Fall 2016-Summer 2017	Fall 2017	Spring 2018	Fall 2019*
		Included in this evaluation	Not included in this evaluation		

Note: *TCAT students can remain Promise-eligible for eight trimesters, instead of five semesters as it is for community colleges and four-year universities. For students who started in the fall, the eighth trimester would be in the spring of their third year.

In this section, OREA analyzed data on high school seniors for the first three years of the Promise program, from fall 2014 to fall 2016. Using that data, Promise program application rates were calculated. Application data was then used to track which Promise applicants ultimately became Promise students (as shown in the box outlined in red above).

Key points

- Between 2014 and 2016, 79 percent of all public high school graduates applied for Tennessee Promise and 24 percent became Promise students.
- OREA identified three student subgroups who have historically attended college at lower rates than their peers: Black and Hispanic students, students with low ACT scores, and students from low-income households. Although many students in these subgroups applied to Promise at rates above the average, they were less likely than their peers to become Promise students and enroll in college.
- The college-going rate measures the percentage of students who attend college in the fall following their graduation from high school the previous spring. Some counties with low college-going rates also had a low percentage of students who applied to Promise as well as a low percentage who participated in the program. In other counties with low college-going rates, however, the percentage of students who applied and those who went on to participate in Promise exceeded the state average in both cases. These counties represent potential areas of programmatic strength that could be replicated in other counties.
- In cohorts 1 through 3, there were 11,029 students who applied for Promise and did not become Promise students, but still attended a TCAT or community college, which are Promise-eligible institutions. The 11,029 students had lower ACT scores, and were more likely to be first-generation college students, Black or Hispanic, and from low-income families. Students from these groups have historically enrolled and completed college at low rates. Because Promise students outperform their peers even when controlling for ACT score, race, and other socioeconomic variables, the 11,029 students would likely have benefited from the supports provided to Promise students (i.e., mentoring, assistance with the FAFSA process, and encouragement from institution-based advisors to stay continuously enrolled as a full time student) had they been able to stay in the program.
- The mandatory meeting hosted by the mentor organization and the community service requirements are the program requirements that Promise applicants most often failed to complete.

Background and methodology

As outlined in the introduction, the primary goal of the Tennessee Promise program is to increase the percent of Tennesseans with a postsecondary credential to 55 percent. Two ways to reach that goal include increasing access to college for students who have not traditionally attended college, and supporting college completion of students already enrolled in college. The Promise program is designed to do both: to increase college access and to increase college completion. The Promise program has been promoted by the state as "tuition-free college," a message intended to encourage more high school graduates to attend college. The program is also designed with supports for students as they apply to college, complete financial aid forms, and register for classes. The messaging and application support are aimed at increasing access to higher education for students. The program targets college completion by providing financial assistance to cover tuition and mandatory fees, and mentor organizations are tasked with helping students navigate postsecondary education and maintain Promise eligibility.

This section explores who goes to college as a Promise student through two lenses: who applies to the Promise program, and who completes program requirements and becomes a Promise student.

OREA analyzed data on high school seniors in the first three years of the Promise program, from fall 2014 to fall 2016. Using that data, Promise program application rates were calculated. Students may apply to Promise if they are a U.S. citizen and Tennessee resident, and earn a high school diploma or its equivalent.[22] Once students apply to Promise they are put into a cohort. Students in cohort 1, for example, applied for the program in the fall of 2014, during the first half of their senior year. (See Exhibit 2.1.)

Application data is also used to track which Promise *applicants* ultimately become Promise *students*. During their senior year of high school and the following summer, Promise applicants must complete several requirements to become a Promise student. The requirements include filing the FAFSA, attending a meeting with their mentor organization, completing and reporting eight hours of community service, and enrolling in an eligible postsecondary degree program. If applicants fail to complete any of the requirements, they are no longer eligible for the program. Once a Promise applicant completes the program requirements, they become a Promise student and can begin receiving the Promise scholarship, on a last-dollar basis, once enrolled in college.[23]

Important terms

Promise applicant: A Promise applicant is an eligible student who completes the Tennessee Promise scholarship application by November 1 of their senior year of high school.

Promise program requirements: After a student fills out a Promise application, he or she must complete several requirements in order to become a Tennessee Promise student. Promise program requirements are:

- file the FAFSA
- attend one mandatory meeting hosted by the mentor organization
- report eight hours of completed community service
- enroll as a full time student in an eligible degree program at an eligible postsecondary institution the fall semester immediately following graduation from high school

Promise student: A student who completes all Promise program requirements. Promise students receive a last-dollar scholarship each semester for up to five consecutive semesters or eight consecutive trimesters.

Exhibit 2.1 Promise application and eligibility timeline | cohorts 1-3

Promise cohort	Applied for Promise	Completed Promise program requirements
Cohort 1	Fall 2014	Summer 2015
Cohort 2	Fall 2015	Summer 2016
Cohort 3	Fall 2016	Summer 2017

The following section describes the demographic, socioeconomic, academic, and geographic characteristics of students who applied for the program and became Promise students. The section also includes an analysis of those Promise applicants who did not ultimately participate in the program and why they did not become Promise students.

[22] Eligible high school graduates include those who graduate from a Tennessee public or private secondary school, graduate from an out-of-state secondary school as a dependent child of an active-duty military parent, earn a high school diploma as a home school student, or obtain a GED or HiSET diploma before the age of 19.

[23] As outlined on pages 11-12, Tennessee Promise is a last-dollar scholarship. Last-dollar scholarships pay for any remaining tuition and mandatory fees that are not covered by other gift aid (e.g., the federal Pell grant, the Hope scholarship, and TSAA scholarships). Some Promise students do not receive any funding from the Promise program because the full cost of tuition and mandatory fees are covered by other gift aid. Those students are still a part of the Promise program and could receive Promise scholarship funds in the future if their other gift aid decreases and they maintain eligibility for the Promise program.

Who became a Promise student?

Between fall 2014 and fall 2016, 177,472 students submitted a Promise application as part of the first three cohorts of Promise applicants. Over those three years, the number of students who applied increased by 5 percent. The first year of the program 57,660 students applied, in the second 59,375 applied, and in the third year the number exceeded 60,000.

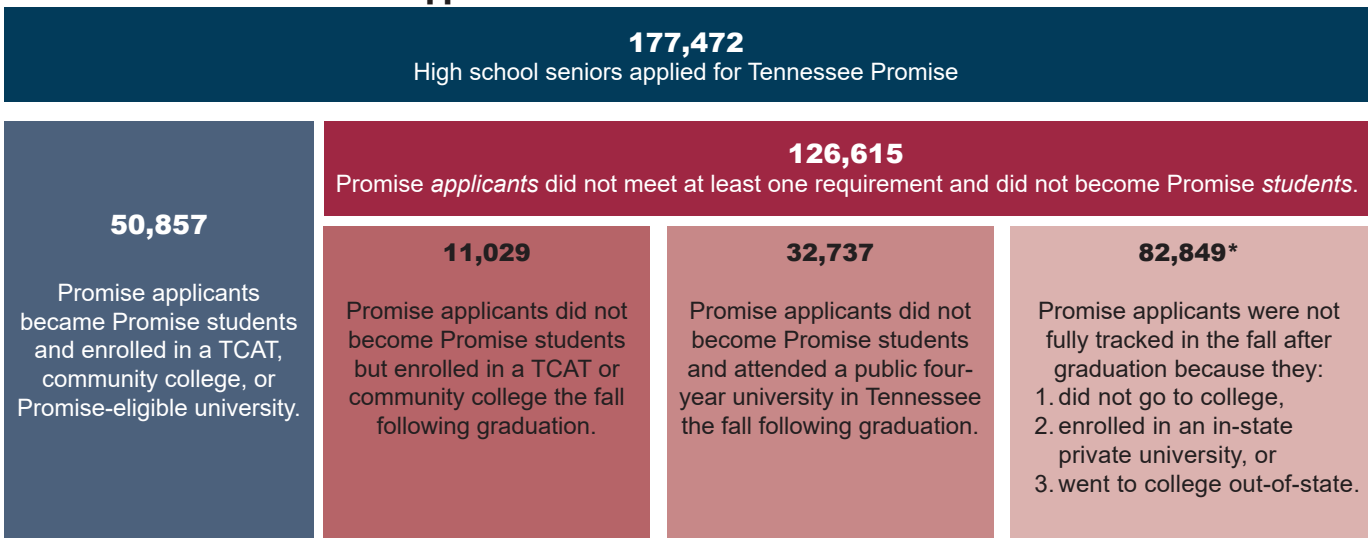
Exhibit 2.2: Number of all Promise applicants by cohort | 2015–2017

Source: OREA analysis of THEC data.

Of the 177,472 students who applied, 93.8 percent were Tennessee public school students. The remaining 6.2 percent were students from private schools, students who were home-schooled, or students whose parents are in the military (e.g., a student attending high school in Kentucky whose parents serve in the military and are stationed in Tennessee). The percentage of Promise applicants from public schools remained steady each of the first three years.

Promise applicants must complete all program requirements to remain eligible for the program. Exhibit 2.3 examines the Promise applicants from cohorts 1, 2, and 3, including the number who became Promise students and the postsecondary options pursued by Promise applicants who did not become Promise students.

Exhibit 2.3: Where Promise applicants from cohorts 1-3 enrolled



Note: *The 82,849 students were not fully tracked in the THEC Student Information System, the data source used by OREA for this analysis.
Source: OREA analysis of TDOE and THEC data.

Considering cohorts 1-3, slightly more than a quarter (28.6 percent) of Promise applicants became Promise students. These 50,857 students completed all application requirements, including enrollment in a Promise-eligible institution. (Section 3 discusses enrollment trends for Promise students.)

Of the 126,615 Promise applicants who did not become Promise students, about one-third went on to attend public postsecondary institutions in Tennessee, including about 11,000 students who enrolled in a TCAT or community college and about 33,000 students who enrolled in a public four-year university. The available data does not indicate why some Promise applicants did not complete all Promise application requirements and participate in the program. It is likely that some students did not meet an application requirement by choice (e.g., they were required by their parents or high school to apply for Promise but intended to pursue a bachelor's degree). Of the Promise applicants who did not become Promise students but still enrolled in a public college, about 75 percent (32,737 students) enrolled in a four-year university (the University of Tennessee or a locally governed institution) for which Promise students are not eligible, indicating they may have applied for the Promise scholarship as a backup plan in the event they were unable to attend their chosen institution.[24] Other students may have planned to attend a community college or TCAT as a Promise student but failed to meet one

[24] Students can enroll in two locally governed institutions (Austin Peay State and Tennessee State), but only in an associate degree program.

of the program requirements, rendering them ineligible for the Promise scholarship. About 11,000 Promise applicants who did not become Promise students from cohorts 1-3 went on to enroll in a TCAT or community college, which are Promise-eligible institutions, in the fall following their high school graduation. If these applicants had remained part of the Promise program, they would have received additional supports (e.g., mentoring, assistance with the FAFSA process, and encouragement from institution-based advisors to remain continuously enrolled as a full time student) to help them successfully transition to college and earn a degree or credential.

See pages 41-44 for more detailed analysis of the 11,029 applicants who did not become Promise students and attended a Promise-eligible institution.

The remaining 82,849 applicants who did not become Promise students were not tracked fully in the Tennessee Higher Education Commission's Student Information System (the source for much of the data OREA used for analysis) in the fall after graduation because they:

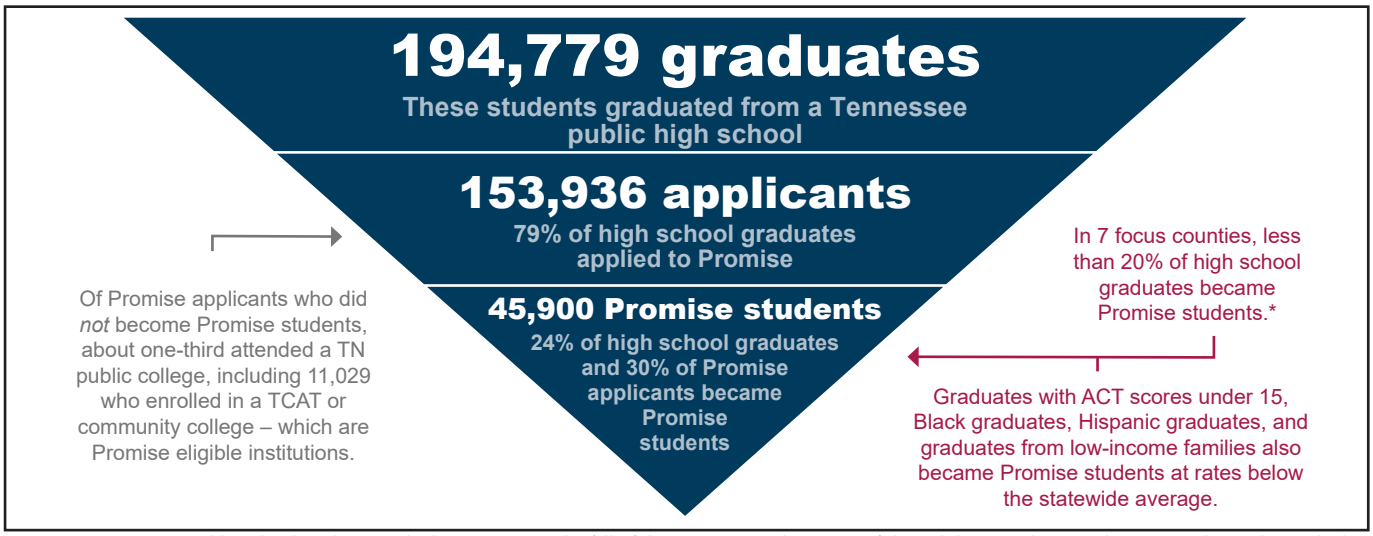
- did not enroll in college,
- enrolled in college out-of-state, or
- enrolled in a private Tennessee university.[25]

Because these 84,933 students were not tracked in the available data, it is not possible to determine the number who enrolled in college. Data analyzed throughout this section shows that nearly 75 percent of Promise applicants were from at least one subgroup that has historically not gone to college at high rates (e.g., students with a low ACT score, Black and Hispanic students, or those from low-income families) so it is likely that some of the approximately 85,000 non-trackable Promise applicants did not enroll in college after high school.

Results for public high school students in Tennessee

To determine the application rate among all public high school seniors, OREA obtained data from the Department of Education about the graduating seniors from each Tennessee public high school. Between 2014 and 2016, 79 percent of all *public* high school *graduates* applied to the Promise program.[26]

Exhibit 2.4: Number and percent of public high school graduates who applied to Promise and became Promise students | 2014-15 to 2016-17



Notes: Over 153,338 public school students applied to Promise in the fall of their senior year, but some of them did not graduate in the spring. Those who applied but did not graduate are not included in the chart.
Source: OREA analysis of TDOE and THEC data.

[25] Limited information about state-funded scholarships is tracked by THEC's student information system for Promise applicants who attend private institutions. Enrollment information, such as the number of credits attempted, is not tracked, for example.

[26] Some students who applied for Promise in the fall of their senior year did not graduate in the spring. These students are not included in the percent of all public high school graduates who applied to the Promise program.

As shown in Exhibit 2.4, about 46,000 public high school graduates became Promise students. These students represented 24 percent of their graduating classes. Of the graduating seniors that applied to Promise, 30 percent became Promise students.

Who became a Promise student by student subgroup

To meet Drive to 55 goals, the Department of Education has committed to supporting all types of students. Through its "all means all" priority area, addressed in the state's 2017 ESSA plan, the department has identified the need to close gaps in postsecondary outcomes between traditionally underserved students and their peers. OREA identified three such student subgroups who have historically attended college at lower rates than their peers: Black and Hispanic students, students with low ACT scores, and students from low-income households.[27] The percent of students that applied to the program and became Promise students from those subgroups were then compared to their peers to identify gaps within the Promise program.

> "One of Tennessee's greatest attributes is the diversity of its students. By identifying 'All Means All' as a priority area in Tennessee Succeeds, the state's strategic plan, Tennessee is committed to ensuring that all students receive the opportunity to earn a postsecondary degree or certificate."
>
> -Tennessee Department of Education

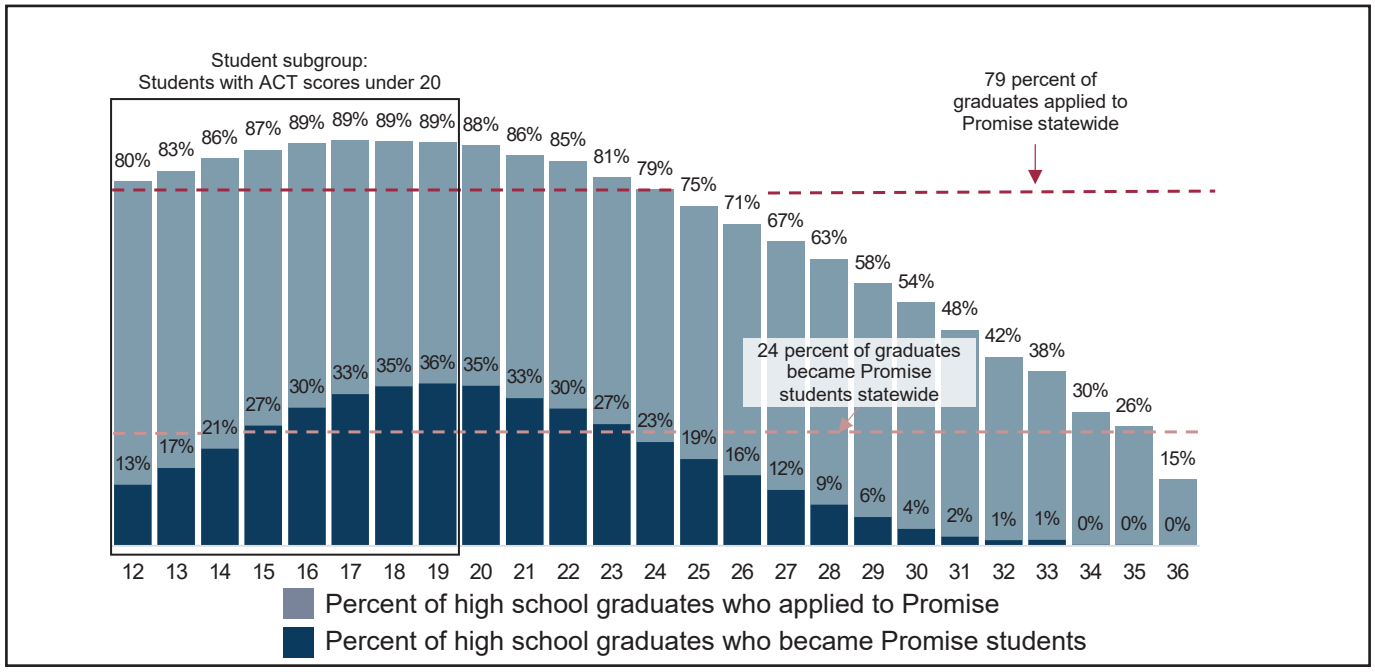
Students with ACT scores below 20

Students with ACT scores below 20 have traditionally attended college at lower rates than their peers, but the Promise application rate for such students was above the statewide average. Students with an ACT score in the 16 to 19 range had the highest Promise program application rate, at 89 percent, as shown in Exhibit 2.5, while students with scores below 16 had application rates between 80 and 87 percent. Across all ACT scores below 20, students applied to Promise above the statewide average (79 percent).

Students with ACT scores between 18 and 20 also completed the application process and became Promise students at the highest rate (35-36 percent). Students with ACT scores between 15 and 17 became Promise students at rates above the statewide average of 24 percent, while students with scores below 15 became Promise students at rates below the average.

Most students with ACT scores below 20 applied to Promise and became Promise students at rates at or above the statewide average. Students with ACT scores below 15, however, became Promise students at lower rates than their peers, indicating a potential area for improvement.

Exhibit 2.5: Percent of high school graduates who applied to Promise and became Promise students | by ACT score



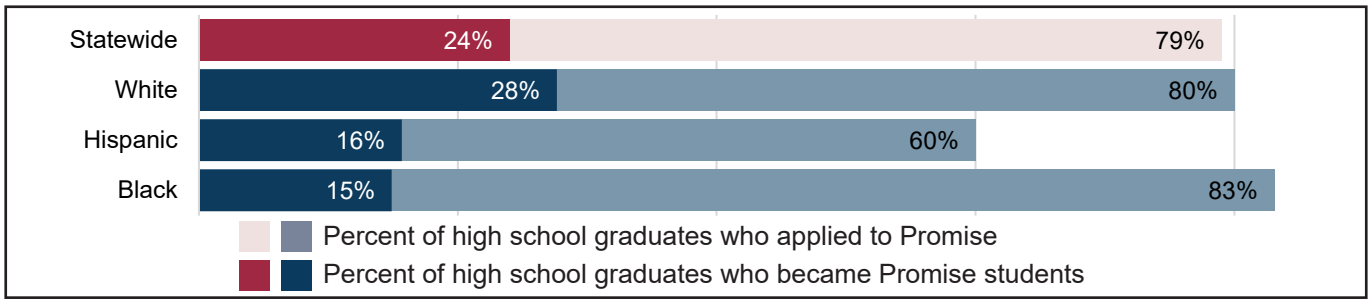
Source: OREA analysis of THEC data.

[27] These student subgroups were identified using ACT data about college-going rates.

Minority students

According to Tennessee's Every Student Succeeds Act (ESSA) plan, which outlines the state's goals and plans for K-12 education, the state tracks outcomes for four student subgroups. One of those groups, termed "traditionally underserved minority students," includes Black and Hispanic students.[28] As a group, these students typically attend college at lower rates than their peers. As shown in Exhibit 2.6, Black students had the highest Promise application rate (83 percent) between 2014 and 2016, followed by White students (80 percent) and Hispanic students (60 percent). Despite being the most likely to apply, Black students became Promise students at the lowest rate (15 percent). Twenty-eight percent of White high school graduates became Promise students between 2014 and 2016, followed by 16 percent of Hispanic students.

Exhibit 2.6: Percent of high school graduates who applied to Promise and became Promise students | by racial or ethnic group



Note: There are 7,153 students who identify as American Indian, Asian or Pacific Islander, multiple races, or other. They represent 3.7 percent of students and are not included in the graph. There are 288 who are both Black and Hispanic. They are included in both categories.
Source: OREA analysis of TDOE and THEC data.

The reasons for the gap differ for the two subgroups. For Hispanic students, it is partially because fewer students applied: 60 percent, nearly 20 percentage points below the statewide average of 79 percent. In addition, once Hispanic students applied, they met program requirements and became Promise students at rates slightly lower (3.5 percentage points) than the state average.[29] Although Black students applied at rates well above the statewide average, Black applicants completed program requirements and became Promise students at the lowest rate, 12 percentage points below the statewide average.[30]

Students from low-income households

Promise applicants from low-income households were less likely to become Promise students than Promise applicants from higher-income families, according to analysis of participation rates by household income level.[31] OREA was not able to obtain family income data for all graduating seniors, and thus could not calculate application rates by income. Income information for Promise applicants, however, was used to determine the percent of applicants who became Promise students by income level.

Applicants from low-income families made up over half (51 percent) of all Promise applicants. Because they made up such a large portion of the applicants, the percentage of students from low-income households who became Promise students is slightly lower than, but similar to, the statewide average of 30 percent. Those from families with higher incomes became Promise students at rates 13 percentage points above the average.

[28] Native American students are also underserved minority students. For this analysis, though, there were too few Native American students to analyze separately without identifying students. They are included in the group of students labeled "Other or Unknown."

[29] Statewide, 30 percent of Promise applicants completed program requirements and became Promise students. Of Hispanic applicants, 26.4 percent completed program requirements and became Promise students.

[30] Statewide, 30 percent of Promise applicants completed program requirements and became Promise students. Of Black applicants, 18 percent completed program requirements and became Promise students.

[31] Households were considered low-income if their expected family contribution was below the threshold set for Pell eligibility. Expected family contribution is calculated based on a student's FAFSA filing.

Exhibit 2.7: Percent of Promise applicants who became Promise students | by household income

Note: Households were considered low-income if their expected family contribution was below the threshold set for Pell eligibility. Expected family contribution is calculated based on a student's FAFSA filing. On average, 9,856 applicants per year, over the first three cohorts, did not have EFC data, mostly because they did not file the FAFSA. They are not included in the exhibit. OREA was not able to calculate the percent of all high school graduates who became Promise students by household income, so the numbers shown here represent the percent of Promise applicants who became Promise students.
Source: OREA analysis of THEC data.

Student subgroups: Overview

Based on its analysis, OREA identified areas for possible improvement to increase access among student subgroups. The Promise program is designed to increase access by encouraging more students to consider college through the message of "tuition-free college" for high school graduates, regardless of financial need or academic achievement.[32] Students with ACT scores below 15, Black and Hispanic students, and students from low-income households, however, became Promise students at rates below the statewide average.

Students with low ACT scores (under 20) and Black students apply to the Promise program at rates above the statewide average. Students from these subgroups take the first step or steps toward attending college as Promise students but many do not ultimately go on to participate in the program. Hispanic students, however, apply to the Promise program at rates 20 percentage points below the average, suggesting that possible improvement efforts for this group of students might target higher application rates.

Exhibit 2.8: Student subgroups and whether they were above or below the statewide percent of high school graduates who applied to the program and percent of applicants who became Promise students

Statewide percentages	Percent of graduates who applied to the program: 79%	Percent of applicants who become Promise students: 30%	Percent of graduates who become Promise students: 24%
Students with ACT scores 15-19	Above the average →	Above the average →	33% ✓
Students with ACT scores under 15	At or above the average →	Below the average X	17% X
Black Students	Above the average →	Below the average X	15% X
Hispanic Students	Below the average X	Below the average X	16% X
Students from low-income families	N/A	Below the average X	N/A

Note: Because OREA was not able to obtain family income data for all graduating seniors, application rates by income were not calculated. Income information for Promise applicants, however, was used to determine the percent of applicants who became Promise students by income level.
Source: OREA analysis of TDOE and THEC data.

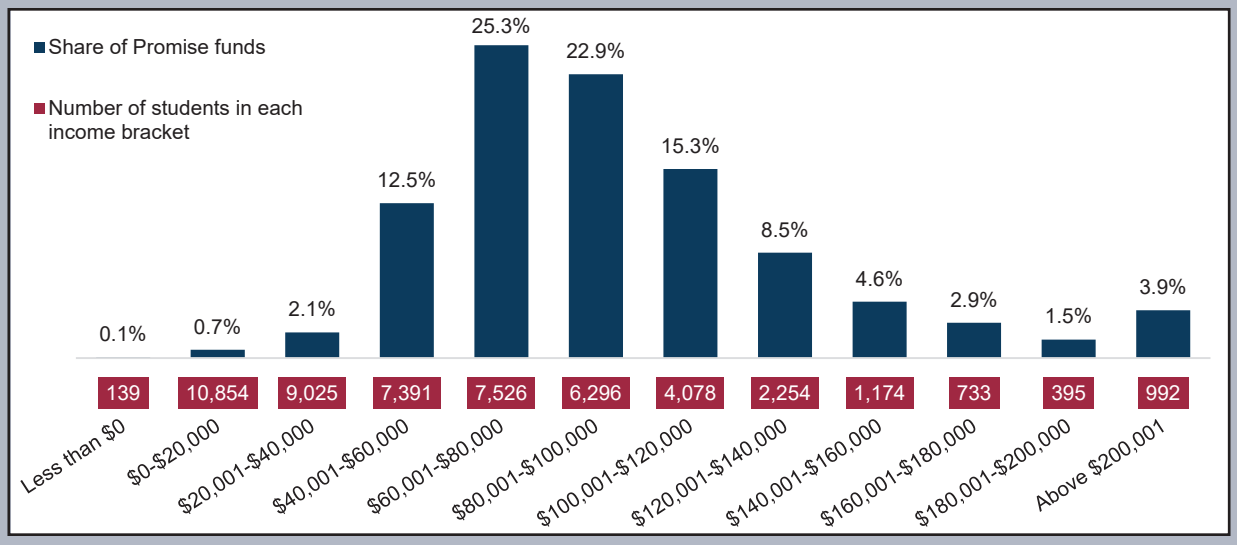
[32] To simplify the message, THEC simply states "Seniors may apply for the Tennessee Promise scholarship, which will provide two years of tuition-free attendance at a community or technical college in Tennessee," but not all high school seniors are eligible. Only those who earn a high school diploma or equivalent and are U.S. citizens are eligible.

Although they applied at high rates, 18 percent of Black Promise applicants enrolled in college as Promise students, 12 percentage points lower than the statewide average of 30 percent. Similarly, Promise applicants with ACT scores below 15, students from low-income households, and Hispanic students became Promise students at lower rates than the statewide average. For each of these groups, supporting students through the application process (i.e., when students must attend meetings, complete community service, and enroll in a Promise-eligible institution) is also an area for possible improvements.

Promise funds by income level

Exhibit 2A shows the distribution of Promise funds by household income level. Nearly half of all Promise funds went to students from households with an annual income between $60,000 and $100,000, while another 37 percent went to students from families with annual incomes over $100,000.

Exhibit 2A: Distribution of Promise funds across adjusted gross income levels | 2015–2017



Not all Promise students receive funding from the Promise scholarship because Tennessee Promise is a last-dollar scholarship. Promise funds are used to pay for tuition and mandatory fees that are not already paid for by other sources of gift aid (e.g., the HOPE scholarship or federal Pell grant).[33] Students from households with incomes less than $60,000 are more likely to qualify for the Pell grant or other need-based scholarships. Those scholarships then cover some or all tuition and mandatory fees; thus, students from low-income households are less likely to receive funds through the Promise program.

In contrast, students with incomes above $60,000 do not generally qualify for the federal Pell Grant or other lottery scholarships that are dependent on family income. If those students do not qualify for HOPE funding or other sources of gift aid that are dependent on family income, Promise will cover all tuition and mandatory fees. Students from families with incomes above $60,000, who do not qualify for sources of gift aid that are dependent on family income, received the majority of the Promise funds spent across the state. (See page 13 for examples of students.)

Who became a Promise student by county

The college-going rate measures the percentage of students who attend college in the fall following their graduation from high school. College-going rates vary by county. In Perry County, for example, the college-going rate in 2014 was over 70 percent, while in both Warren and Cocke counties the rate was 40 percent that same year.

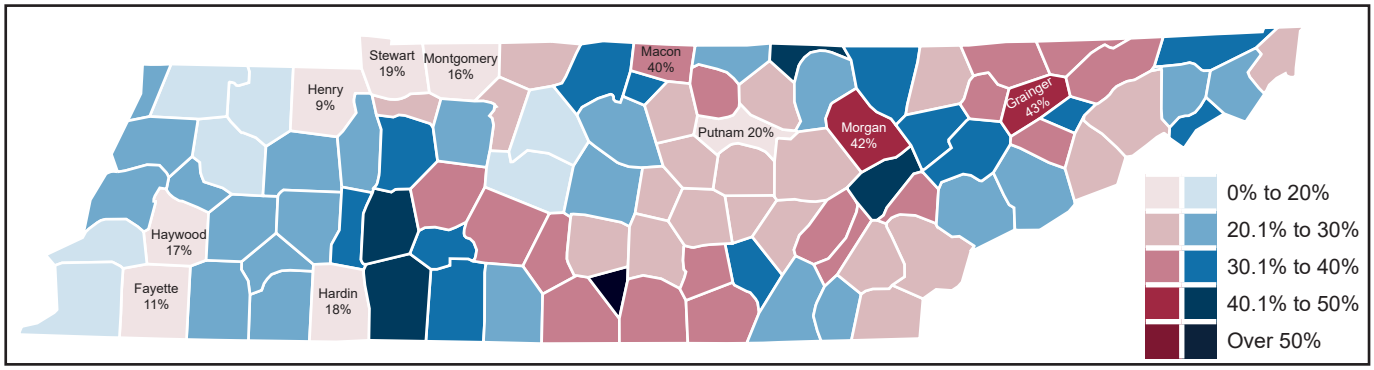
A county's college-going rate in the year before Promise is a useful statistic to consider when assessing Promise application rates and Promise participation rates. OREA focused on counties with a college-going rate in the bottom half of counties across the state, where the highest percentage of students did not attend college before the implementation of Tennessee Promise (shaded in red tones in Exhibit 2.9).

[33] *TCA* 49-4-708 (b)(6).

Some counties that had a low college-going rate also had a low percentage of students who applied to Promise or who went on to participate in the program. In other counties with low college-going rates, however, the percentage of students who applied and those who went on to participate in Promise exceeded the state average in both cases.

> "We are only as strong as each of our counties."
>
> -THEC at the SHEEO Conference (2019)

Exhibit 2.9: Percent of public high school graduates who became Promise students | by county



Note: The colors (blue or red) indicate whether the county's college-going rate was above or below the median college-going rate in the year before Promise. Counties shaded in blue were in the top half of counties in terms of college-going rate before the implementation of Tennessee Promise.(i.e., before Promise, these counties had a higher percentage of graduating seniors who attended college). Counties shaded in red are in the bottom half. Darker reds and blues indicate that a higher percentage of high school graduates in that county became Promise students, while lighter reds and blues indicate a lower percentage of students became Promise students.
Source: OREA analysis of THEC data.

Of the counties with a low college-going rate in the year before Promise, OREA identified seven in which 20 percent or less of high school graduates became Promise students (shown in light red in Exhibit 2.9). These counties can be grouped into three categories: counties with low application rates, counties in which a low percentage of applicants became Promise students, and counties with both. Although counties in all three categories had the same outcome (a lower percentage of graduates became Promise students), each category may require a different approach to improvement.

The three counties with low application rates would likely see an increased percentage of graduates who become Promise students if a higher percentage of students applied to the program. In two other counties, many students applied, but a significant number did not meet program requirements and enroll in college as Promise students. There are two other counties in which both application rates and participation rates are potential areas of improvement.

Of the counties with a low college-going rate before Promise, there were three – Grainger, Morgan, and Macon – in which 40 percent or more of graduating seniors became Promise students, 10 percentage points above the statewide rate of 30 percent. In these three counties, a high percentage of students applied to the program and a high percentage of applicants completed program requirements and enrolled in college as Promise students.

Those three counties represent potential areas of programmatic strength that could be replicated in other counties. The success seen in Grainger and Morgan counties was likely due to their previous experience with programs like Promise. They are near Pellissippi State, Roane State, and Walters State community colleges where the Knox Achieves program, which served as a template for Tennessee Promise, had been in place for five years. Mentor organizations and community college officials in that area were already familiar with the process and structure of a last-dollar scholarship available to all high school graduates. As counties in the western part of the state continue to implement Promise and adjust to the program, those with more experience with this type of program may be a potential resource.

Exhibit 2.10: Counties in which high school graduates became Promise students at low or high rates compared to the statewide rate of 30 percent

County	Percent of graduates who applied to Promise	Percent of applicants who became Promise students	Description
Counties in which 20% or less of high school graduates became Promise students			
Hardin	95%	19%	A high percentage of students applied to the program in these counties, but a low percentage of them completed program requirements and enrolled in college as a Promise student
Fayette	94%	11%	
Haywood	91%	19%	
Stewart	61%	30%	In these counties, a low percentage of high school graduates applied to Promise, but once they applied, they became Promise students at the average statewide rate (30%).
Putnam	63%	32%	
Montgomery	65%	25%	In these counties, a low percentage of students applied to Promise, and a low percentage of those applicants completed program requirements and enrolled in college as a Promise student.
Henry	59%	15%	
Counties in which 40% or more of high school graduates became Promise students			
Grainger	90%	48%	In these counties, over 85% of graduating seniors applied to Promise and 40% or more became Promise students, well over the statewide average (30%).
Morgan	87%	48%	
Macon	95%	42%	

Source: OREA analysis of THEC data.

Applicants who did not become Promise students but attended Promise-eligible institutions

As explained on pages 34-35, 11,029 students in cohorts 1-3 who applied for the Promise scholarship did not become Promise students, although they ultimately attended a TCAT or community college, which are Promise-eligible institutions. These students completed a Promise application in the fall of their senior year of high school, but failed to meet one of the program requirements, rendering them ineligible for the scholarship. Based on the available data, it is not possible to determine why these students did not fulfill the Promise program requirements. Since these applicants still enrolled in a Promise-eligible institution, it is less likely that they intentionally dropped out of the program.

These students did not receive the additional supports provided to Promise students, such as mentoring, assistance with the FAFSA process, or encouragement from institution-based advisors to stay continuously enrolled as a full time student. The 11,029 students had lower rates of persistence and completion than their Promise-eligible peers, even when conducting analyses that took into account ACT scores, family income, race, gender, and whether the student was a first-generation college student. Understanding the characteristics of these students could help mentor organizations and other Promise program stakeholders target efforts toward helping such applicants remain in the program. Keeping these students eligible for Promise would likely increase their higher education outcomes and help Tennessee increase degree completion. (See section 4 and 5 for an analysis of persistence and completion.)

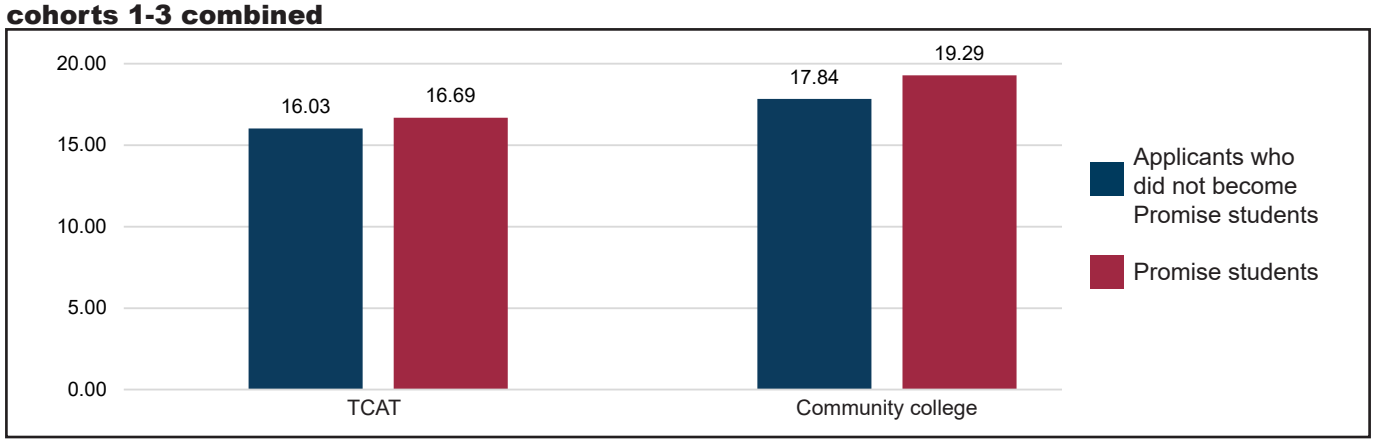
> Tennessee Promise provides more than a monetary scholarship.
>
> It provides program participants with additional supports such as mentoring, assistance with the FAFSA process, and encouragement from institution-based advisors to stay continuously enrolled as a full time student.
>
> The 11,029 students who applied for Promise but did not become Promise students and went on to attend a TCAT or community college did not receive these supports.

Promise applicants who did not become Promise students but enrolled in TCATs and community colleges by student subgroup

The following exhibits compare Promise applicants who enrolled in a TCAT or community college (which are Promise-eligible institutions) but did not become Promise students to Promise students who enrolled in those institutions. In general, applicants who did not become Promise students and enrolled in a TCAT or community college had lower ACT scores, were more likely to be first-generation college students, Black or Hispanic students, and from a low-income family. In general, students in these subgroups have not enrolled in or completed college at high rates, so they would likely benefit from the supports provided to Promise students.

Exhibit 2.11 shows that the 11,029 Promise applicants who did not become Promise students and enrolled in a TCAT or community college had lower average ACT scores than those who enrolled as Promise students.

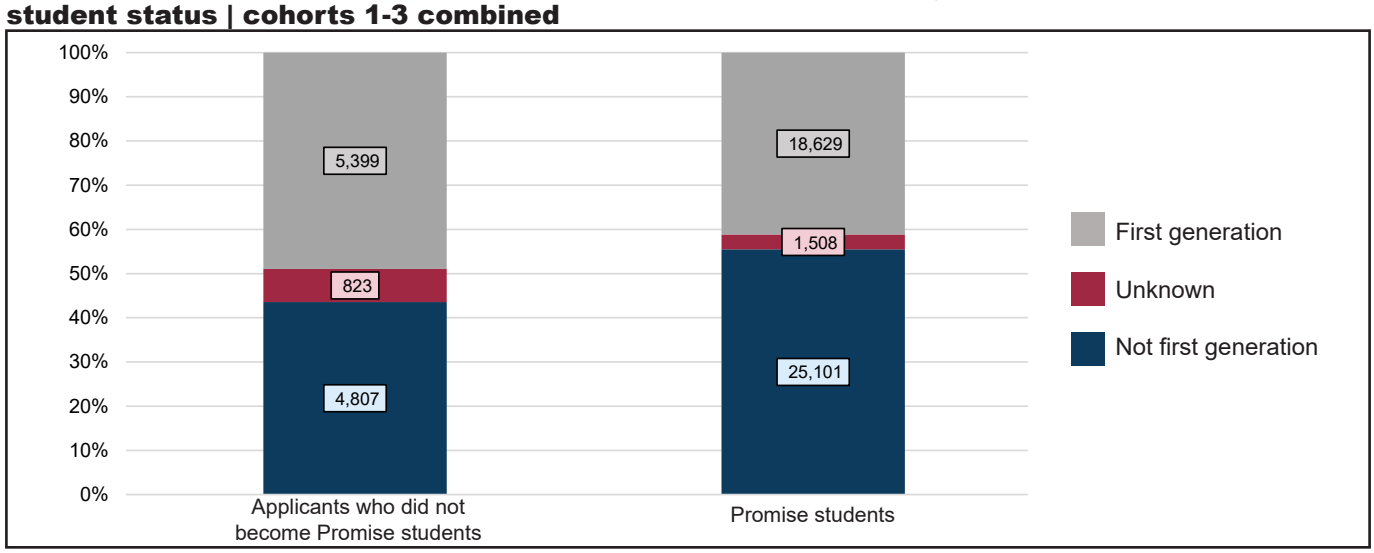
Exhibit 2.11: Promise applicants who did not become Promise students and enrolled in community colleges and TCATs compared to Promise students | by average ACT scores | cohorts 1-3 combined



Source: OREA analysis of THEC data.

Exhibits 2.12-2.14 show that students who are first-generation college students, in a minority group, or from a low-income household made up a larger portion of the 11,029 Promise applicants who did not become Promise students and attended Promise-eligible institutions than for those who attended as Promise students. First-generation college students represented about half of applicants who did not become Promise students and attended a TCAT or community college, compared to about 40 percent of Promise students.

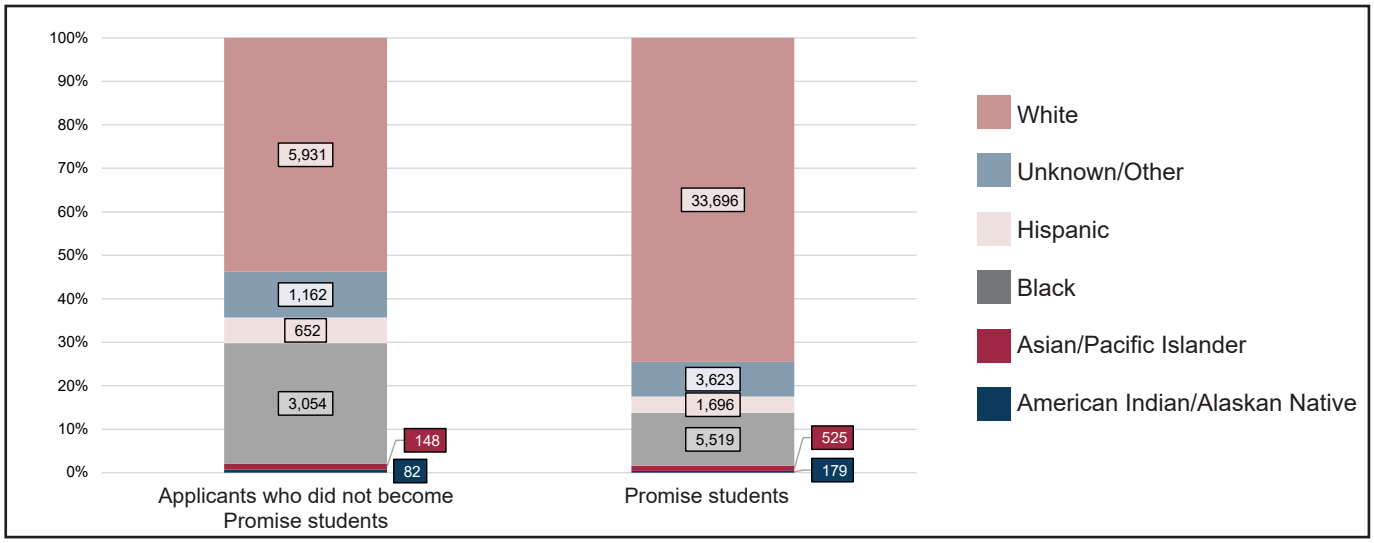
Exhibit 2.12: Promise applicants who did not become Promise students and enrolled in community colleges and TCATs compared to Promise students | first-generation college student status | cohorts 1-3 combined



Note: The count of Promise students includes those who enrolled in the fall semester immediately following high school graduation. Promise students who enrolled part time (i.e., attempting less than 12 credit hours) are included in this chart; this may result in different student totals than those presented in other sections of the report. Though the Promise program requires continuous full time enrollment, a student may be granted a waiver from this requirement in certain circumstances. See Section 1 for more details.
Source: OREA analysis of THEC data.

As shown in Exhibit 2.13, students from racial minority groups represented about 18 percent of Promise students compared to about 36 percent of students who applied but did not become Promise students.

Exhibit 2.13: Promise applicants who did not become Promise students and enrolled in community colleges and TCATs compared to Promise students | by racial subgroups | cohorts 1-3 combined



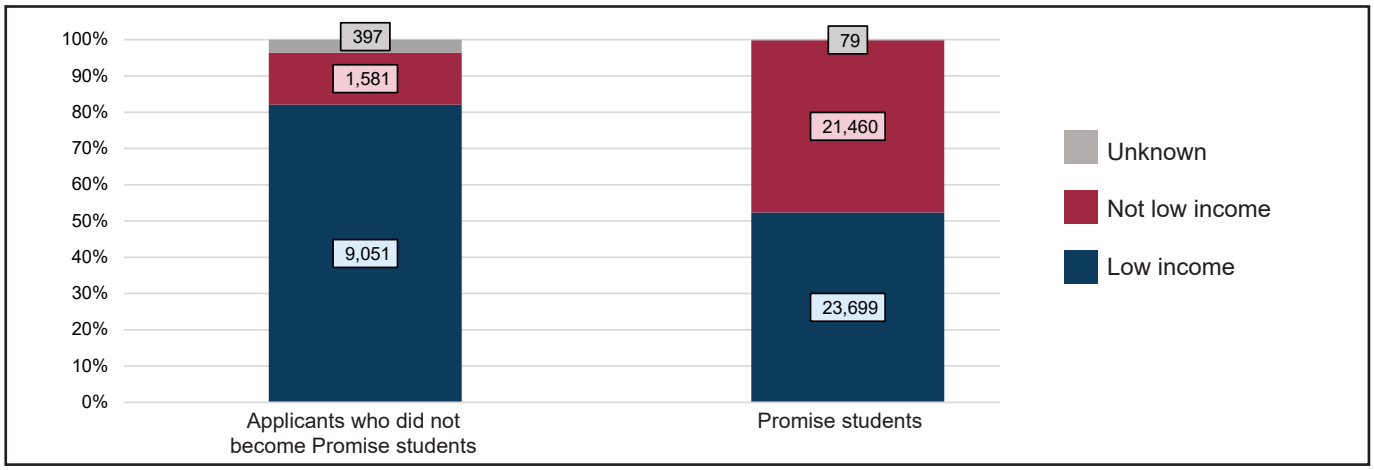
Note: The count of Promise students includes those who enrolled in the fall semester immediately following high school graduation. Promise students who enrolled part time (i.e., attempting less than 12 credit hours) are included in this chart; this may result in different student totals than those presented in other sections of the report. Though the Promise program requires continuous full time enrollment, a student may be granted a waiver from this requirement in certain circumstances. See Section 1 for more details.
Source: OREA analysis of THEC data.

Exhibit 2.14 shows that low-income students represented over 80 percent (9,051 students) of Promise applicants who did not become Promise students and attended a TCAT or community college, compared to about 52 percent who enrolled as a Promise student. For the purposes of this analysis, students termed "low-income" have an expected family contribution (EFC) below the threshold set for Pell eligibility. Low-income students are more likely to be eligible for a Pell Grant, though only students with the lowest EFC receive a *full* Pell Grant; low-income students with a higher EFC may be eligible for a *partial* Pell Grant. (See box on pages 16-17 for more information on the federal Pell Grant.)

Some of the 9,051 low-income students who applied for but did not become Promise students may have received a full Pell Grant, meaning their tuition and mandatory fees were covered in full by the grant, and they likely had grant funds left over to pay for non-mandatory fees and books. If those full Pell recipients had remained eligible for Promise, they would not have received Promise scholarship dollars, but would have received added supports provided to Promise students (i.e., from mentor organizations and/or institution-based advisors).

On the other hand, some of the 9,051 students may have received a partial Pell Grant. If those partial Pell recipients had remained eligible for Promise, the Promise scholarship would have kicked in to cover the balance of the tuition and mandatory fees not covered by the grant or other gift aid, though they would have still been responsible for items not covered by Promise (e.g., books, non-mandatory fees). In addition to losing Promise scholarship dollars, these partial Pell recipients who applied for but did not become Promise students did not receive the additional supports available to Promise program participants.

Exhibit 2.14: Promise applicants who did not become Promise students and enrolled in community colleges and TCATs compared to Promise students | by income | cohorts 1-3 combined



Notes: A student was considered low-income if his or her expected family contribution (EFC) was below the threshold set for Pell eligibility. EFC is calculated based on a student's FAFSA filing. The count of Promise students includes those who enrolled in the fall semester immediately following high school graduation. Promise students who enrolled part time (i.e., attempting less than 12 credit hours) are included in this chart; this may result in different student totals than those presented in other sections of the report. Though the Promise program requires continuous full time enrollment, a student may be granted a waiver from this requirement in certain circumstances. See Section 1 for more details.
Source: OREA analysis of THEC data.

Regardless of Pell eligibility, ACT score, race, or first-generation college student status, all 11,029 of the Promise applicants who did not become Promise students and attended a TCAT or community college could have likely benefited from the supports provided to Promise students had they remained in the program.[34] The following section examines the program requirements most often missed by Promise applicants in cohorts 1-3.

The federal Pell Grant and Tennessee Promise

Since Tennessee Promise is a last-dollar scholarship that is applied after other sources of gift aid (such as the Pell Grant), a Promise student's award amount can range from zero dollars to the full cost of tuition and mandatory fees. Even though Pell Grant recipients may receive little to no award from the Promise scholarship, the Promise program provides nonmonetary benefits that promote retention and encourage timely degree completion. Potential benefits provided to Promise students include mentoring, assistance with the FAFSA process, and encouragement from institution-based financial aid, academic, and student support advisors to remain continuously enrolled as a full time student. (Full time enrollment is not required to maintain Pell Grant eligibility, though it is required for Promise program participants; continuous enrollment is required for Promise.)

Promise students from the first cohort outperformed their peers who applied for but did not become Promise students by earning more credit hours, staying enrolled longer, and completing degrees at higher rates. This remained true even when considering a student's income, status as a first-generation college student, race, ACT score, and geographic location. (See pages 69-95.)

Pell Grant recipients are considered low-income students, as evidenced by their Pell eligibility. Low-income students have historically attended and completed college at lower rates than higher-income students. Pell Grant recipients who participate in the Promise program may or may not receive funding from Promise but do receive the added supports provided by the program and would likely have better outcomes in college based on results for the first cohort of Promise students.

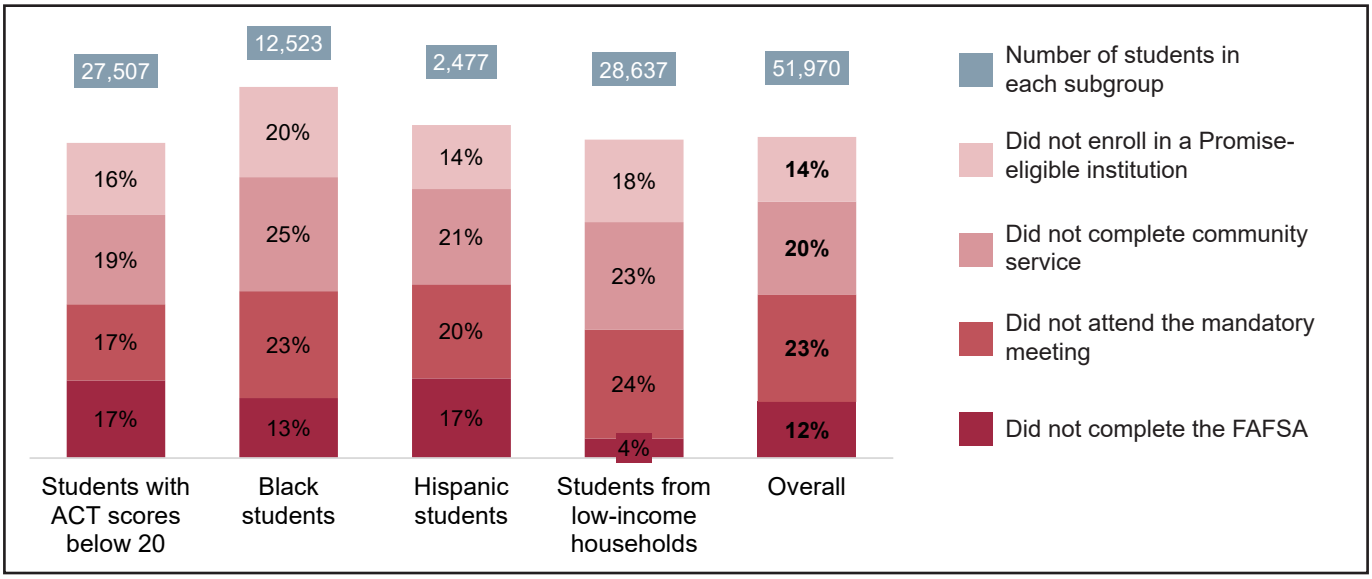
Additionally, if a Pell Grant recipient is a Promise student, the Tennessee Promise scholarship will kick in to cover the student's remaining balance of tuition and mandatory fees not covered by the grant as may be the case if a *full* Pell Grant recipient becomes a *partial* Pell Grant recipient (refer to the *Lucy* example in Exhibit 1.5 on page 15). Depending on the amount of their award, partial Pell Grant recipients may not have any remaining funds to pay for books, non-mandatory fees, or living expenses (as compared to full Pell recipients). Because partial Pell Grant recipients are considered low-income, they may experience difficulty paying for items not covered by the partial Pell Grant or the Promise scholarship. See the box on pages 16-17 for more information on the Pell Grant.

[34] Supports provided to Promise students include mentoring, assistance with the FAFSA process, and encouragement to enroll continuously as a full time student.

Program requirements most often missed by Promise applicants

As Exhibit 2.15 shows, 70 percent of Promise applicants statewide did not complete program requirements to become a Promise student, and for most student subgroups this percentage was even higher. Some students may have chosen not to complete program requirements because they did not want to be a part of the program, while others likely failed to complete them despite a desire to be in the program. It is not possible to determine why students failed to meet program requirements, but understanding which requirements they missed most often can provide insight into where supports could be targeted to increase the number of students who enter the program statewide.

Exhibit 2.15: Percent of Promise applicants in the third cohort who failed to complete each program requirement | by student subgroup



Notes: Percentages do not add up to 100 percent because this chart shows only the percent of applicants who did not complete program requirements, and does not include the percent of applicants who became Promise students. Taller bars represent student subgroups in which a larger percent of students missed requirements and became ineligible for the program. Over the first three cohorts, changes were made to the program requirements and data collection. The third cohort represents the most up-to-date program requirements, so only cohort 3 was included in this exhibit.
Source: OREA analysis of THEC data.

Overall, attending the mandatory meeting hosted by the mentor organization and completing eight hours of community service were the program requirements that the highest percentage of Promise applicants failed to complete, making them ineligible for the program. This was also true for all but one of the student subgroups examined by OREA.

Once students applied to Promise, they were paired with a mentor from the organization that partnered with their high school. During the first three cohorts, the three mentor organizations were TN Achieves, REDI, and the Ayers Foundation.[35] The organizations inform applicants about the program and help students complete program requirements. To learn more about possible reasons that students do not complete program requirements, OREA interviewed representatives from all three mentor organizations.

> "Transportation is the biggest barrier. [We] serve very rural areas."
>
> -A response from a mentor organization official during an interview with OREA analysts

When asked what typically prevented students from becoming Promise students, mentor organizations cited lack of transportation as a barrier, especially for students in rural areas. Students are expected to complete community service outside of school hours, and students whose mentor is provided by tnAchieves must also attend the mandatory meeting after school.[36] This is not the case for some other Promise requirements. For example, completing the FAFSA, another Promise requirement, is often done by students during the school day with assistance from local and higher education stakeholders. Just over 10 percent of applicants did not complete the FAFSA, which is lower than for any other program requirement.

[35] As of July 2019, REDI is no longer an approved Tennessee Promise mentoring organization.

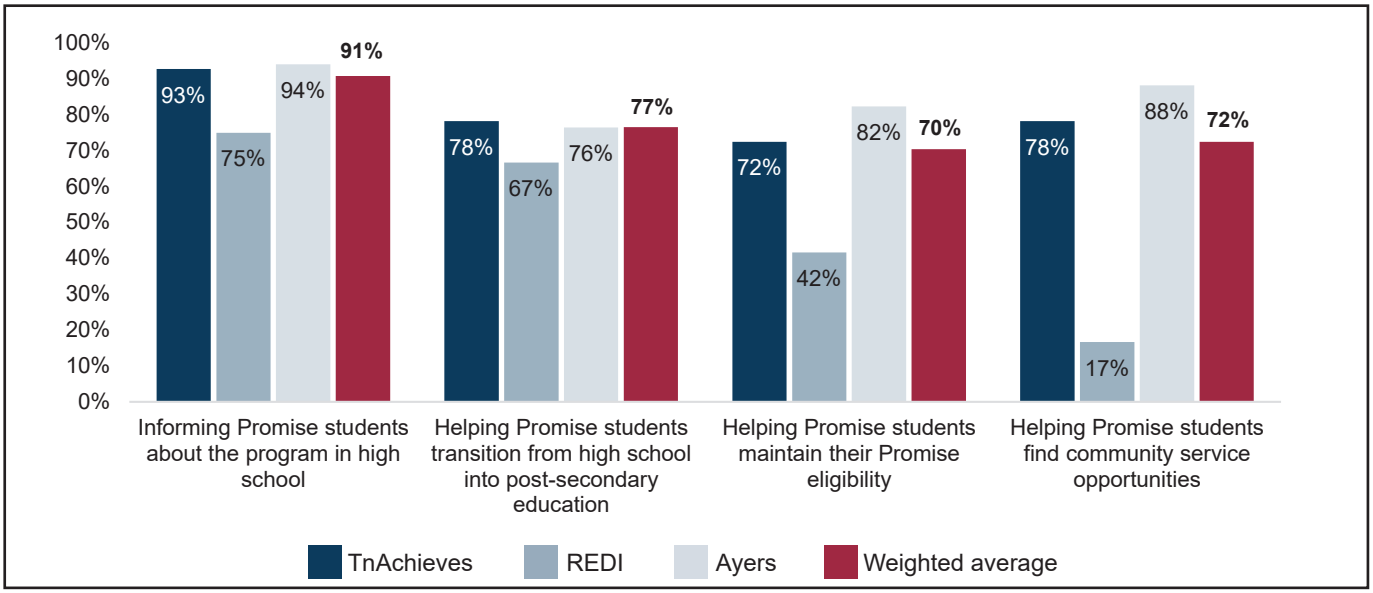
[36] Students served by REDI and the Ayers foundation met one-on-one with students during school. tnAchieves requires students to attend the mandatory meeting after school, with few excusable reasons to be absent. (See section 1 for a full list of excused and unexcused absences.)

Mentor organizations

To further understand the ways students are supported by the mentor organizations through the application process, OREA also surveyed 69 financial aid and student success officials from each of the state's community colleges and TCATs about the mentor organizations. Community college and TCAT officials can provide insight on these organizations because they attend the mandatory meetings, work with mentor organizations to verify students' Promise eligibility, and gather information from students once on campus.

Exhibit 2.16 illustrates variation in the ratings of mentor organizations by community college and TCAT officials. Though ratings were generally high, the results suggest mentor organizations have opportunities for improvement in helping Promise students find community service opportunities and in helping students maintain eligibility once enrolled in college.

Exhibit 2.16: Percent of community college and TCAT officials who responded "very good" when asked to rank mentor organization performance in four categories



Note: As of July 2019, REDI is no longer an approved Tennessee Promise mentoring organization. Weighted averages were used because some mentor organizations serve more Promise students statewide.
Source: OREA survey of community college and TCAT officials. OREA received responses from 23 community college officials and 52 TCAT officials.

Section 3: Where do Promise students attend college?

Section 1		Section 2	Section 3	Section 4	Section 5
How Tennessee Promise works		Complete application requirements	Enroll in higher education	Complete first year	Complete 5 semesters
	Cohort 1	Fall 2014-Summer 2015	Fall 2015	Spring 2016	Fall 2017*
	Cohort 2	Fall 2015-Summer 2016	Fall 2016	Spring 2017	Fall 2018*
	Cohort 3	Fall 2016-Summer 2017	Fall 2017	Spring 2018	Fall 2019*
		Included in this evaluation		Not included in this evaluation	

Note: *TCAT students can remain Promise-eligible for eight trimesters, instead of five semesters as at community colleges and four-year universities. For students who started in the fall, their eighth trimester would be in the spring of their third year.

This section of the report analyzes the postsecondary enrollment of the first three cohorts of Promise applicants in the fall semester immediately following high school graduation. Tennessee Promise applicants become Promise students when they complete all program requirements, including enrollment in a Promise-eligible institution. Promise-eligible institutions include Tennessee's 27 colleges of applied technology (TCATs), 13 community colleges, and any public four-year university or private college or university that offers a diploma, certificate, or associate degree[37] and is eligible for a Tennessee Education Lottery Scholarship (TELS).

Key points

- Most Promise students (about 84 percent) enrolled in a community college during the first three years of the program. About 9 percent of students attended a TCAT, while the remaining 7 percent attended a public four-year university or private institution.
- In 2015, the first year of Tennessee Promise, overall enrollment at community colleges increased for the first time in several years. Increased enrollment among non-adult students (i.e., those under the age of 25), which rose by 7.2 percent during the period, was responsible for the growth in overall enrollment, as enrollment of adult students continued to decline. The increase in enrollment of non-adult students is noteworthy because Tennessee Promise aims to increase college access for recent high school graduates. Establishing a direct link between the implementation of Promise and the increase in community college enrollment trends is difficult, however, because little is known about whether these newly enrolled non-adult students would not have gone to college or would have otherwise attended a noneligible institution absent Promise.
- The overall college-going rate[38] in Tennessee increased by about 6 percentage points, from 58.5 percent to 64.3 percent, between 2014 and the first year of Tennessee Promise (2015). In 2016 and 2017, the college-going rate remained relatively steady at 63 and 64 percent. Establishing a direct link between the implementation of Promise and the increase in the college-going rate is difficult largely because the college-going rate includes public high school students who enroll in postsecondary institutions (either in or outside Tennessee), including four-year public and private institutions that are not eligible for the Promise program. The noticeable increase in the college-going rate in the first year of Tennessee Promise, however, suggests that more students enrolled in college that year than would have absent the Promise program.
- The number of Promise-eligible institutions varies by region of the state. The state's urban areas contain the highest number of institutions, with fewer campuses found in the state's more rural regions. Of Tennessee's 95 counties, 24 did not have a Promise-eligible institution during the first three years of the program. The remaining 71 counties had at least one eligible institution. The counties with the highest number of Promise-eligible institutions were Shelby (13 eligible institutions), Davidson (10 eligible institutions), and Knox (10 eligible institutions).

[37] *TCA* 49-4-708 allows Promise students to enroll in courses leading to a certificate, diploma, or associate degree. OREA reviewed the programs offered at Promise-eligible public universities and private institutions and found certificate and associate degree programs, but no diploma programs. If a Promise-eligible public or private institution were to offer a diploma, a Promise student could enroll in such a program.

[38] The college-going rate equals the number of public high school graduates who enroll in college following graduation in a given year divided by the total number of public high school graduates from the same year.

- Students who live in certain areas of the state must travel a longer distance to reach a Promise-eligible institution. Most Tennessee public high schools (351 of 371) are located within a 30-minute drive of the nearest Promise-eligible institution. A TCAT campus is the closest Promise-eligible institution for 41 percent of the state's public high schools. A community college campus is the closest Promise-eligible institution for about 35 percent of public high schools.

- Not all Promise-eligible institutions offer the same program options or ability to complete a credential, and some institutions and programs have limited enrollment capacity. Some TCAT satellite campuses offer a single program, and an associate degree may not be completed at 11 of the state's community college satellite campuses (out of 50 total satellite campuses). Students who attend classes at one of those 11 campuses can enroll in online courses or travel to another campus location to complete their degree. Most community college satellite campuses (i.e., 39 out of 50) offer at least one associate degree program and some satellite locations offer multiple associate degree options. There are 76 public Tennessee high schools located more than 30 minutes from the nearest community college campus where an associate degree can be completed; on average, 42.5 minutes (or 29 miles) separates these high schools from the nearest such community college campus.

- A Promise student's decision about which institution to attend is based on multiple factors, including the student's areas of interest, the programs offered (and space available) at nearby Promise-eligible institutions, financial means, and the student's access to reliable transportation. Transportation access affects the success and persistence of Promise students "very often" or "often," based on responses from administrators at eight of the state's community colleges to an April 2019 OREA survey.

- Promise students with unreliable transportation or who must travel a longer distance to reach a community college campus can enroll in online courses, though some online courses incur additional costs that are not covered by the Promise scholarship.[39] (See Section 1 for more details.)

- The Promise scholarship covers a smaller portion of the total cost of attendance at a public university or private institution as compared to a TCAT or community college. The Promise scholarship award amount for students attending an eligible public university or private institution is the average cost of tuition and mandatory fees at Tennessee's community colleges (about $4,200),[40] less any gift aid applied before the Promise scholarship. Promise students are financially responsible for any remaining tuition and mandatory fee costs. The full cost of tuition and mandatory fees for on-campus courses at TCATs and community colleges is covered by the Promise scholarship. (See Section 1 for more details.)

Promise-eligible institutions

The final step to become a Promise student is enrollment in an eligible program (i.e., courses leading to a certificate, diploma, or associate degree) at an eligible institution.

There are four categories of Promise-eligible institutions: Tennessee Colleges of Applied Technology (TCAT), community colleges, public four-year universities, and private colleges and universities, each offering one or more eligible programs. Because TCATs and community colleges primarily offer certificates, diplomas, and associate degrees, Promise students can enroll in most programs offered at those institutions. Two public four-year institutions offer eligible degree programs (Austin Peay State University and Tennessee State University), and about 20 private institutions also meet the criteria for Promise-eligibility annually. (The eligibility status of some private institutions fluctuated over the first three years of the Promise program, as shown in Exhibit 3.1.) Promise students enrolling in an eligible four-year college or university must enroll in courses leading to a certificate, diploma, or associate degree; they cannot enroll in courses leading to a bachelor's degree and remain Promise-eligible.

See Exhibit 3.1 for a list of eligible institutions during the first three years of the Tennessee Promise program.

[39] A limited number of TCAT programs also offer online courses, but OREA examined only online courses available through community colleges for this evaluation.

[40] This figure represents the average community college tuition for the first three years of the Tennessee Promise scholarship program, 2015-16 through 2017-18.

Exhibit 3.1: Promise-eligible institutions | 2015-16 through 2017-18 academic years

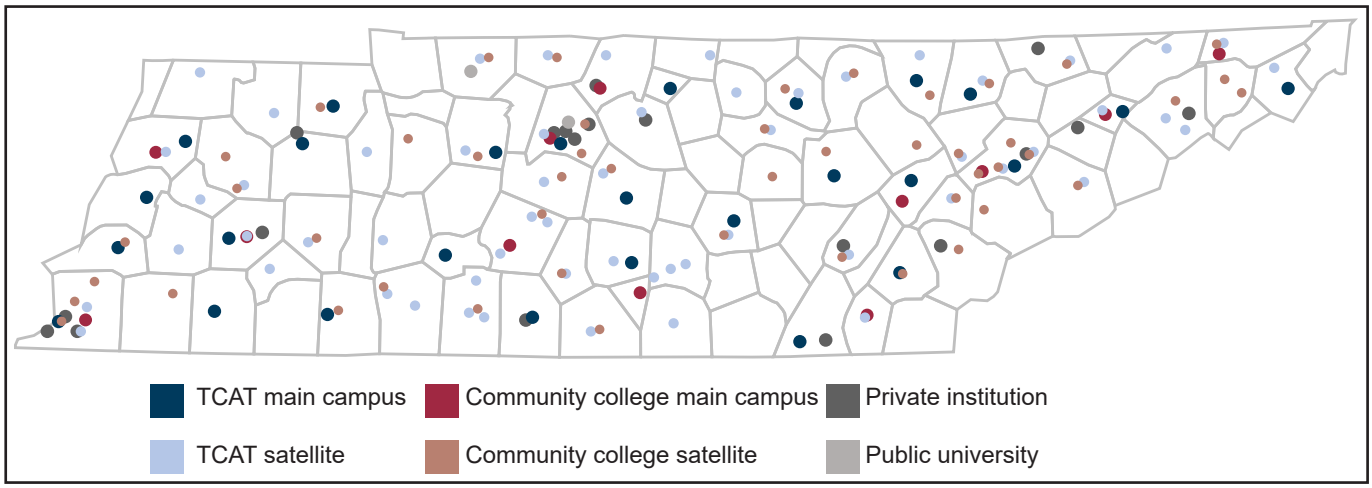
Tennessee Colleges of Applied Technology (TCAT)			
TCAT Athens	TCAT Harriman	TCAT McKenzie	TCAT Oneida/Huntsville
TCAT Chattanooga	TCAT Hartsville	TCAT McMinnville	TCAT Paris
TCAT Covington	TCAT Hohenwald	TCAT Memphis	TCAT Pulaski
TCAT Crossville	TCAT Jacksboro	TCAT Morristown	TCAT Ripley
TCAT Crump	TCAT Jackson	TCAT Murfreesboro	TCAT Shelbyville
TCAT Dickson	TCAT Knoxville	TCAT Nashville	TCAT Whiteville
TCAT Elizabethton	TCAT Livingston	TCAT Newbern	

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

Public and private colleges and universities		
Public	Austin Peay State University	
	Tennessee State University	
Private	Aquinas College	Lane College^^
	Art Institute of Tennessee-Nashville**	LeMoyne-Owen College^^
	Baptist College of Health Sciences^	Lincoln Memorial University
	Bethel University	Martin Methodist College
	Bryan College	South College
	Carson-Newman University	Southern Adventist University
	Christian Brothers University^	Tennessee Temple University*
	Cumberland University	Trevecca Nazarene University
	Hiwassee College	Union University*
	John A. Gupton College	Tusculum College^^
	Johnson University	Welch College

Notes: *Only eligible in 2015-16; **Only eligible in 2015-16 and 2016-17; ^Only eligible in 2016-17 and 2017-18; ^^Only eligible in 2017-18.
Source: Tennessee Promise School Resource Guides.

Exhibit 3.2: Location of Promise-eligible institutions | 2015-16 through 2017-18 academic years



Source: OREA.

Tennessee Colleges of Applied Technology (TCAT)

TCATs offer technical certificates and diplomas, both of which are credentials indicating satisfactory completion of training in a program of study. Most credentials offered at TCATs are designed to prepare students for immediate employment in a specialized area. The two TCAT program areas with the highest number of students enrolled are auto mechanics/repair and health professions (e.g., nursing assistant, surgical technician, dental assistant, among others). TCATs offer programs based on the workforce needs within their region; as a result, not all TCATs offer the same programs.

Unlike higher education institutions that use semester and credit-hour systems, TCAT programs are based on clock hours and are taught in trimesters (i.e., four-month sessions) which begin in January (spring trimester), May (summer trimester), and September (fall trimester). There are typically 432 clock hours per trimester. The number of required trimesters varies by program. For example, the practical nursing program requires three trimesters (1,296 clock hours) while the automotive technology program requires five trimesters (2,160 clock hours).

Program enrollment is limited to open seats and Promise applicants who wish to attend a TCAT may delay initial enrollment if there is not an opening in their desired program. Alternately, if space is available, a Promise student may enroll in a TCAT in the summer trimester following high school graduation, as opposed to waiting until the fall trimester, as long as they complete their community service hours by April 1 of the year they graduate from high school.

TCAT certificates and diplomas prepare students for immediate employment after graduation.

TCATs offer programs based on the workforce needs within their region. Not all TCATs offer the same programs.

There are 27 main TCAT campuses and 67 satellite campuses across Tennessee.

There are 27 main TCAT campuses with an additional 67 satellite campuses across the state (94 total TCAT campuses). Satellite campuses offer fewer programs than main campuses; some satellites offer one program while others offer more. Additionally, some TCAT satellite campuses are located at high schools and generally offer a single program.[41]

Promise students may attend a TCAT until they earn a diploma or for a maximum of eight trimesters, whichever occurs first. Multiple certificates can be obtained as a student works toward a diploma. The Tennessee Promise scholarship covers the full cost of tuition and mandatory fees for on-campus courses at all TCATs. (See Section 1 for more details.)

[41] The number of TCAT satellite campuses includes the sum of campus locations advertised on each TCAT's website. Some TCATs have satellite locations in high schools, which are open to the general public for enrollment.

Promise students must enroll in a certificate, diploma, or associate degree program.

Diploma or certificate: A credential, other than a degree, that indicates satisfactory completion of training in a program of study. *Diplomas* are offered at Tennessee Colleges of Applied Technology (TCATs). *Certificates* are offered at TCATs, community colleges, and some private institutions.

Students may earn a *certificate* while pursuing a *diploma* or *associate degree*. Once a Promise student earns a diploma or associate degree, they are no longer eligible to participate in the program.

Associate degree: A two-year degree that typically requires successful completion of 60 credit hours, including general education and concentrated courses. Associate degrees are offered at community colleges and some public four-year universities and private institutions.

Community colleges

Community colleges offer certificates and associate degrees. An associate degree is a two-year degree that requires successful completion of about 60 credit hours, typically including general education credit hours and some concentrated courses.

The two most popular degrees at Tennessee community colleges are Associate of Arts (AA) and Associate of Science (AS) degrees, which are designed to transfer to a four-year university for pursuit of a bachelor's degree. A student who plans to pursue a bachelor's degree in liberal arts, humanities, or social sciences (e.g., psychology, history, English, political science, social work) would likely choose an AA while a student who intends to pursue a bachelor's degree in business or STEM (science, technology, engineering, or mathematics) would likely choose an AS.

Students who earn an AA or AS degree from a Tennessee community college are required to complete 41 general education credit hours, which include courses in communication, humanities, fine arts, social and behavioral sciences, history, natural sciences, and mathematics. Most courses are three credit hours each, though some, such as natural science classes, include a one-hour lab for a total of four credit hours. Students who enroll in natural science courses are typically charged a lab fee, which is not covered by the Promise scholarship. The lab fee amount varies by course and community college. See Exhibit 3.3.

Exhibit 3.3: General education requirements

General education requirements	Credit hours
Communication (including English Composition I and II)	9 credit hours (3 courses)
Humanities and Fine Arts (including one literature course)	9 credit hours (3 courses)
Social and Behavioral Sciences	6 credit hours (2 courses)
History	6 credit hours (2 courses)
Natural Sciences (3 credit hour course + 1 hour lab)	8 credit hours (2 courses)
Mathematics	3 credit hours (1 course)
Total	**41 credit hours (13 courses)**

Source: Tennessee Board of Regents.

Community college students who want to join the workforce immediately after graduation would choose an Associate of Applied Science (AAS) degree, which is a technical degree that prepares students for entry-level positions in a specific field. For example, community colleges offer AAS degrees in health information management, nursing, fire science, criminal justice, early childhood education, and other areas. AAS programs do not require students to complete the standard 41 hours of general education courses that are required for other degrees. As a result, a student who transfers an AAS degree to a four-year university may have to take additional courses that would not be required of a student who completes an AA or AS degree.

Community colleges operate on a semester system including the spring semester (which begins in January), the summer semester (which begins in May or June), and the fall semester (which begins in August). The spring and fall semesters are

15-week terms and the summer semester is a 10-week term; some community colleges may offer accelerated terms within a semester (e.g., two seven-week terms in the spring or fall semester, or two five-week terms within the summer semester).

There are 14 main community college campuses[42] with an additional 50 satellite campuses across the state (64 total locations).[43] Satellite campuses typically offer fewer course options than main campuses. Of 50 satellite campuses, there are 11 where students cannot complete an associate degree; students who attend classes at one of those 11 campuses can enroll in online courses or travel to another campus location to complete their degree. Most community college satellite campuses (i.e., 39 out of 50) offer at least one associate degree program and some satellite locations offer multiple associate degree options.

Promise students may attend a community college until they earn an associate degree or for a maximum of five semesters, whichever occurs first. A certificate can be earned while a student pursues an associate degree. The Tennessee Promise scholarship covers the full cost of tuition and mandatory fees for on-campus courses at all community colleges. (See Section 1 for more details.)

Public four-year universities and private colleges and universities

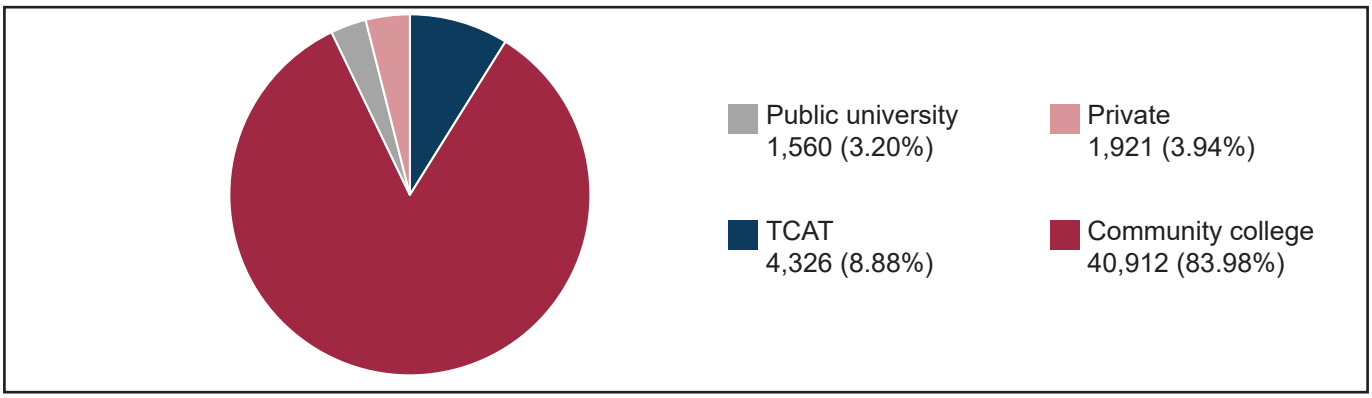
Promise students enrolling in an eligible public four-year university or private college or university must enroll in courses leading to a certificate, diploma,[44] or associate degree; they cannot enroll in courses leading to a bachelor's degree and remain qualified for the Tennessee Promise scholarship.

Promise students may attend a public or private college or university until they earn an associate degree or for a maximum of five semesters, whichever occurs first. A certificate can be earned while a student pursues an associate degree. For Promise students attending a four-year public university or private institution, the Promise scholarship covers the average cost of tuition and mandatory fees at Tennessee's community colleges (about $4,200 annually[45]), less any gift aid. Promise students at these institutions are financially responsible for any remaining tuition and mandatory fee costs. (See Section 1 for more details.)

Promise student enrollment trends

In cohorts 1 through 3, 84 percent of all Promise students attended a community college, about 9 percent attended a TCAT, while the remaining 7 percent of Promise students attended a public four-year university or private institution. Exhibits 3.4 and 3.5 show the enrollment of the first three cohorts of Promise students by institution type.

Exhibit 3.4: Promise student enrollment by type of institution | cohorts 1-3 combined



Note: Enrollment figures include Promise students who enroll in the fall semester immediately following high school graduation. Promise students who enroll part time (i.e., attempting less than 12 credit hours) are included in the data used in this section of the report; this may result in different student totals than those presented in other sections of the report. Though the Promise program requires continuous full time enrollment, a student may be granted a waiver from this requirement in certain circumstances. See Section 1 for more details.
Source: OREA analysis of THEC data.

[42] There are 13 community colleges in Tennessee. Each community college has one main campus except for Southwest Tennessee Community College which has two main campuses.

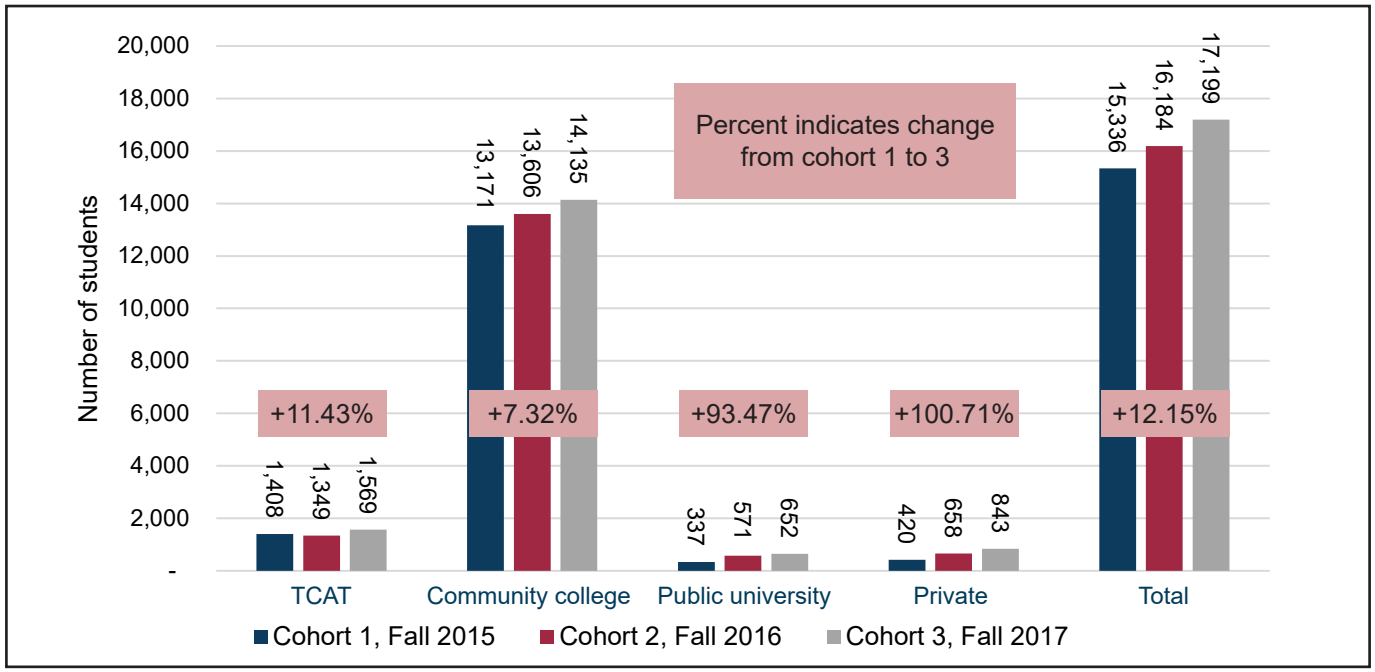
[43] The number of community college satellite campuses includes campus locations advertised on each community college's website. Community colleges may have additional teaching locations, such as high schools where dual enrollment courses are taught, but those locations are neither advertised nor open to the general public for enrollment.

[44] *TCA* 49-4-708 allows Promise students to enroll in courses leading to a certificate, diploma, or associate degree. OREA reviewed the programs offered at Promise-eligible public universities and private institutions and found certificate and associate degree programs, but no diploma programs. If a Promise-eligible public or private institution were to offer a diploma, a Promise student could enroll in such a program.

[45] This figure represents the average community college tuition for the first three years of the Tennessee Promise scholarship program, 2015-16 through 2017-18.

Promise student enrollment increased at all four types of institutions during the first three years of the program. Overall, enrollment of Promise students increased by 12.15 percent from fall 2015 to fall 2017 (a total increase of 1,863 students). The highest growth in total numbers occurred at community colleges, where Promise student enrollment rose from 13,171 to 14,135.

Exhibit 3.5: Promise student enrollment by institution type | cohorts 1-3



Note: Enrollment figures include Promise students who enroll in the fall semester immediately following high school graduation. Promise students who enroll part time (i.e., attempting less than 12 credit hours) are included in the data used in this section of the report; this may result in different student totals than those presented in other sections of the report. Though the Promise program requires continuous full time enrollment, a student may be granted a waiver from this requirement in certain circumstances. See Section 1 for more details.
Source: OREA analysis of THEC data.

Postsecondary access: Location of Promise-eligible institutions

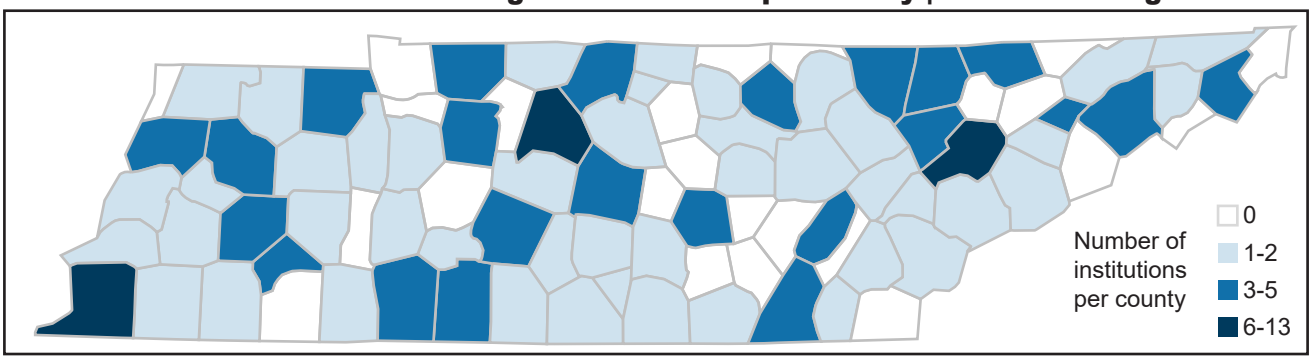
The number of Promise-eligible institutions varies by region of the state. The state's urban areas contain the highest number of institutions, with fewer campuses found in the state's more rural regions.

Exhibit 3.6 shows the number of Promise-eligible institutions per county for the first three years of the program. All Promise-eligible institutions are represented on the map, including satellite campuses of community colleges and TCATs.

Of Tennessee's 95 counties, 24 did not have a Promise-eligible institution during the first three years of the program. The remaining 71 counties had at least one eligible institution. The counties with the highest number of Promise-eligible institutions were Shelby (13 eligible institutions), Davidson (10 eligible institutions), and Knox (10 eligible institutions).

Not all Promise-eligible institutions offer students the same program options or ability to complete a credential, and some institutions and programs have limited enrollment capacity. For example, program offerings at TCATs vary by campus and depend on the region's workforce demand. Also, enrollment capacity is limited at TCATs, though Promise students can be placed on a waitlist and maintain Promise eligibility if there is not an open seat in their desired program.

Exhibit 3.6: Tennessee Promise-eligible institutions per county | 2015-16 through 2017-18



Source: Comptroller Division of Property Assessments and OREA.

Satellite campuses offer fewer programs and courses compared to an institution's main campus. Some TCAT satellite campuses offer a single program, and an associate degree may not be completed at 11 of the state's community college satellite campuses (out of 50 total satellite campuses). Students who attend classes at one of those 11 campuses can enroll in online courses or travel to another campus location to complete their degree. Most community college satellite campuses (i.e., 39 out of 50) offer at least one associate degree program and some satellite locations offer multiple associate degree options.

The Promise scholarship covers a lesser portion of the total cost of attendance at a public university or private institution as compared to a TCAT or community college. The Promise scholarship award amount for students attending an eligible public university or private institution is the average cost of tuition and mandatory fees at Tennessee's community colleges (about $4,200), less any gift aid applied before the Promise scholarship. Promise students at these institutions are financially responsible for any remaining tuition and mandatory fee costs. The full cost of tuition and mandatory fees for on-campus courses is covered by Promise at TCATs and community colleges. (See Section 1 for more details.)

Students who live in certain areas of the state must travel a longer distance to reach a Promise-eligible institution. To analyze the distance Promise students must travel to reach the nearest eligible institution, OREA compared the physical addresses of all 371 Tennessee public high schools[46] with all Promise-eligible institutions (including satellite campuses). Public high schools are a reasonable proxy to use in calculating the distance students in a certain area of the state must travel to attend the nearest eligible institution. Commute times will vary for individual students based on the location of their particular residence.[47] OREA conducted three different analyses, each accounting for the variance among eligible institutions (i.e., program and course offerings, cost to student, and enrollment capacity), to determine the distance to reach a Promise-eligible institution.

The three analyses conducted by OREA include:

1. **All Promise-eligible institutions.** This analysis includes all eligible-institutions and measures the distance a Promise student would travel to reach the nearest Promise-eligible institution. The analysis shows the number of public high schools closest to each category of Promise-eligible institution.
2. **TCATs and community colleges.** This analysis measures the distance a Promise student would travel to reach the nearest TCAT or community college. The analysis also shows the number of public high schools closest to TCATs, community colleges, and their satellite campuses. The full cost of tuition and mandatory fees for on-campus courses are covered at all TCATs and community colleges. Private institutions and public universities, where a portion of tuition and mandatory fees are covered by the scholarship, are excluded from this analysis.
3. **Community college campuses where a student can complete an associate degree.** This analysis measures the distance a Promise student would travel to reach the nearest community college campus where an associate degree can be completed. Most Promise students (84 percent) in cohorts 1-3 enrolled in a community college. There are 14 main community college campuses[48] and 39 satellite campuses where an associate degree can be completed. The analysis excludes the 11 community college satellite campuses where an associate degree cannot be completed, TCATs, private institutions, and public universities.

[46] Based on TDOE's 2017-18 school directory. Virtual high schools are not included in the count of 371 high schools.

[47] Most Promise students attend community colleges or TCATs, neither of which offer on-campus housing.

[48] There are 13 community colleges in Tennessee. Each community college has one main campus except for Southwest Tennessee Community College, which has two main campuses.

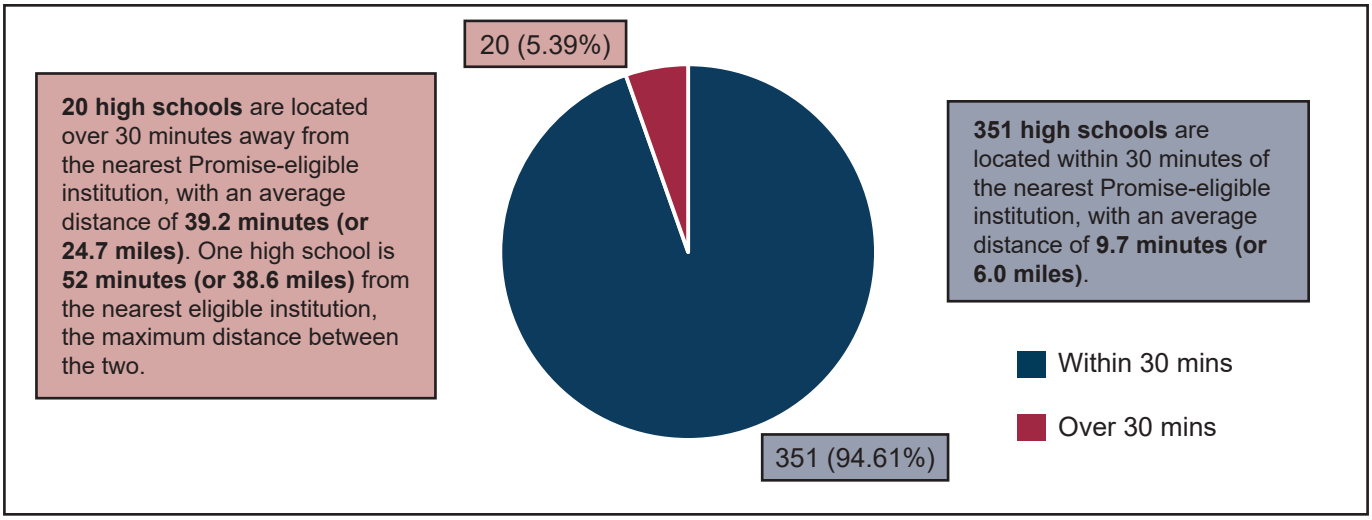
Proximity of Promise-eligible institutions to Tennessee's public high schools

This analysis includes all Promise-eligible institutions and measures the distance a Promise student would travel to reach the nearest Promise-eligible institution. The analysis also shows the number of public high schools closest to each category of Promise-eligible institution. There is at least one Promise-eligible institution in 71 of Tennessee's 95 counties.

On average, a Tennessee public high school is located 11.3 minutes (or 7 miles) from the nearest Promise-eligible institution. As shown in Exhibit 3.7, most Tennessee public high schools (351 of 371) are located within a 30-minute drive of the nearest Promise-eligible institution, with an average distance of 9.7 minutes (or 6 miles) between the two. The remaining 20 high schools are located over 30 minutes away from the nearest Promise-eligible institution, with an average distance of 39.2 minutes (or 24.7 miles), and the longest commute at about 52 minutes (or 38.6 miles). For 13 of these 20 high schools, the nearest Promise-eligible institution is a satellite campus of a TCAT or community college.

> On average, a Tennessee public high school is located **11.3 minutes (or 7 miles)** from the nearest Promise-eligible institution.

Exhibit 3.7: Number of public high schools located within and over 30 minutes of the closest Promise-eligible institution | all eligible institutions

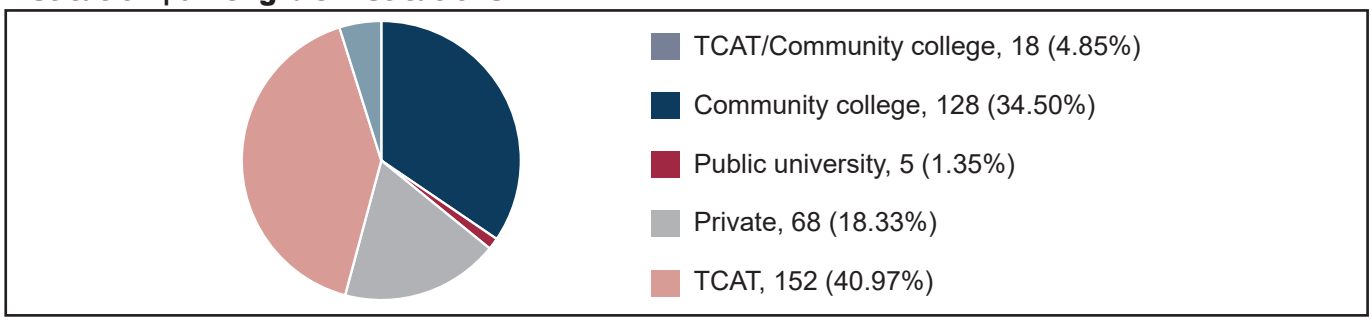


Source: Comptroller Division of Property Assessments and OREA.

As shown in Exhibit 3.8, most of Tennessee's public high schools (about 80 percent) are closest to a TCAT or community college. A total of 152 high schools (41 percent) are geographically closest to a TCAT, 128 high schools (about a third) are closest to a community college, and 18 high schools are equidistant to a TCAT and a community college.[49] The remaining 73 high schools (about 20 percent) are closest to a public four-year university or a private institution.

> Most public high schools (80 percent) are closest to a TCAT or community college.

Exhibit 3.8: Number of public high schools closest to each category of Promise-eligible institution | all eligible institutions



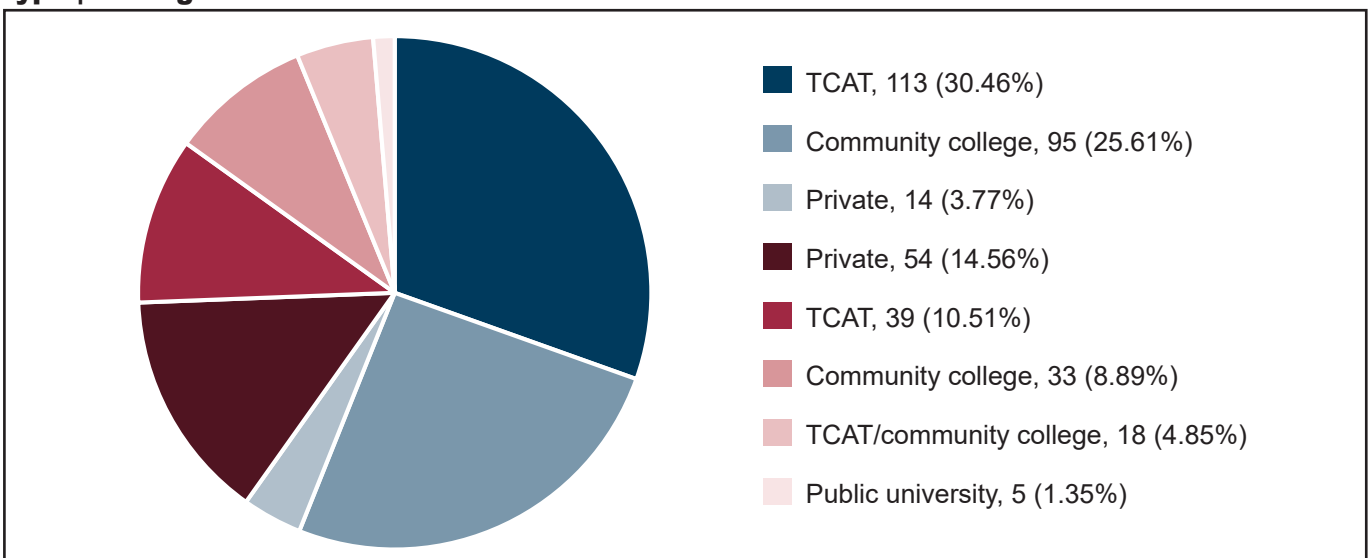
Note: The main campuses of Chattanooga State Community College and TCAT Chattanooga and the main campuses of Nashville State Community College and TCAT Nashville share the same location.
Source: Comptroller Division of Property Assessments and OREA.

[49] The main campuses of Chattanooga State Community College and TCAT Chattanooga and the main campuses of Nashville State Community College and TCAT Nashville share the same location.

As shown in Exhibit 3.9, public high schools are more likely to be closer to a satellite campus than the main campus of a Promise-eligible institution. Over half of Tennessee's public high schools (222 high schools, 60 percent) are closest to a satellite campus of a TCAT, community college, or private institution, while the remaining 149 high schools (40 percent) are closest to the main campus of a Promise-eligible institution. Considering all 371 public high schools in Tennessee and their closest Promise-eligible institution, more high schools (113 high schools, 30 percent) are closer to a satellite campus of a TCAT than to any other type of Promise-eligible institution.

Public high schools are more likely to be closer to a satellite campus than the main campus of a Promise-eligible institution.

Exhibit 3.9: Number of public high schools closest to Promise-eligible institutions by campus type | All eligible institutions



Main campuses are shown in red.	Satellite campuses are shown in blue.
40% of high schools are closest to a main campus.	60% of high schools are closest to a satellite campus.

Notes: The main campuses of Chattanooga State Community College and TCAT Chattanooga and the main campuses of Nashville State Community College and TCAT Nashville share the same location. Bethel University has four satellite campuses and Lincoln Memorial University has two satellite campuses.
Source: Comptroller Division of Property Assessments and OREA.

Satellite campuses offer a limited number of programs and course options compared with an institution's main campus. Some TCAT satellite campuses offer a single program. Additionally, TCATs offer programs based on local workforce needs and program enrollment is based on available seats; prospective students are placed on a wait list when demand exceeds program openings. Out of 50 community college satellite locations, there are 11 campuses where an associate degree cannot be completed. Students who attend classes at one of those 11 campuses can enroll in online courses or travel to another campus location to complete their degree.

More high schools are closer to a TCAT satellite campus than to any other type of Promise-eligible institution.

Exhibit 3.10 shows the number of high schools closest to each category of Promise-eligible institution and includes the average distance and drive time. The average distance between the two for the 149 high schools located closest to a main campus of a TCAT, community college, public university, or private institution is 11 minutes or 7.1 miles. The average distance between the two for the 222 public high schools closest to a satellite campus of a TCAT, community college, or private institution is 11.4 minutes or 7 miles.

Exhibit 3.10: Number of public high schools closest to each category of Promise-eligible institution, including average distance | all eligible institutions

Promise-eligible institution type	Main campus		Satellite campus		TOTAL	
	Number of high schools	Average distance (minutes and miles)	Number of high schools	Average distance (minutes and miles)	High schools	Average distance (minutes and miles)
TCAT	39	12.6 min. 8.1 miles	113	12.7 min. 7.8 miles	152 41.0%	12.6 min. 7.9 miles
Community college	33	13.4 min. 8.9 miles	95	10.5 minutes 6.5 miles	128 34.5%	11.2 min. 7.1 miles
TCAT or community college*	18	13.2 min. 8.7 miles	n/a	n/a	18 4.9%	13.2 min 8.7 miles
Public university	5	15.4 min. 10 miles	n/a	n/a	5 1.3%	15.4 min 10 miles
Private institution**	54	7.4 min. 4.4 miles	14	7.6 min. 4.3 miles	68 18.3%	7.4 min 4.4 miles
TOTAL	**149 40.2%**	**11 min. 7.1 miles**	**222 59.8%**	**11.4 min. 7.0 miles**	**371 Total high schools**	**11.3 min. 7.0 miles**

Notes: *The main campuses of Chattanooga State Community College and TCAT Chattanooga and the main campuses of Nashville State Community College and TCAT Nashville share the same location. **Bethel University has four satellite campuses and Lincoln Memorial University has two satellite campuses.
Source: Comptroller Division of Property Assessments and OREA.

Proximity of TCAT or community college to Tennessee's public high schools

This analysis measures the distance a Promise student would have to travel to reach his or her nearest TCAT or community college. The Promise scholarship covers the full cost of tuition and mandatory fees for on-campus courses at all of Tennessee's community colleges and TCATs. In contrast, if a Promise student enrolls in an eligible public university or private institution, the Promise scholarship award amount is the average cost of tuition and mandatory fees at Tennessee's community colleges (about $4,200), less any gift aid applied before the Promise scholarship. (See Section 1 for more details.) Promise students who enroll in a public university or private institution are financially responsible to pay the remaining cost of tuition and mandatory fees.

The Promise scholarship covers the full cost of tuition and mandatory fees for on-campus courses at all TCATs and community colleges and covers a portion of tuition and mandatory fees at Promise-eligible public and private universities.

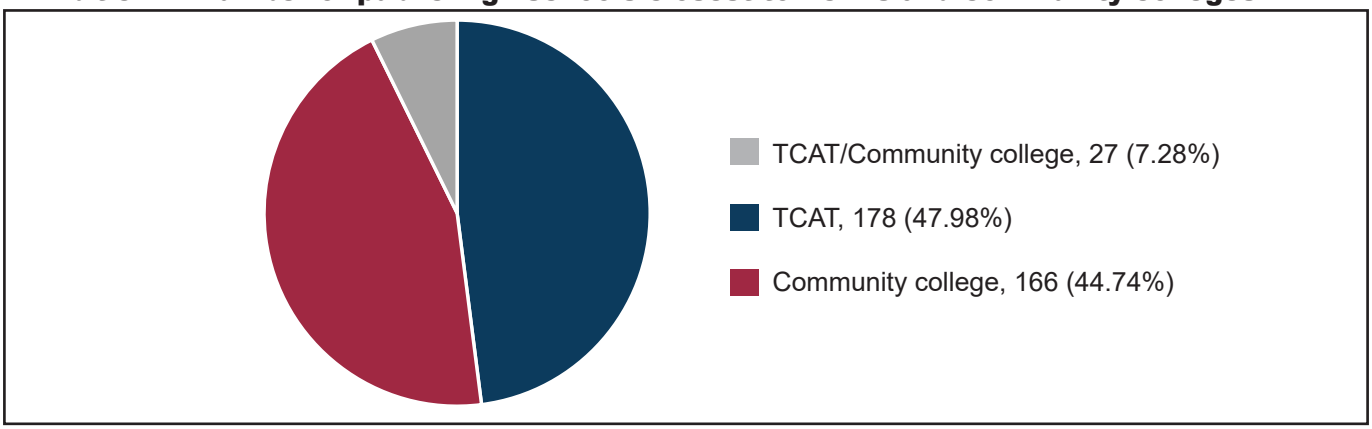
OREA analyzed the distance from Tennessee's 371 public high schools to the closest community college or TCAT. Public universities and private institutions, which are the closest Promise-eligible institution to 73 public high schools, were excluded from this analysis and the distance was instead measured from those 73 high schools to the closest TCAT or community college.

On average, Tennessee public high schools are located **12 minutes (or 7.7 miles)** from the nearest community college or TCAT.

Tennessee public high schools are located an average of 12 minutes (or 7.7 miles) from the closest TCAT or community college, which is a slight increase from the previous analysis that included public universities and private institutions. (In that analysis, Tennessee public high schools were an average of 11.3 minutes (or 7 miles) from the closest Promise-eligible institution.) About the same number of public high schools (350 compared to 351 high schools) are located within a 30-minute drive of the nearest Promise-eligible institution. The remaining 21 high schools are located over 30 minutes from the nearest Promise-eligible institution, with the farthest commute at about 52 minutes (or 38.6 miles) which is the same as in the previous analysis. Of the 21 high schools, 15 are closest to a satellite campus (13 of 20 high schools were closest to a satellite campus in the previous analysis).

When considering proximity to TCATs and community colleges, about half of public high schools (178 of 371) are geographically closest to a TCAT compared to 152 being closest to a TCAT in the previous analysis that included private and public universities. The other half of high schools (166 high schools) are closest to a community college compared to a third (128 high schools) that were closest to a community college in the previous analysis. The remaining 27 high schools are equidistant to a TCAT and a community college.[50]

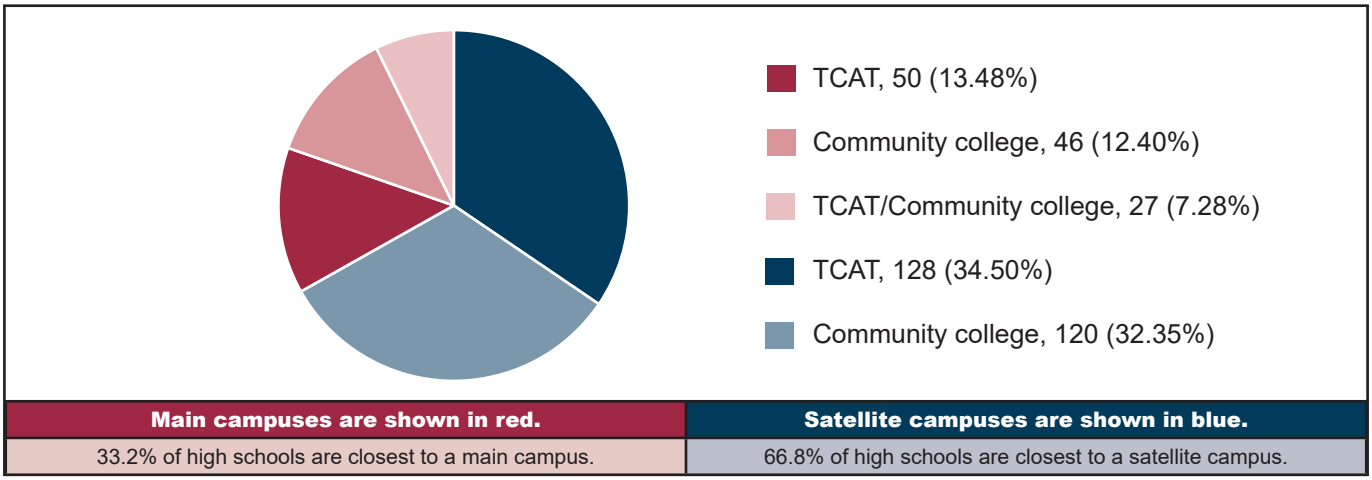
Exhibit 3.11: Number of public high schools closest to TCATs and community colleges



Note: The main campuses of Chattanooga State Community College and TCAT Chattanooga and the main campuses of Nashville State Community College and TCAT Nashville share the same location.
Source: Comptroller Division of Property Assessments and OREA.

More public high schools are closer to a satellite campus than a main college campus than in the previous analysis when public universities and private institutions were included. About 67 percent of public high schools (248 high schools) are closest to a satellite campus of a TCAT or community college compared to 60 percent (222 high schools) in the previous analysis. The remaining third of high schools (123 high schools) are closest to a main campus. In the previous analysis, about 40 percent of high schools were closest to a main campus. See Exhibit 3.12.

Exhibit 3.12: Number of public high schools closest to satellite and main campuses of TCATs and community colleges



Source: Comptroller Division of Property Assessments and OREA.

Exhibit 3.13 summarizes the number of high schools closest to each category of Promise-eligible institution and includes the average distance and drive time. The 123 high schools located closest to a main campus of a TCAT or community college have an average commute of 12.1 minutes (or 8 miles) which is slightly more than the previous analysis that included the main campuses of eligible public universities and private institutions (the average commute in that analysis was 11 minutes or 7.1 miles). The 27 public high schools closest to a satellite campus of a TCAT or community college have a similar commute of 12 minutes (or 7.5 miles) which is similar to that of the previous analysis that included the satellite campuses of eligible private institutions (11.4 minutes or 7.0 miles).

[50] The main campuses of Chattanooga State Community College and TCAT Chattanooga and the main campuses of Nashville State Community College and TCAT Nashville share the same location.

Exhibit 3.13: Number of public high schools closest to TCATs and community colleges, including average distance

Promise-eligible institution type	Main campus		Satellite campus		TOTAL	
	Number of high schools	Average distance (minutes and miles)	Number of high schools	Average distance (minutes and miles)	High schools	Average distance (minutes and miles)
TCAT	50	12 min. 7.7 miles	128	12.5 min. 7.8 miles	178 48.0%	12.4 min. 7.8 miles
Community college	46	12.8 min. 8.6 miles	120	11.4 min. 7.2 miles	166 44.7%	11.8 min. 7.6 miles
TCAT or community college*	27	11.1 min. 7.5 miles	n/a	n/a	27 7.3%	11.1 min. 7.5 miles
TOTAL	**123 33.2%**	**12.1 min. 8 miles**	**248 66.8%**	**12 min. 7.5 miles**	**371 Total high schools**	**12 min. 7.7 miles**

Note: *The main campuses of Chattanooga State Community College and TCAT Chattanooga and the main campuses of Nashville State Community College and TCAT Nashville share the same location.
Source: Comptroller Division of Property Assessments and OREA.

Proximity of community college campuses where an associate degree can be completed to Tennessee's public high schools

On average, a Tennessee public high school is located 18.7 minutes (or 12.5 miles) from the closest community college campus where an associate degree can be completed. See Exhibit 3.14.

Exhibit 3.14: Comparison of average travel time, distance, and the number of high schools located over 30 minutes from the nearest Promise-eligible institution

Promise-eligible institutions included in analysis	Average travel time	Average distance	High schools over 30 minutes from nearest eligible institution
All eligible institutions	11.3 minutes	7.0 miles	**20 high schools** Average distance: 39.2 minutes/24.7 miles Maximum distance: 52 minutes/38.6 miles
Community colleges and TCATs	12 minutes	7.7 miles	**21 high schools** Average distance: 39.3 minutes/25.0 miles Maximum distance: 52 minutes/38.6 miles
Community college campuses with associate degree program	18.7 minutes	12.5 miles	**76 high schools** Average distance: 42.5 minutes/29 miles Maximum distance: 74 minutes/48.9 miles

Source: Comptroller Division of Property Assessments and OREA.

As shown in Exhibits 3.14 and 3.15, there are 76 public Tennessee high schools located more than 30 minutes from the nearest community college campus where an associate degree can be completed; on average, 42.5 minutes (or 29 miles) separates these high schools from the nearest such community college campus. Five of these high schools are located about an hour or more away, with the maximum distance being 74 minutes (or 49 miles); see highlighted rows in Exhibit 3.15.

Exhibit 3.15: High schools located over 30 minutes from the closest community college campus with an associate degree program

School district	High school*	Travel time (minutes)	Travel time (miles)	Closest community college with associate degree program	Campus type
Bedford Co.	Cascade High School	42.3	23.6	Motlow State	Main
	Community High School	38.5	23.5	Columbia State	Satellite
Benton Co.	Big Sandy School	52.1	31.5	Nashville State	Satellite
	Camden Central High School	31.7	19.6	Nashville State	Satellite
Bledsoe Co.	Bledsoe Co. High School	50.2	34.3	Roane State	Satellite
Campbell Co.	Jellico High School	34.3	31.8	Roane State	Satellite
Cannon Co.	Cannon Co. High School	33.8	23.1	Motlow State	Satellite
Cheatham Co.	Cheatham Co. Central	34.9	22.3	Nashville State	Main
	Sycamore High School	30.3	24.9	Nashville State	Satellite
Chester Co.	Chester Co. High School	31.4	21.0	Jackson State	Main
Clay Co.	Clay Co. High School	36.8	21.4	Volunteer State	Satellite
Cocke Co.	Cosby High School	33.3	19.6	Walters State	Satellite
DeKalb Co.	DeKalb Co. High School	41.0	23.7	Motlow State	Satellite
Dickson Co.	New Directions Academy	46.1	28.6	Nashville State	Satellite
	Creek Wood High School	39.8	33.3	Nashville State	Main
	Dickson Co. High School	46.8	27.0	Nashville State	Satellite
Fayette Co.	Fayette-Ware High School	40.0	33.7	Southwest	Main
Franklin Co.	Franklin Co. High School	34.7	20.2	Motlow State	Main
Giles Co.	Richland School	34.3	23.7	Columbia State	Main
Grainger Co.	Grainger Academy	35.0	25.6	Walters State	Main
	Washburn School	34.9	22.7	Walters State	Satellite
Grundy Co.	Grundy Co. High School	59.0	42.9	Motlow State	Main
Hancock Co.	Hancock High School	44.6	27.1	Walters State	Satellite
Hardeman Co.	Middleton High School	54.6	48.9	Jackson State	Satellite
	Central High School	73.8	31.4	Jackson State	Main
Hawkins Co.	Clinch School	32.6	32.7	Walters State	Main
	Cherokee High School	48.3	19.6	Walters State	Main
Haywood Co.	Haywood High School	36.2	25.0	Jackson State	Satellite
Henry Co.	Henry Co. High School	60.5	40.7	Nashville State	Satellite

School district	High school*	Travel time (minutes)	Travel time (miles)	Closest community college with associate degree program	Campus type
Hickman Co.	Hickman Co. Sr. High School	43.4	31.7	Columbia State	Main
	East Hickman High School	55.1	39.7	Nashville State	Main
Hollow Rock-Bruceton Special	Central High School	40.2	26.9	Nashville State	Satellite
Houston Co.	Houston Co. High School	36.6	24.9	Nashville State	Satellite
Huntingdon Special	Huntingdon High School	49.4	28.4	Jackson State	Satellite
Jackson Co.	Jackson County High School	38.6	22.4	Volunteer State	Satellite
Johnson Co.	Johnson Co. High School	52.0	32.0	Northeast State	Satellite
Lake Co.	Lake Co. High School	42.8	24.6	Dyersburg State	Main
Lewis Co.	Lewis Co. High School	43.4	30.8	Columbia State	Main
Macon Co.	Red Boiling Springs School	58.8	41.1	Volunteer State	Satellite
	Macon Co. High School	71.0	36.8	Volunteer State	Main
Marion Co.	Marion Co. High School	52.0	34.6	Chattanooga State	Main
	South Pittsburg High School	54.0	37.4	Chattanooga State	Main
	Whitwell High School	43.0	26.1	Chattanooga State	Main
McKenzie Special	McKenzie High School	51.4	33.6	Jackson State	Satellite
Monroe Co.	Tellico Plains High School	35.4	24.8	Cleveland State	Satellite
	Sequoyah High School	42.8	22.4	Cleveland State	Satellite
Obion Co.	South Fulton Middle/ High School	53.4	47.9	Dyersburg State	Main
Perry Co.	Perry Co. High School	45.1	32.3	Jackson State	Satellite
Pickett Co.	Pickett Co. High School	31.4	21.9	Volunteer State	Satellite
Polk Co.	Copper Basin High School	53.5	39.1	Cleveland State	Main
Rhea Co.	Rhea County High School	38.6	28.9	Roane State	Main
Richard Hardy	Richard Hardy Memorial School	46.0	39.0	Chattanooga State	Main
Robertson Co.	Springfield High School	36.7	34.9	Nashville State	Main
	East Robertson High School	33.6	21.0	Volunteer State	Main
	Greenbrier High School	33.6	23.9	Volunteer State	Main
	Jo Byrns High School	45.3	21.8	Nashville State	Satellite
Rutherford Co.	Eagleville School	31.0	26.4	Columbia State	Satellite

School district	High school*	Travel time (minutes)	Travel time (miles)	Closest community college with associate degree program	Campus type
Sequatchie Co.	Sequatchie Co. High School	46.1	37.2	Chattanooga State	Satellite
Smith Co.	Smith Co. High School	33.0	37.4	Volunteer State	Satellite
	Gordonsville High School	41.0	32.8	Volunteer State	Satellite
South Carroll Special	Clarksburg School	30.3	17.6	Jackson State	Satellite
Stewart Co.	Stewart Co. High School	43.0	29.9	Nashville State	Satellite
Sumner Co.	Westmoreland High School	32.7	22.4	Volunteer State	Main
	Portland High School	34.6	18.6	Volunteer State	Main
Trousdale Co.	Trousdale Co. High School	34.4	19.7	Volunteer State	Main
Union City	Union City High School	41.9	36.6	Dyersburg State	Main
Union Co.	Union Co. High School	37.0	22.0	Pellissippi State	Satellite
Van Buren Co.	Van Buren Co. High School	31.0	18.7	Motlow State	Satellite
Wayne Co.	Collinwood High School	53.7	39.0	Columbia State	Satellite
	Wayne Co. High School	38.2	31.4	Jackson State	Satellite
	Frank Hughes School	43.5	25.9	Jackson State	Satellite
Weakley Co.	Gleason School	49.7	31.3	Dyersburg State	Satellite
	Dresden High School	51.8	30.2	Dyersburg State	Satellite
	Westview High School	41.1	27.8	Dyersburg State	Satellite
Williamson Co.	Fairview High School	35.7	30.9	Nashville State	Main
Wilson Co.	Watertown High School	38.5	35.0	Nashville State	Satellite

Note: *High schools are based on TDOE's 2017-18 school directory.
Source: Comptroller Division of Property Assessments and OREA.

Transportation and online courses

A Promise student's decision about which institution to attend is based on multiple factors, including the student's areas of interest, the programs offered (and space available) at nearby Promise-eligible institutions, financial means, and the student's access to reliable transportation.

> **Transportation is a barrier. It could be a big drive, one hour each way, depending on where the student is coming from.**
>
> -TCAT administrator during 2018 interview with OREA

Transportation access affects the success and persistence of Promise students "very often" or "often" based on responses to an April 2019 OREA survey from administrators at eight of the state's community colleges. At three other community colleges, administrators indicated that transportation issues "occasionally" affect the success and persistence of Promise students.

In interviews with OREA, administrators from 12 of the state's 13 community colleges[51] mentioned students' lack of access to reliable transportation. Promise students may rely on a family member to drive them to campus or share a vehicle with other family members, according to administrators at some community colleges. Administrators from three community

[51] OREA interviewed a total of 47 community college administrators representing various departments (e.g., financial aid, student services, admissions, etc.) in April and May of 2018. At least one administrator from each of Tennessee's 13 community colleges was interviewed.

colleges cited lack of public transportation as an issue. Unreliable vehicles were also mentioned by some administrators.

OREA surveyed TCAT administrators in May 2018. Out of 46 respondents,[52] most (35 administrators) said that transportation is "sometimes" or "often" an issue for Promise students. The remaining 11 administrators said that transportation is "almost never" an issue. Officials from two TCATs explained[53] that Promise students commuting to their campus(es) do not have access to public transportation, while an official at one TCAT noted some Promise students may commute over an hour to the campus depending on where they live.

Promise students with unreliable transportation or who must travel a longer distance to reach a community college campus can enroll in online courses, though some online courses incur additional costs that are not covered by the Promise scholarship. Online courses are primarily offered at community colleges; few TCAT programs offer online course options. (See Section 1 for more about online courses and Tennessee Promise.)

Administrators from five community colleges told OREA that their **students struggle to balance the demands of finances, work, family (e.g., childcare), and classes**, all of which are further impacted by lack of reliable transportation.

We lose students due to transportation issues. We service 14 counties and have students that live over an hour away. Students who must work cannot accommodate the travel time.

Students typically drop out due to transportation, work (they are trying to work two jobs and attend school), or classes are too hard (we offer workshops, academic support), but **the biggest issue is transportation.**

Most students want to attend their classes but face many obstacles. Family issues, the cost of textbooks, work responsibilities, and **transportation** are the **main reasons that students do not persist.**

-Community college administrators during 2018 interviews and 2019 survey with OREA.

Postsecondary enrollment trends

Tennessee college-going rates

The overall college-going rate (i.e., the number of public high school graduates who enroll in college following graduation in a given year divided by the total number of public high school graduates from the same year) in Tennessee increased by about 6 percentage points, from 58.4 percent to 64.3 percent, between 2014 and the first year of Tennessee Promise (2015). In 2016 and 2017, the college-going rate remained relatively steady between 63 and 64 percent.

Establishing a direct link between the implementation of Promise and the increase in the college-going rate is difficult largely because the college-going rate includes public high school students who enroll in an in-state or out-of-state postsecondary institution, including four-year public and private institutions that are not eligible for the Promise program. The noticeable increase in the college-going rate in the first year of Tennessee Promise, however, suggests that more students enrolled in college that year than would have absent the Promise program.

When considering statewide college-going rates, it is important to not only account for the number of students who go to college, but the total number of students who graduate from high school. As displayed in Exhibit 3.16, Tennessee saw an increase in both numbers from 2013 to 2017, though the number of Tennessee high school graduates who went to college increased at a greater rate than the total number of high school graduates. From 2013 to 2017, the total number of high school graduates increased by 6.41 percent (about 3,900 students), while the number who enrolled in college increased by 16.86 percent (about 5,900 students).

College-going rate

Number of public high school graduates who enroll in college following graduation in a given year

divided by

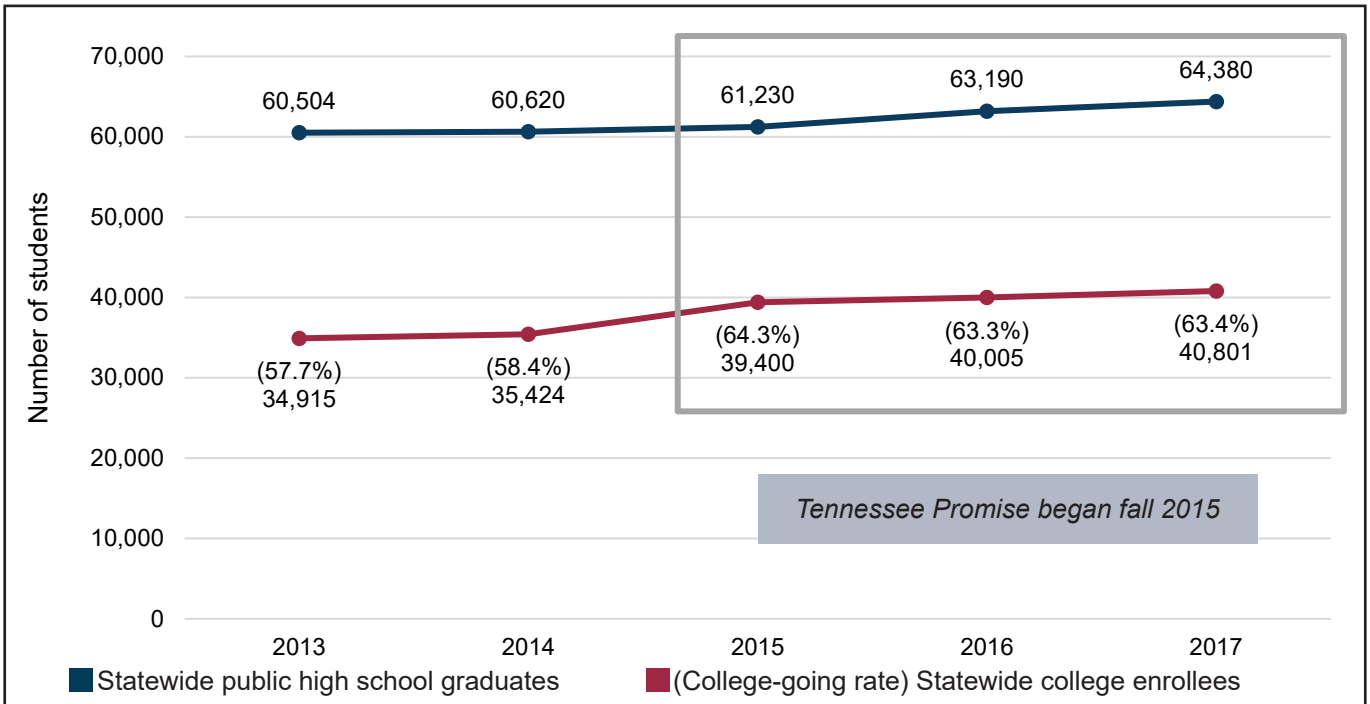
The total number of public high school graduates from the same year

Looking only at the year prior to Promise (2014) and the first year of the Promise program (2015), the number of Tennessee high school graduates who went to college also increased at a greater rate than the total number of high school graduates. (Promise was announced in January 2014, and the first cohort enrolled in fall 2015.) From 2014 to 2015, the number of students who enrolled in college increased by 11.22 percent (3,976 students) while the number of high school graduates increased by 1.01 percent (610 students).

[52] A total of 52 TCAT administrators responded to OREA's 2018 online survey. At least one administrator from all 27 TCATs participated in the survey and two or three administrators participated from some TCATs. In total, 46 TCAT administrators answered this question.

[53] OREA conducted in-person and phone interviews with six administrators from three TCATs and subsequently sent an online survey to all 27 TCATs. A total of 52 TCAT administrators responded to OREA's 2018 online survey. At least one administrator from all 27 TCATs participated in the survey and two or three administrators participated from some TCATs.

Exhibit 3.16: Tennessee college-going rates | 2013-2017



	First and last year represented in chart				Year before and first year of Promise			
	2013	2017	Total change		2014	2015	Total change	
Public high school graduates	60,504	64,380	+3,876	+6.41%	60,620	61,230	+610	+1.01%
College enrollees	34,915	40,801	+5,886	+16.86%	35,424	39,400	+3,976	+11.22%

Source: OREA analysis of THEC data.

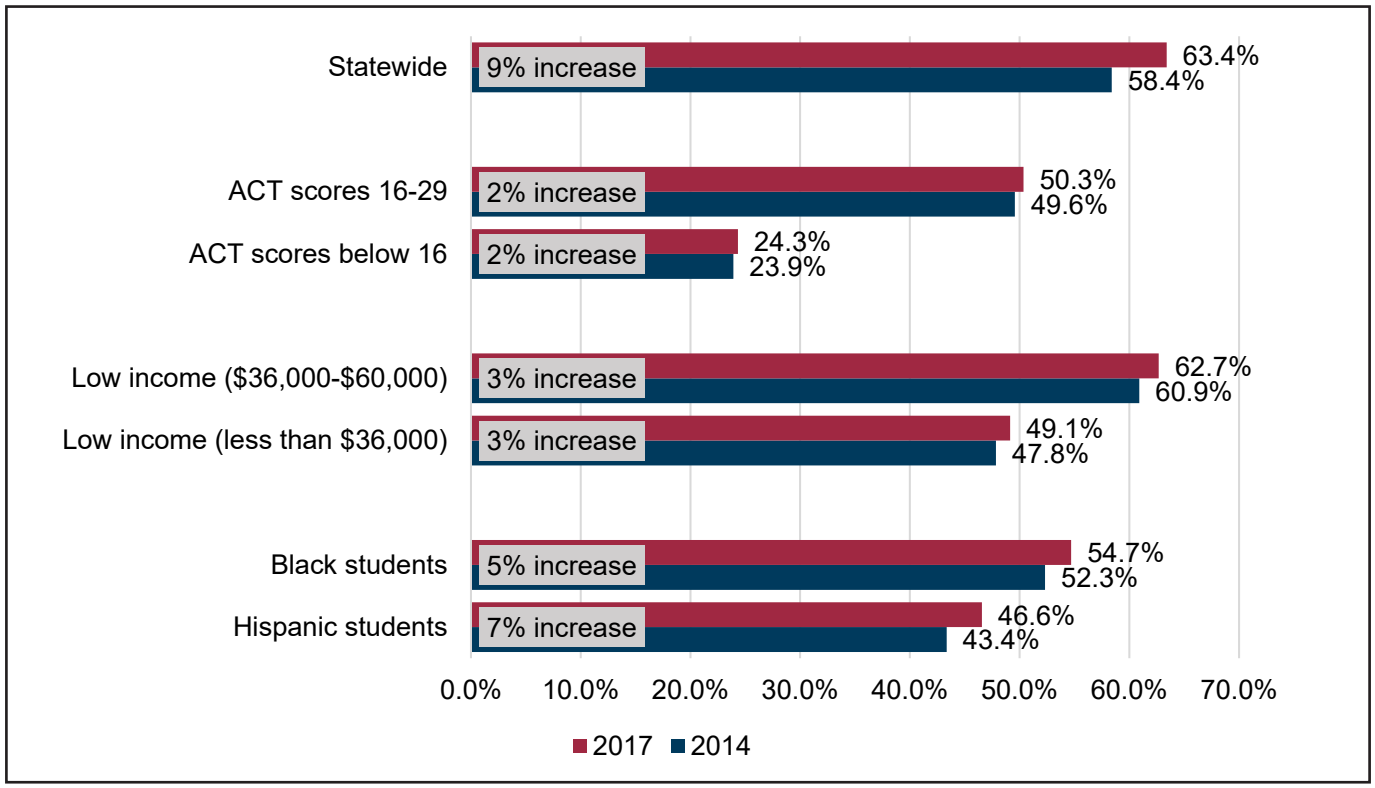
College-going rates by student subgroups

Though Tennessee's overall college-going rate increased in the years following the implementation of Tennessee Promise, the college-going rate did not increase at the same rate for student subgroups who have not traditionally gone to college.

OREA examined the change in college-going rates from 2014 to 2017 for three student subgroups that have traditionally attended college at low rates: students with low ACT scores (i.e., composite score below 19), Black and Hispanic students, and students from low-income households. According to data provided by ACT, Black, Hispanic, and low-income students went to college at higher rates in 2017, the third year of the program, than in 2014, the year before Tennessee Promise began. The college-going rate for students with low ACT scores did not increase. See Exhibit 3.17.

The increases in the college-going rate for students from low-income households and minority students were smaller than the statewide rate. Statewide, the college-going rate increased by 9 percent, while the rate for students from low-income households increased by 3 percent and rates for Black and Hispanic students increased by 5 and 7 percent, respectively. The lower increase in college-going rates for these students indicates that while college access increased for Tennessee students overall, college-going rates have not increased for all students at the same pace.

Exhibit 3.17: Change in college-going rate by student subgroup | 2014 to 2017



Note: The data used to create this exhibit includes Tennessee students who took the ACT and enrolled in college. ACT scores represent the composite score.
Source: ACT, Inc., Enrollment Management Database.

Community college enrollment trends

Because most Promise students enroll in community colleges (about 84 percent), the following information focuses on community college enrollment trends.

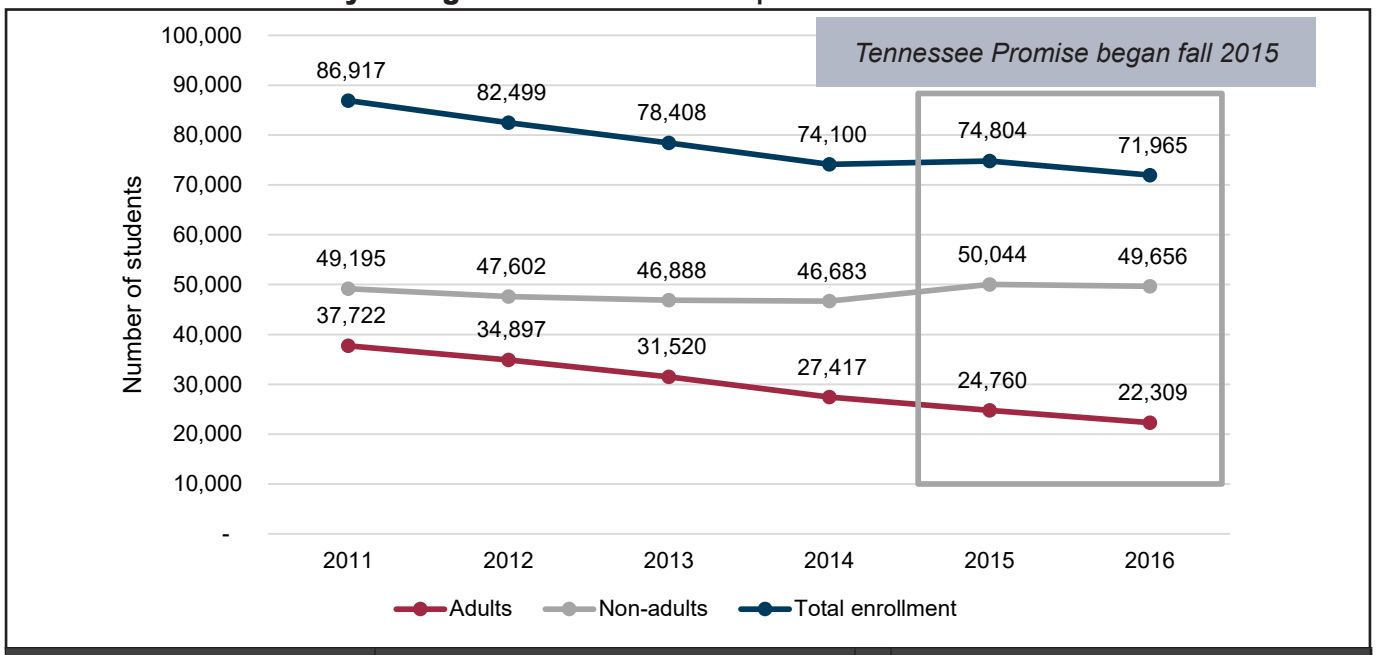
In the years prior to Tennessee Promise, community college enrollment declined, dropping by 14.75 percent from 2011 to 2014; this included yearly declines in the number of adult (i.e., over the age of 25) and non-adult students. During this period, the number of adult students declined by 27.32 percent and enrollment among non-adult students declined by 5.11 percent. See Exhibit 3.18.

The labor market's recovery in the years following the Great Recession is one reason for the decline in community college enrollment.[54] According to a 2018 report by the U.S. Census Bureau, postsecondary enrollment tends to decline during periods of economic growth as more jobs become available. The opposite trend occurs during periods of economic contraction, as more individuals tend to enroll in postsecondary education when employment opportunities decline. From 2006 through the recession, college enrollment increased nationwide for all age groups, reaching its peak in 2011, after which time it declined, though it maintained gains relative to 2006 enrollment.

From 2014 through 2015 (the year before Tennessee Promise and the first year of the program), overall enrollment at community colleges increased for the first time in several years, by about 1 percent. Increased enrollment among non-adult students, which rose by 7.2 percent during the period, was responsible for the growth in overall enrollment, as enrollment of adult students continued to decline. The increase in enrollment of non-adult students (those under the age of 25) is noteworthy because Tennessee Promise aims to increase college access for recent high school graduates. Establishing a direct link between the implementation of Promise and the increase in community college enrollment trends is difficult, however, because little is known about whether these newly enrolled non-adult students would not have gone to college or would have otherwise attended a noneligible institution absent Promise.

[54] According to the National Bureau of Economic Research, the Great Recession began in December 2007 and ended in June 2009.

Exhibit 3.18: Community college enrollment trends | adult and non-adult students



	Year preceding Tennessee Promise				Year before and first year of Promise			
	2011	2014	Total change		2014	2015	Total change	
Total enrollment	86,917	74,100	-12,817	-14.75%	74,100	74,804	+704	+0.95%
Non-adults	49,195	46,683	-2,512	-5.11%	46,683	50,044	+3,361	+7.20%
Adults	37,722	27,417	-10,305	-27.32%	27,417	24,760	-2,657	-9.96%

Notes: End-of-term data. Adult students are over the age of 25. The data analyzed to create this chart does not include dual-enrollment students or enrollment in non-credit courses.
Source: OREA analysis of THEC data.

Promise student enrollment at community colleges

Exhibit 3.19 shows the number of Promise students who enrolled in each of Tennessee's 13 community colleges in each cohort's initial fall semester. The exhibit also outlines the percent and number change in the initial fall enrollment at each community college for the first three cohorts (from fall 2015 to fall 2017) as well as the number of public high schools closest to each community college. A community college (main or satellite campus) was the closest Promise-eligible institution for about 40 percent (147 of 371) of public high schools.[55]

Promise student enrollment in community colleges increased by 7.32 percent from fall 2015 to fall 2017, rising by 964 students. Most of Tennessee's 13 community colleges saw an increase in Promise student enrollment from the first to the third year of the program.

The greatest growth in Promise student enrollment occurred at Southwest Tennessee Community College (SWTCC), where enrollment increased by 31.76 percent, or 296 students. SWTCC is the closest Promise-eligible institution to more public high schools (33 high schools) than any other community college in the state.

Promise student enrollment decreased at two community colleges over the time period. Nashville State Community College enrolled 291 fewer Promise students in fall 2017 than fall 2015, a decrease of 25.66 percent. At the same time, Chattanooga State Community College enrolled 18 fewer Promise students, a decrease of 1.68 percent. While Promise student enrollment declined at Nashville State from 2015 to 2017, the college-going rate[56] for Davidson County increased the first year of Promise (2015) and has remained relatively steady since,[57] suggesting that more recent high school graduates from the county are going to college but are enrolling in institutions other than Nashville State.

[55] OREA used the physical addresses of all 371 public high schools in the state and measured the distance to the closest Promise-eligible institution (i.e., community colleges, TCATs, and eligible public universities and private institutions). Of 371 public high schools, 147 were closest to a community college; the remaining 224 high schools were closest to a TCAT or Promise-eligible public four-year university or private institution.

[56] The college-going rate equals the number of public high school graduates who enroll in college following graduation in a given year divided by the total number of public high school graduates from the same year.

[57] The college-going rate in Davidson County was 57.4 percent in 2014, 60.1 percent in 2015, 61.5 percent in 2016, and 60.9 percent in 2017.

Promise students in both counties may also be enrolling in other Promise-eligible institutions within the county.[58] (Davidson County had a total of 10 Promise-eligible institutions and Hamilton County had three eligible institutions.) Pellissippi State Community College enrolled the highest number of Promise students in cohorts 1-3 (5,187 students) while Dyersburg State enrolled the fewest (989 students). Pellissippi State was part of Knox Achieves, the pilot program for Tennessee Promise, and had participated in a program similar to Tennessee Promise for several years prior to the creation of Tennessee Promise. Dyersburg State is located in a less populated area of the state (Northwest Tennessee), with six high schools located nearby, the third lowest number among the state's community colleges. See map on page 50.

Exhibit 3.19: Promise student enrollment at community colleges, initial fall semester | 2015 to 2017

Community college	Cohort 1 Fall 2015	Cohort 2 Fall 2016	Cohort 3 Fall 2017	TOTAL Cohorts 1-3	Rank	Percent change	Number change	Number of closest high schools*	Rank
Chattanooga	1,073	1,025	1,055	**3,153**	8	-1.68%	-18	**17**	2
Cleveland	433	501	513	**1447**	12	18.48%	80	**5**	9
Columbia	991	1,113	1,196	**3,300**	6	20.69%	205	**7**	7 (tie)
Dyersburg	298	363	328	**989**	13	10.07%	30	**6**	8 (tie)
Jackson	683	748	723	**2,154**	11	5.86%	40	**4**	10
Motlow	1,335	1,351	1,395	**4,081**	3	4.49%	60	**6**	8 (tie)
Nashville	1,134	1,042	843	**3,019**	10	-25.66%	-291	**15**	3
Northeast	1,059	1,103	1,155	**3,317**	5	9.07%	96	**13**	4
Pellissippi	1,738	1,701	1,748	**5,187**	1	0.58%	10	**12**	5 (tie)
Roane	987	997	1,057	**3,041**	9	7.09%	70	**12**	5 (tie)
Southwest	932	1,048	1,228	**3,208**	7	31.76%	296	**33**	1
Volunteer	1,429	1,448	1,621	**4,498**	2	13.44%	192	**7**	7 (tie)
Walters	1,079	1,166	1,273	**3,518**	4	17.98%	194	**10**	6
TOTAL	**13,171**	**13,606**	**14,135**	**40,912**	--	**7.32%**	**964**	**147***	--

Notes: Enrollment figures include Promise students who enroll in the fall semester immediately following high school graduation. Promise students who enroll part time (i.e., attempting less than 12 credit hours) are included in the data used in this section of the report; this may result in different student totals than those presented in other sections of the report. Though the Promise program requires continuous full time enrollment, a student may be granted a waiver from this requirement in certain circumstances. See Section 1 for more details. *OREA used the physical addresses of all 371 public high schools in the state and measured the distance to the closest Promise-eligible institution (i.e., community colleges, TCATs, and eligible public universities and private institutions). Of 371 public high schools, 147 were closest to a community college; the remaining 224 high schools were closest to a TCAT or Promise-eligible public four-year university or private institution.
Source: OREA analysis of THEC data; Comptroller Division of Property Assessment.

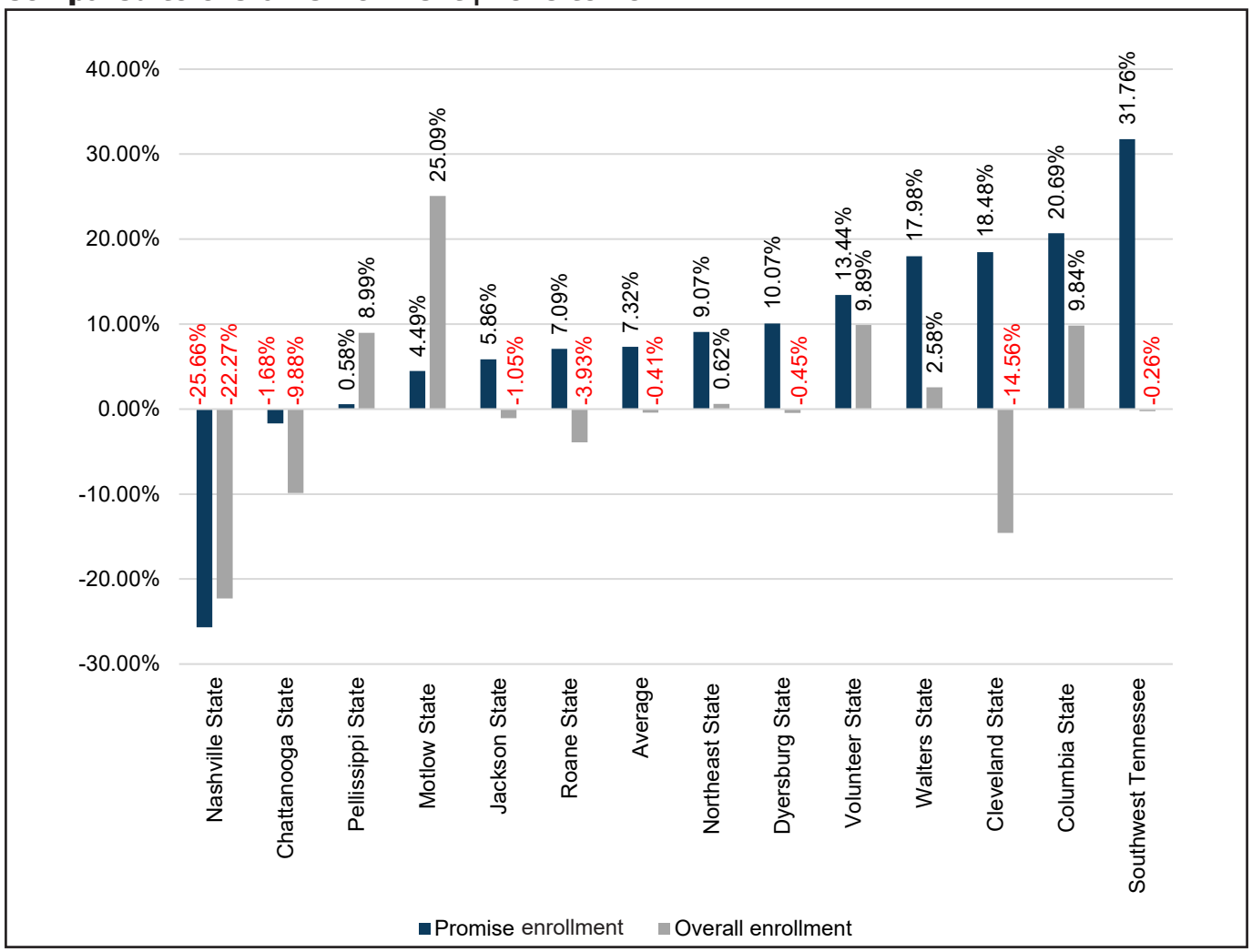
Exhibit 3.20 compares each community college's change in Promise student enrollment to its change in overall enrollment from 2015 to 2017. Promise student enrollment at community colleges increased by 7.32 percent on average during the time period, while overall student enrollment decreased by an average of 0.41 percent.

At two community colleges (Nashville State and Chattanooga State), Promise student enrollment as well as overall enrollment declined. Of the other 11 community colleges, six saw an increase in both Promise student and overall enrollment (Pellissippi, Motlow, Northeast, Volunteer, Walters, and Columbia State). At the remaining five community colleges, overall enrollment declined in conjunction with an increase in Promise student enrollment (Jackson, Roane, Dyersburg, Cleveland State, and Southwest Tennessee Community College).

While 11 of 13 community colleges experienced growth in Promise student enrollment, community college enrollment overall has been on the decline for several years (overall community college enrollment decreased from about 87,000 students in 2011 to about 74,000 students in 2014). As shown in Exhibit 3.19, overall community college enrollment increased the first year of Promise, 2015, to 74,800 students before declining to 72,000 students in 2016.

[58] Overall enrollment also declined at both institutions over the time period. See Exhibit 3.20.

Exhibit 3.20: Change in Promise student enrollment at community colleges compared to overall enrollment | 2015 to 2017



Note: Enrollment figures include Promise students who enroll in the fall semester immediately following high school graduation. Promise students who enroll part time (i.e., attempting less than 12 credit hours) are included in the data used in this section of the report; this may result in different student totals than those presented in other sections of the report. Though the Promise program requires continuous full time enrollment, a student may be granted a waiver from this requirement in certain circumstances. See Section 1 for more details. Overall enrollment is based on end-of-term data.
Source: OREA analysis of THEC data.

Section 4: Credit accumulation and retention

Section 1		Section 2	Section 3	Section 4	Section 5
How Tennessee Promise works		Complete application requirements	Enroll in higher education	Complete first year	Complete 5 semesters
	Cohort 1	Fall 2014-Summer 2015	Fall 2015	Spring 2016	Fall 2017*
	Cohort 2	Fall 2015-Summer 2016	Fall 2016	Spring 2017	Fall 2018*
	Cohort 3	Fall 2016-Summer 2017	Fall 2017	Spring 2018	Fall 2019*
		Included in this evaluation		Not included in this evaluation	

Note: *TCAT students can stay Promise eligible for eight trimesters, instead of five semesters as it is for community colleges and four-year universities. For students who started in the fall, their eighth trimester would be in the spring of their third year.

In this section, first-year credit accumulation and retention are examined for Promise students in cohorts 1 and 2 (in the box outlined in red below).

Key points

- When accounting for ACT scores, race, gender, expected family contribution, and whether a student is a first-generation college student, Promise students:
  - earned 4.5 more credits in their first year than other recent high school graduates at community colleges. This represents 35.5 percent more credits.
  - earned 183 more clock hours (i.e., actual hours students are engaged in class or related activities) in their first year at TCATs than other recent high school graduates. This represents 20 percent more clock hours.
  - were about two times more likely to return for their sophomore year than other recent high school graduates at community colleges and TCATs.
- Fewer adult students have been enrolling in community colleges and Promise has increased the number of younger students. Community colleges have had to adapt to a changing student population.
- According to an OREA survey of community college officials, some changes were made at community colleges in response to the increased number of younger students. These include new and additional classes, extra programming and supports geared toward younger students, and the hiring of completion coaches.

Background

Getting more students to college is an essential first step toward increasing the percentage of Tennesseans with a postsecondary degree or credential, but ensuring these students stay in college and remain on track to graduate is just as important. This section explores how credit accumulation and retention rates have changed since the implementation of Tennessee Promise, and how institutional practices have been adjusted to better support Promise students in their first year.

Research has shown that positive outcomes in students' first year of college – including higher credit accumulation – increases the likelihood they will graduate.[59] When students accumulate fewer credits each semester, a program of study takes longer to complete. Each additional semester a student needs to graduate increases costs for students and the likelihood that other factors, such as family obligations and job pressures, may derail a student's academic success.

The analysis below examines the credit accumulation of Promise students in their first year. For community college and university students who were not granted a personal or medical leave of absence and were not on a waitlist, their first semester was the fall semester following their graduation from high school. First-year credit accumulation was calculated for these students by adding the credits they earned in their first fall and spring semesters. While some students chose

[59] Complete College America, 15 to Finish, 2018, https://completecollege.org/strategy/15-to-finish/ (accessed Feb. 11, 2020).; Juan Carlos Calcagno, Peter Crosta, Thomas Bailey, and Davis Jenkins, *Stepping Stones to a Degree: The Impact of Enrollment Pathways and Milestones on Community College Student Outcomes*, Community College Research Center, Teachers College, Columbia University, Oct. 2006, https://ccrc.tc.columbia.edu/media/k2/attachments/stepping-stones-enrollment-pathways.pdf (accessed Feb. 11, 2020).

to take classes in the following summer term, credits accumulated during that term were not included in the calculation because enrollment in summer terms are not required for Promise eligibility and not all students enrolled.

TCATs are open for continuous enrollment, meaning that students can enroll whenever a spot opens, even in the middle of a term. Generally, though, Promise students at TCATs began in the fall trimester after high school graduation. Their progress is measured in clock hours instead of credit hours. The first-year clock-hour accumulation for TCAT students who started in the fall term following high school graduation included hours earned during their first fall, spring, and summer terms. The summer term is included for TCAT students because TCATs operate on a trimester system, in which the year is split into three equal segments: fall, spring and summer terms. Students are required to enroll in all three to remain Promise-eligible.

For this analysis, credit accumulation was calculated for all students who began as full time students in the fall, even if they dropped out during their first year. This analysis includes students who dropped out because credits earned by those students can be used if they return to college later or if their desired job required only some college credits.

After calculating credit accumulation, first-year retention of students (i.e., the percentage of students who returned for their sophomore year) was then examined. As with credit accumulation, first-year retention was analyzed for students who began college in the fall term following graduation. Retention rates at Promise-eligible institutions provide insight into how well community colleges, universities, and TCATs are keeping students in school and on track to graduate.

To determine if Promise students are performing better than their peers, the credit accumulation and retention rates of Promise students were compared to those of other recent high school graduates. Students are considered Promise students if they completed all program requirements and began college in the program, regardless of the amount of Promise scholarship funds they received.

Some students who began as Promise students lost their Promise scholarship over the course of their college career, but for the purposes of this analysis they were still considered Promise students. Students who began in the program received several of the potential benefits, such as mentoring, assistance with the FAFSA process, and encouragement to stay continuously enrolled as a full time student. For example, at Cleveland State, most students can drop courses online, but Promise students who started in the program were required to talk to a financial aid advisor before dropping a class, at least during their first semester. The advisor was then able to ensure that Promise students sought help from their professors if they were struggling and helped them understand the negative consequences of dropping below a full time course load (12 credit hours). Other recent high school graduates did not have that safeguard.

Key definitions

Promise students: Students who completed all program requirements and began college in the Promise program

Recent high school graduates: Students who graduated from high school in the spring directly preceding their first semester in college. Throughout this analysis, Promise students, almost all of which are recent high school graduates, are compared to other recent high school graduates who were not in the program but attended Promise-eligible institutions.

Recent high school graduates, as defined in this analysis, are students who graduated from high school in the spring directly preceding their first semester in college. For example, a student who enrolled in college in the fall of 2015 would be a recent high school graduate if he or she graduated high school in the spring of 2015. Unless given a waiver or put on a waitlist, all Promise students are also recent high school graduates.

Credit accumulation and retention at community colleges

Credit accumulation at community colleges

The majority of Promise students (84 percent) enrolled in a community college, and their outcomes provide the largest insight into the success of the Promise program. At community colleges, students who complete two full time semesters earn at least 24 credits (12 credits or more each semester). About half of Promise students at community colleges (49.2 percent) completed 24 credits or more after their first two semesters. This means that about half of Promise students were on track to graduate in five semesters. About 11 percent of Promise students did not earn any credits, suggesting they did not finish their first semester, and 39.5 percent received at least one credit but fewer than 24 credits. (See Exhibit 4.1.)

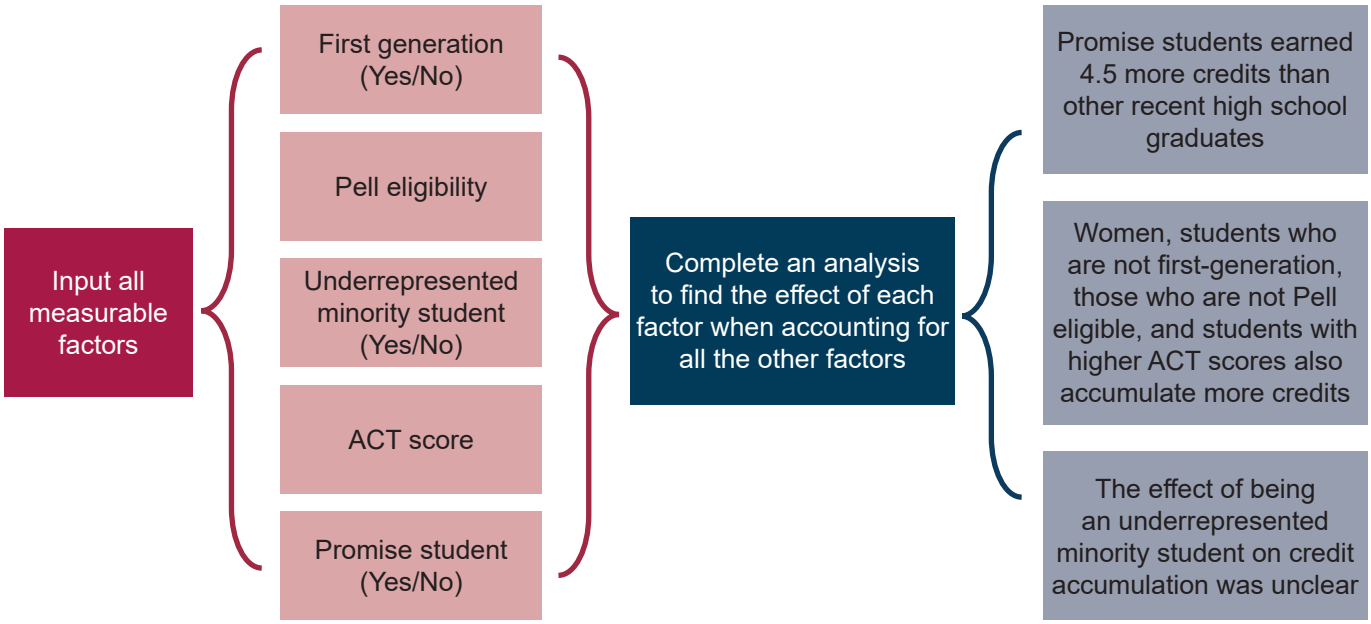
Exhibit 4.1: Percent and number of Promise students at community colleges by credits earned | fall 2015 to spring 2016 for cohort 1 and fall 2016 to spring 2017 for cohort 2

Promise students at community colleges			
Number of credits earned	**Number of students**	**Percent of students**	**Number of semesters those credits represent**
0	2,945	11.3%	No credits earned
1-11	3,608	13.8%	Less than one full time semester
12-23	6,725	25.7%	One semester or more, but less than two full time semesters
24-30	10,975	42.0%	Two full time semesters
31 and above	1,893	7.2%	Over two full time semesters

Source: OREA analysis of THEC data.

OREA analysts compared Promise students to other recent high school graduates through a statistical test that took race, gender, ACT score, expected family contribution, and whether a student is a first-generation college student into account.[60] (See Exhibit 4.2.) With those factors included in the analysis, Promise students at community colleges earned about 4.5 additional credits in their first two semesters compared to other recent high school graduates.[61] These additional credits account for about one-and-a-half extra classes per year.

Exhibit 4.2: Explanation and results of OREA analysis to determine the effect of various factors on credit accumulation at community colleges



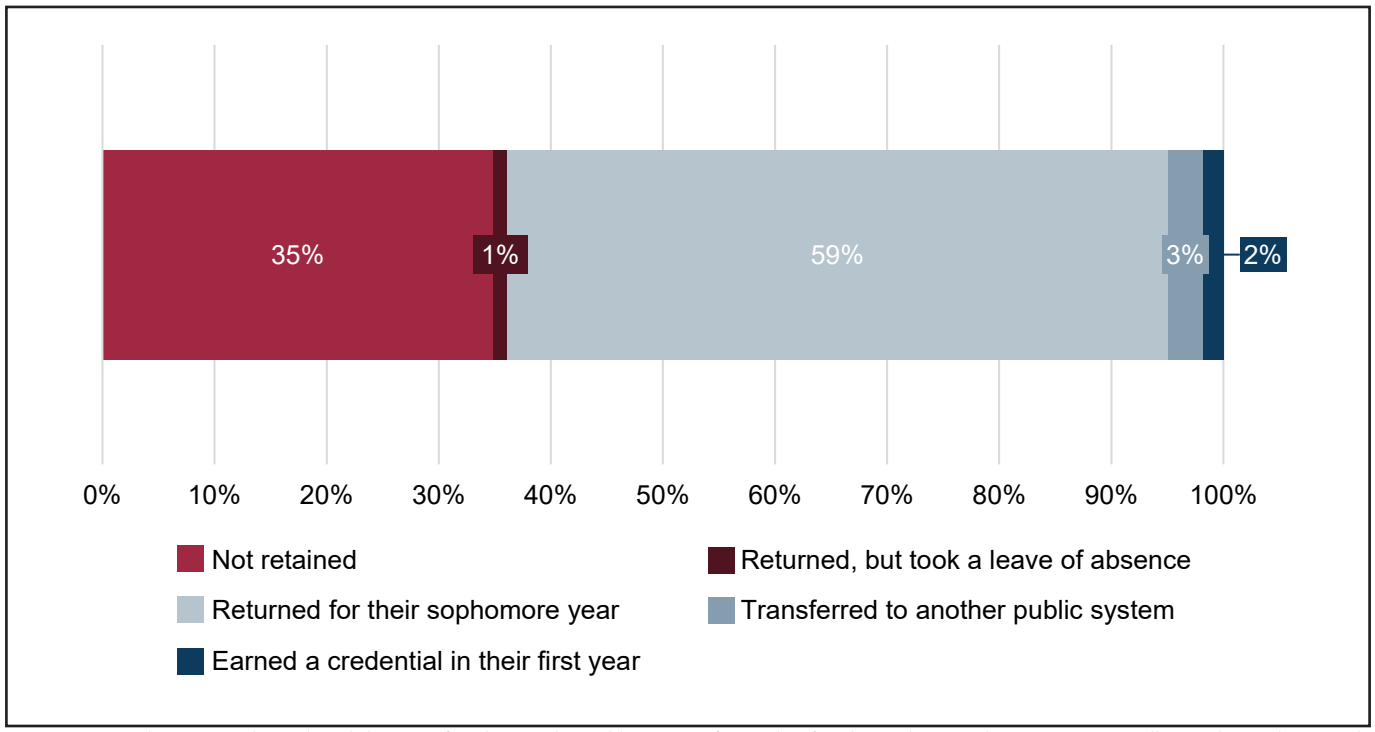
Fall-to-fall retention at community colleges

Of Promise students who started at community colleges in the fall after graduation, 63 percent enrolled for their sophomore year at a public institution. Of the 63 percent, the majority of students remained at a community college, with a small percentage transferring to another type of public institution. Of all students who began at a community college, 2 percent earned a credential in their first year. The majority of those credentials were certificates that students can earn while working toward an associate degree.

[60] Multiple linear regression was performed.

[61] The results of the regression show that Promise students earn, on average, 4.5 more credit hours than other recent high school graduates.

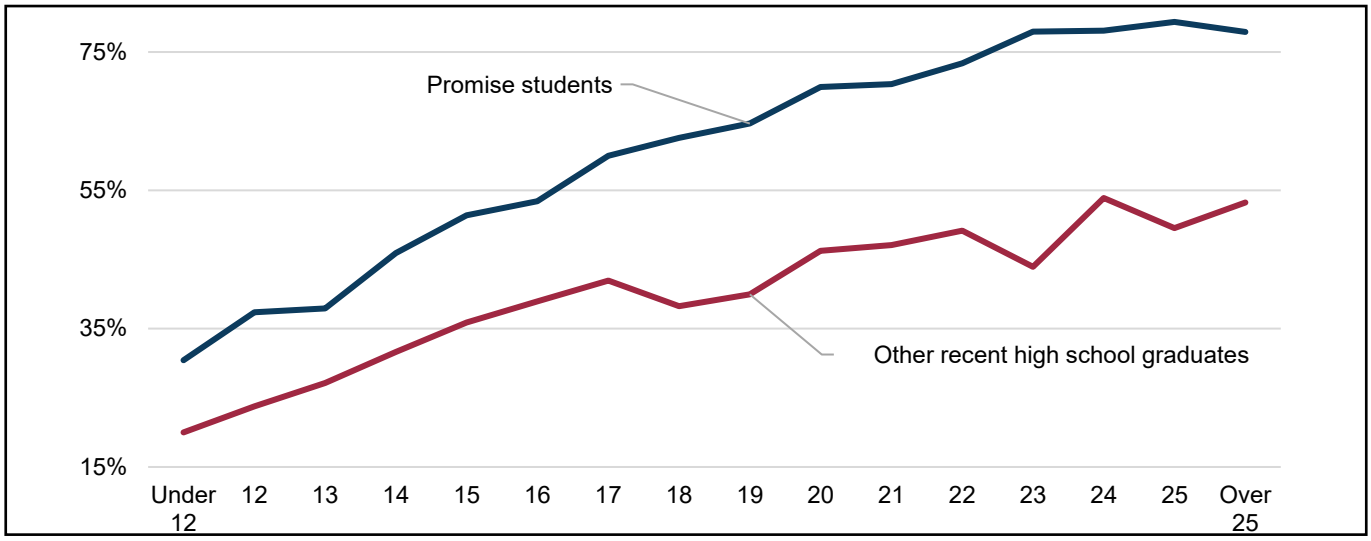
Exhibit 4.3: Progress for students who started at a community college in the fall semester following their first year



Notes: Some students received awards and then transferred to another public system afterward. Of students who started at a community college and earned an award, 62 students (0.2 percent of students who began at a community college) received a credential in their first year and then transferred. Some students who received an award also remained enrolled.
Source: OREA analysis of THEC data.

When accounting for race, gender, ACT score, expected family contribution, and whether a student is a first-generation college student, Promise students at community colleges who did not transfer were over two times more likely than other recent high school graduates to return for their second fall semester or to receive a credential.[62] For example, an OREA analysis by ACT score found that students with higher ACT scores were more likely to return for their second year or earn a credential in their first year. When examining students with the same ACT score, though, Promise students were more likely to have positive outcomes in their first year. (See Exhibit 4.4.) Similarly, when accounting for multiple factors, Promise students were more likely to reenroll or earn a credential than non-Promise students.

Exhibit 4.4: Percent of students at community colleges who returned for the sophomore year or received a credential, by ACT score and whether they were a Promise student



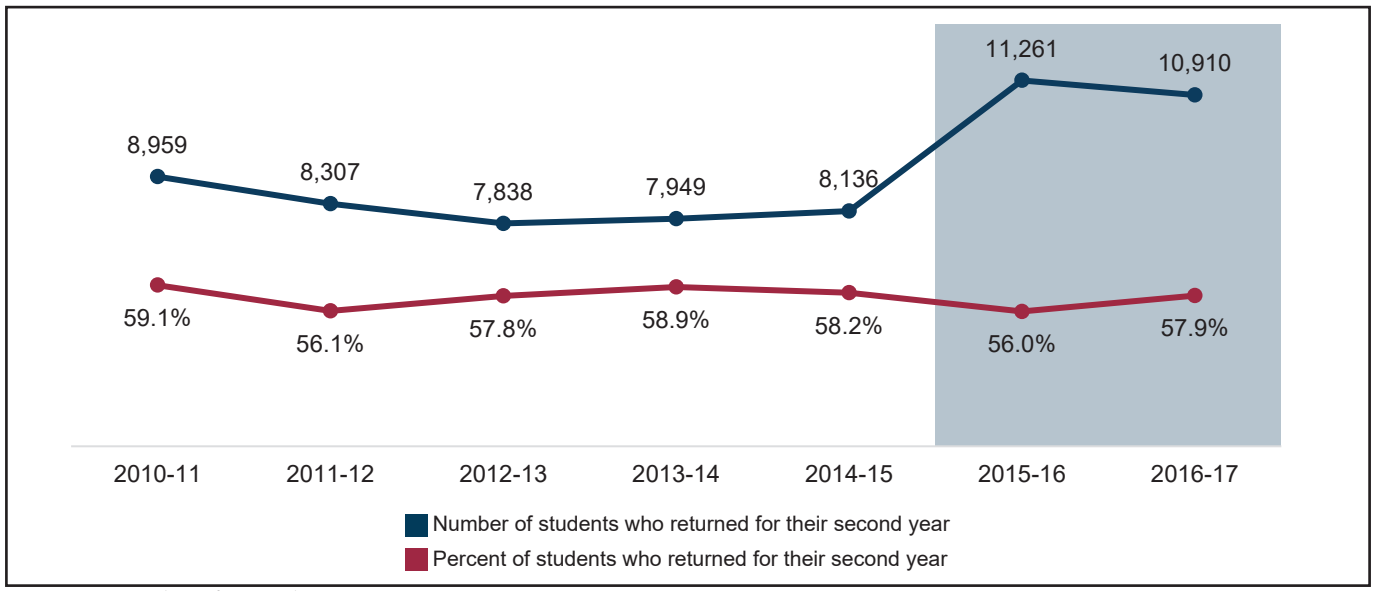
Note: Transfer students and students who took a leave of absence are not included in the analysis.
Source: OREA analysis of THEC data.

[62] OREA performed a binary logistical regression to calculate this odds ratio.

In 2015 and 2016, more first-time freshmen enrolled at the community colleges than in 2014 (the year before Promise students began enrolling). This has increased the number of students, whether enrolled in Promise or not, who are retained for a second year, resulting in more students on track to receive a credential.

As also explained in Section 3, since the implementation of Tennessee Promise in 2015, the number of traditional-age students (those under the age of 25) increased while the number of adult students decreased. This caused the proportion of younger students at the community colleges to increase. In the majority of community college interviews, officials explained that serving younger students presented new challenges, such as more students arriving on campus academically underprepared. Despite this period of changing demographic trends at the community colleges, retention rates remained fairly steady. (See Exhibit 4.5.)

Exhibit 4.5: Number and percent of students who either earned a credential in the first year or returned for the sophomore year at community colleges



Source: OREA analysis of THEC data.

According to an OREA survey of academic and student success professionals and financial aid officers at the community colleges, some of the changes made to support a younger student body included increased course offerings for freshmen, additional supports and programming targeted at younger students, and the introduction of completion coaches. As explained in section 3, at most community colleges the overall enrollment of students increased during the implementation of Tennessee Promise and community colleges began providing more course offerings in response. At some institutions there was also a greater need among incoming students for developmental classes, which are courses for students who arrive on campus academically underprepared in core subjects like math, reading, and writing. These community colleges increased their developmental course offerings in response to the increased need. In addition, community colleges also implemented a new type of developmental model in 2015: the corequisite model. Before this new approach was implemented, academically underprepared students had to complete a series of developmental courses prior to beginning college-level coursework. In the new model, academically underprepared students can begin college-level coursework right away, by taking a college-level course paired with a developmental course in the same subject, at the same time.

Alongside increased course offerings and adjustments to developmental course offerings, many institutions have created or modified a type of course that is provided to first-time freshmen in which students learn life skills necessary to succeed in college. At Northeast State, this course is called "College and Lifelong Learning" and teaches skills like critical thinking, using campus resources, and technology literacy.

Another way colleges have adjusted to the influx of younger students is by directing communications to parents in addition to the students themselves. Meanwhile, other institutions have begun using online tracking of students who may be at risk of dropping out and have also increased tutoring or other forms of academic supports.

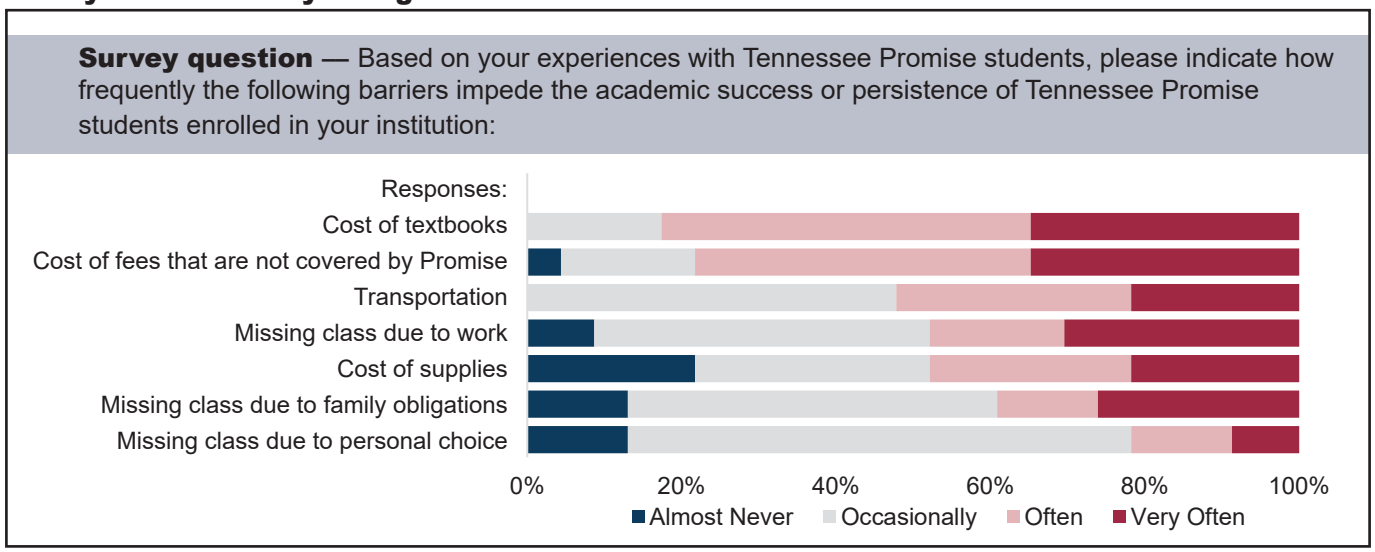
In order to help Promise students navigate the many supports and courses offered, the majority of community colleges have hired completion coaches. Community colleges already provided assistance to students through financial aid offices, academic advising, and the various academic departments, but many officials interviewed by OREA believed that the division of these supports among multiple departments and offices can be confusing to students and difficult for them to navigate. Completion coaches are familiar with the full range of resources and supports available and offer students a single point of contact for assistance. In the OREA survey of academic affairs and student success officials, 90 percent believed that completion coaches are good or very good at helping Promise students find academic resources at their college.

The success of Promise students compared to other recent high school graduates and the steady retention rates, despite the changing student body, suggest that the adjustments made at community colleges have been effective in supporting Promise students in their first year.

Barriers to credit accumulation and retention

Despite the positive outcomes, over a third of Promise students did not enroll for the fall semester of their second year. On the OREA surveys of financial aid officers and academic affairs and student success officials, respondents pointed to the cost of textbooks and fees not covered by Promise as the barriers that most often impede the academic success or persistence of Promise Students.[63] Almost all of the financial aid officers indicated that at least half of students did not understand that the Promise program, though promoted as "free college," does not cover the cost of books and non-mandatory fees.[64] Also, each financial aid officer stated that at least half of their students did not understand the last-dollar concept (i.e., Promise pays only for the remaining tuition and mandatory fees once other sources of gift aid are applied).[65]

Exhibit 4.6: Barriers to success and persistence for Tennessee Promise students, based on surveys of community college financial aid officers and academic and student success officials



Source: OREA surveys of financial aid officers and academic affairs and student success officials. OREA received responses from 23 community college officials and at least one official from each community college participated in the surveys.

Mentor organizations are tasked with providing information to Promise applicants about costs not covered by the Promise program. Community college administrators indicated that TNAchieves, the mentor organization that serves the majority of Promise students, has improved in its efforts to inform students about the likely out-of-pocket costs

[63] OREA's surveys included responses from 23 community college administrators. At least one administrator from each of Tennessee's 13 community colleges participated in the surveys.

[64] When financial aid officers were asked "In your experience, how often are students aware of out-of-pocket expenses, like fees and books, before enrolling in college?" One official (8.3 percent) said, "Often: over half of students are aware of out-of-pocket expenses," four (33.3 percent) said, "Somewhat often: about half of students are aware of out-of-pocket expenses," five (41.7 percent) said, "Not very often: less than half of students are aware of out-of-pocket expenses," and two (16.7 percent) said. "Almost never: the majority of students are not aware of out-of-pocket expenses."

[65] When financial aid officers were asked "In your experience, how often do students understand what "last-dollar scholarship" means?" one-third of officials (four officials) said "about half of students understand what 'last-dollar scholarship' means," one third said "less than half of students understand what 'last-dollar scholarship' means," and one third said "the majority of students do not understand what 'last-dollar scholarship' means."

associated with attending college, but identified areas for improvement, such as communicating the likely cost of such books and fees, which can cost over $1,000 per year, as well as student eligibility for other forms of financial aid (e.g., Pell and HOPE).[66] (See page 26 for more information about the costs of books and fees.)

Through interviews with community college officials, OREA learned that when faced with additional costs, some students choose to delay buying books or attempt classes without books, which can affect their academic outcomes. Other students take out personal loans to pay for books and non-mandatory fees.

Other top barriers, according to survey respondents, were unreliable transportation and missing class due to work. For example, Nashville State identified transportation as a problem for its students, and administrators applied and received a grant to provide bus passes to 100 students. At community colleges in less urban areas, though, students travel longer distances and also face transportation barriers with few, if any, public transportation alternatives. Some community colleges have provided short-term relief funds to a limited number of students to help with car repairs, but these small scale programs do not reach all students with transportation problems. For Promise students with unreliable transportation or scheduling conflicts due to work commitments, online courses can be a better option, though such courses have an additional fee that is not covered by the Promise scholarship.

Credit accumulation and retention at TCATs

Credit accumulation at TCATs

After community colleges, TCATs enroll the next largest group of Promise students, at about 9 percent. TCAT students are considered full time if they take 30 clock hours per week, or 432 clock hours per trimester. TCAT students earn clock hours based on actual time in classes. If students are absent, they do not earn clock hours that day.

Full time students can miss only a certain number of hours and remain full time. With allowed absences, full time students earn between 391 and 432 clock hours per trimester. Students can also earn additional clock hours by demonstrating competencies through additional work outside of scheduled class time or through previous experiences and knowledge. TCAT students stay enrolled continually and do not take a summer break. In their first year, TCAT students take three trimesters, and full time students would earn between 1,173 and 1,296 clock hours.

Exhibit 4.7: Percent and number of Promise students at TCATs by clock hours earned | fall 2015 to summer 2016 for cohort 1 and fall 2016 to summer 2017 for cohort 2

Promise students at TCATs			
Number of clock hours earned	**Number of students**	**Percent of students**	**Number of full time trimesters those clock hours represent**
0-390	366	13.76%	Less than one full time trimester
391-1,172	946	35.55%	One full time trimester or more, but less than three full time trimesters
1,173-1,296	1,330	49.98%	Three full time trimesters
1,297 and above	19	0.71%	Over three full time trimesters

Note: 75 students received a diploma before the start of their summer term. These students were no longer eligible for Promise after receiving a diploma and would not have been able to enroll in the final semester of the year, the summer term, as a Promise student. They are not included in this analysis because they were not able to enroll in a full year while remaining Promise eligible. Students who transferred out of the TCAT system are also not included.
Source: OREA analysis of THEC data.

[66] In an online survey sent to all 13 community colleges by OREA in 2019, financial aid officers were asked, "In your experience, how much do students pay, per semester, for fees, books, and other supplies not covered by the Promise scholarship? (Please do not include costs like transportation, housing, food, or other living expenses.)" Financial aid officers from 12 of 13 total community colleges responded to the question, and responses varied from $400 to $800 per semester. The mean ($575) was doubled to determine the average annual cost of $1,150. The exact cost of books, fees, and supplies not covered by the Promise scholarship varies by student, program, and community college.

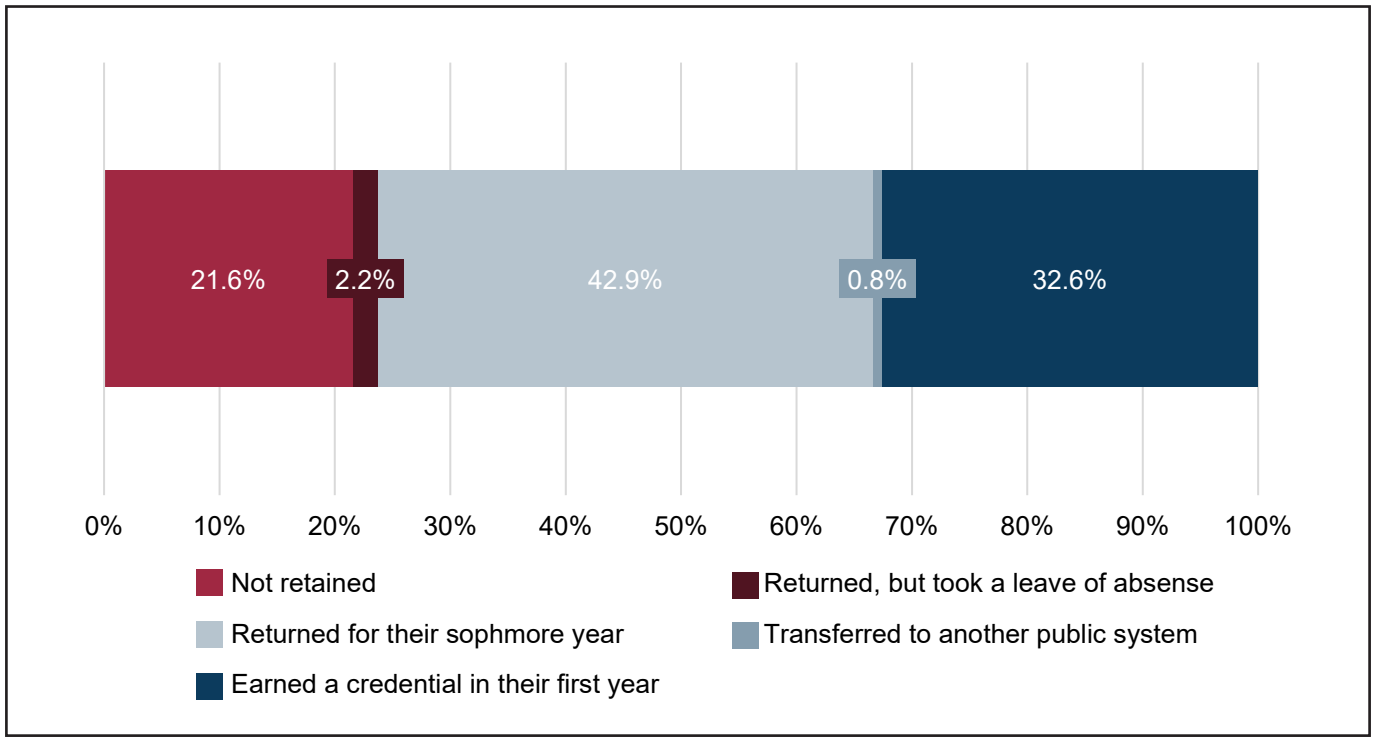
As shown in the blue shading of Exhibit 4.7, about half of Promise students at TCATs (50.69 percent) completed enough clock hours to be full time during their first year. The remaining 49.31 percent of students earned less than three full time trimesters. TCAT students can earn certificates as they complete individual courses and some students may have earned fewer clock hours because they earned the necessary certificate for their desired job. (See Section 5 for information about certificate attainment.)

When comparing Promise students to other recent high school graduates and accounting for race, gender, ACT score, Pell eligibility, and whether a student is a first-generation college student, the average Promise student earned 183 additional clock hours.[67] This represents about 20 percent more clock hours than other recent high school graduates. Men, students who are not underrepresented minorities, and students with higher ACT scores also accumulate more clock hours, but these effects were smaller than the effect of being a Promise student.

Fall-to-fall retention at TCATs

At TCATs, about one-third of Promise students received a credential in their first year. This is likely due to two factors. First, the program lengths vary, and in some programs full time students can complete a diploma in one year. Of the 33 percent of students who received a credential, about two-thirds received a diploma. TCAT students can also receive certificates while earning a diploma because certificates are given as students complete modules and demonstrate competencies. Of the students who received a credential, about one-third received a certificate. Of students who began at a TCAT, 22 percent did not enroll in their second fall semester and did not earn a credential. The remaining 46 percent remained enrolled.

Exhibit 4.8: Student progress in the fall semester following their first year at TCATs

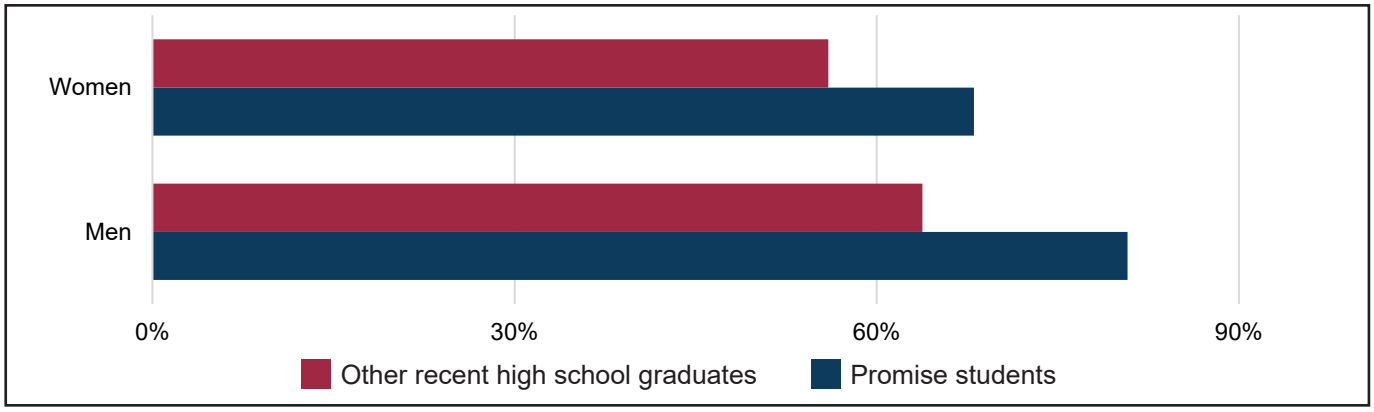


Source: OREA analysis of THEC data.

When accounting for race, gender, ACT score, expected family contribution, and whether a student is a first-generation college student, Promise students at the TCATs were two times more likely than other recent high school graduates to return for their second fall semester or receive a credential. For example, men, in general, were more likely than women to return for their second year or earn a credential at the TCATs, but when looking at students of the same gender, Promise students return or receive a credential at higher rates.

[67] Multiple linear regression was performed.

Exhibit 4.9: Percent of students at TCATs who returned for the sophomore year or received a credential, by gender and whether they were a Promise student



Source: OREA analysis of THEC data.

Clock-hour credit accumulation and fall-to-fall retention rates at the TCATs has not been reported annually and programs, which vary in length and difficulty, grow and shrink based on market needs, making year-to-year comparisons difficult.

Credit accumulation and retention at other Promise-eligible colleges and universities

Credit accumulation at public Promise-eligible universities

During the first two years of Promise implementation, around 900 students enrolled in one of the two Promise-eligible public universities, Austin Peay State University (APSU) or Tennessee State University (TSU), as first-time freshmen. Full time students at universities who complete their first year and pass all classes would earn at least 24 credits. At APSU and TSU, about 60 percent of Promise students completed 24 credits or more during their first two semesters.

Exhibit 4.10: Percent and number of Promise students at public Promise-eligible universities by credits earned | fall 2015 to spring 2016 for cohort 1 and fall 2016 to spring 2017 for cohort 2

Promise students at public universities			
Number of credits earned	**Number of students**	**Percent of students**	**Number of semesters those credits represent**
0	42	4.78%	No credits earned
1-11	98	11.15%	Less than one full time semester
12-23	210	23.89%	One semester or more, but less than two full time semesters
24-30	440	50.06%	Two full time semesters
31 and above	89	10.13%	Over two full time semesters

Source: OREA analysis of THEC data.

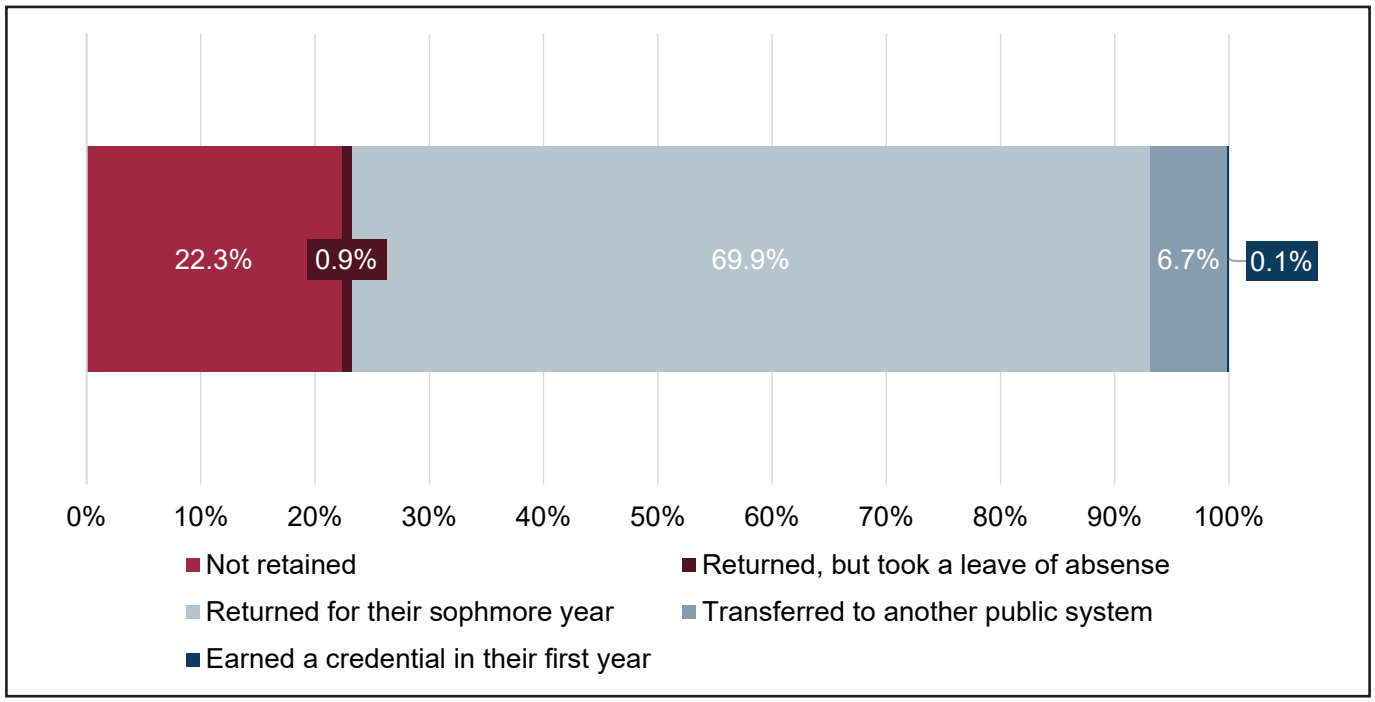
A full comparison of Promise students and other recent high school graduates at the universities could not be completed because there were so few Promise students at these universities. In addition, Promise students at the public universities were required to enroll in a Promise-eligible associate degree program, and OREA was unable to identify other students in those programs at APSU and TSU to allow a comparison of students in similar programs of study. The success of Promise students at these two universities, in terms of degree completion, is discussed in Section 5.

Fall-to-fall retention at public Promise-eligible universities

The majority of Promise students at Promise-eligible public universities returned for their second fall semester. Of students who started at a Promise-eligible university, 77 percent returned for the sophomore year, either at their original institution or another institution after transferring, while 22 percent of students did not enroll for their second year at

a public institution. Very few students received a credential (0.1 percent) in their first year; however, Promise students who attend a public university must enroll in an associate degree program, which generally takes two years to complete.

Exhibit 4.11: Student progress in the fall semester following their first year at a Promise-eligible public university



Source: OREA analysis of THEC data.

As with credit accumulation, students at Promise-eligible public universities could not be fully compared to other recent high school graduates because there were so few Promise students at these universities. In addition, Promise students make up a small proportion of each university's student population such that they would not affect overall retention rates. The number of students enrolling as Promise students at public universities, though, has been increasing and a more complete analysis may be possible in the future.

Overview

At community colleges and Promise-eligible public universities, half of Promise students or more earned at least 24 credits after their first year and were on track to graduate in five semesters. A lower percentage of students at TCATs accumulated a full year's worth of clock hours, but TCAT students earned more credentials in their first year and some programs of study at TCATs are much shorter than those at community colleges and public universities. (See Section 5 for an analysis of awards data, including the number and percent of TCAT students who earned certificates.)

Promise students at community colleges and TCATs were more likely to accumulate credits than their peers even after accounting for several factors, including race, expected family contribution, ACT scores, and gender. This suggests that the benefits associated with the Promise program, including the full time requirement for Promise students, is successfully pushing students to earn more credits and clock hours in their first year.

At TCATs, community colleges, and Promise-eligible public universities, the majority of students returned for the sophomore year and/or received a credential. At community colleges and Promise-eligible public universities, there are typically not pathways for students to earn a credential in their first year and few Promise students did so. TCATs, however, provide such pathways, and about one-third of Promise students at TCATs received a credential in their first year.

Promise students at TCATs and community colleges were two times more likely to reenroll for their second year or receive a credential than other recent high school graduates.

Section 5: Credential attainment

Section 1		Section 2	Section 3	Section 4	Section 5
How Tennessee Promise works		Complete application requirements	Enroll in higher education	Complete first year	Complete 5 semesters
	Cohort 1	Fall 2014-Summer 2015	Fall 2015	Spring 2016	Fall 2017*
	Cohort 2	Fall 2015-Summer 2016	Fall 2016	Spring 2017	Fall 2018*
	Cohort 3	Fall 2016-Summer 2017	Fall 2017	Spring 2018	Fall 2019*
		Included in this evaluation		Not included in this evaluation	

Note: *TCAT students can remain Promise-eligible for eight trimesters, instead of five semesters as at community colleges and four-year universities. For students who started in the fall, their eighth trimester would be in the spring of their third year.

This section examines the credential attainment rate (i.e., the percent of students who earned certificates, degrees, or diplomas) of Promise students in cohort 1.

Key points

- One-fourth of community college Promise students and almost three-fourths of TCAT Promise students earned credentials within the allotted time stipulated by the Promise program.
- Promise students at community colleges and TCATs were roughly two times more likely than other recent high school graduates attending the same type of institution to receive a credential after taking into account ACT scores, race, gender, expected family contribution, and first-generation college student status.
- Outcomes for Promise students in subgroups who have historically completed college at lower rates improved after the implementation of Tennessee Promise, though the difference in outcomes between these subgroups and their peers, often referred to as the achievement gap, remained largely unchanged. Increasing credential attainment for these student subgroups is one way for Tennessee to continue the state's upward trend in postsecondary attainment.
- About 12 percent of Promise students at Austin Peay State and Tennessee State Universities received a certificate or associate degree in their allotted time span, while about 14 percent of Promise students at private colleges and universities received a credential. Students at public four-year universities and private colleges represented about 6 percent of Promise students who started in fall 2015, much smaller than the 84 percent of Promise students who attended community colleges, and also smaller than the 9 percent who attended TCATs.
- For each Promise student who earned a credential in the allotted time, the state spent $4,361 at TCATs, $22,146 at community colleges, and over $55,000 at the Promise-eligible universities in state-funded scholarships.
- Progress towards the Drive to 55 goal is measured using the state's attainment rate, but the first cohort of Promise students will not be included in this measurement until 2021 and 2022. The inclusion of the first Promise cohort will likely have a positive effect on the attainment rate, but after this initial increase, growth in the attainment rate that can be attributed to Promise is likely to slow.

Background

Tennessee Promise pays tuition and mandatory fees for up to two and a half years of college, with the goal of increasing credential attainment across the state. At the community colleges and Promise-eligible universities, two and a half years equals five semesters. For students who started in fall 2015 with the first cohort of Promise students and were continuously enrolled (as Promise students are required to be), their fifth and final semester was in fall 2017.[68]

[68] Between fall 2015 and fall 2017, there were three fall terms and two spring terms, representing five semesters in total. Students were able to enroll in two summer terms during that time, but enrollment in the summer terms was not required to qualify as continuously enrolled. Students cannot receive Promise funds during the summer unless they enroll full time. If students enroll full time in the summer, that term counts as one of the five semesters for which they can receive Promise funds. The summer term is shorter than fall and spring semesters and courses are given at an accelerated pace. A full time course load in the summer is considered more arduous, due to time constraints, than the same course load in the spring and fall semesters. Excluding TCAT students, who are required to enroll in summer terms, about 4 percent of Promise students who started in fall 2015 enrolled full time in a summer term.

At the Tennessee Colleges of Applied Technology (TCATs), Promise students can be in the program for up to eight trimesters. Trimesters split one year into three equal segments, with no summer break. For students at the TCATs who also began in fall 2015, their last trimester was spring 2018. Many programs at the TCATs, however, take fewer than eight trimesters to complete, and students cannot receive Promise funds after earning a diploma in their area of study.

Sections 2 through 3 of this report explored how Promise has increased college enrollment, while section 4 explained that Promise students are staying enrolled at higher rates and accumulating more credits than their peers. This section outlines the percentage of Promise students in cohort 1 who earned a credential within the allotted time stipulated by the Promise program (by fall 2017 for community college and university students or by spring 2018 for TCAT students). To determine if Promise students graduated at higher rates, OREA analysts compared their credential attainment to other recent high school graduates taking into account race, ACT scores, gender, expected family contribution, and whether a student is a first-generation college student. The analysis also used trend data to show the impact of Promise on graduation rates across the state.

As with credit accumulation and retention, students are considered Promise students if they completed all program requirements and began college in the program, regardless of the amount of Promise scholarship funds they received. Some students who began as Promise students lost the Promise scholarship over the course of their college career, but for the purposes of this analysis they are still considered Promise students. Students who began in the program received several of the program's potential benefits, even if they did not remain in the program, such as mentoring, assistance with the FAFSA process, and encouragement to enroll continuously as a full time student.

Other recent high school graduates, as defined in this analysis, are students who graduated from high school in the spring directly preceding their first semester in college but were not in the Promise program. For example, a student who enrolled in college in fall 2015 would be a recent high school graduate if he or she graduated high school in spring 2015.

Credential attainment at community colleges

After five semesters, 25 percent of Promise students who started college at a community college in fall 2015, earned a certificate or associate degree, compared to 9 percent of other recent high school graduates. The majority of Promise students who earned credentials earned associate degrees and represented about 20 percent of Promise students who started college at a community college in fall 2015. Around 4 percent received certificates, while 1 percent received other degrees after transferring.[69]

Exhibit 5.1: Whether students received a credential in five semesters at community colleges, percent of Promise students compared to other recent high school graduates

Outcomes after five semesters	Other recent high school graduates	Promise students
Did not earn a credential or transfer to another state school	83.5%	67.0%
Transferred to another state school, did not earn a credential	7.2%	8.2%
Earned a certificate, did not transfer	1.7%	3.2%
Earned an associate degree, did not transfer	4.4%	11.4%
Earned a credential, then transferred to another state school	2.3%	8.6%
Transferred to another state school, then earned a credential	0.9%	1.7%
Of those who started at a community college, **25 percent of Promise students** and **9 percent of other recent high school graduates received a credential** in five semesters.		

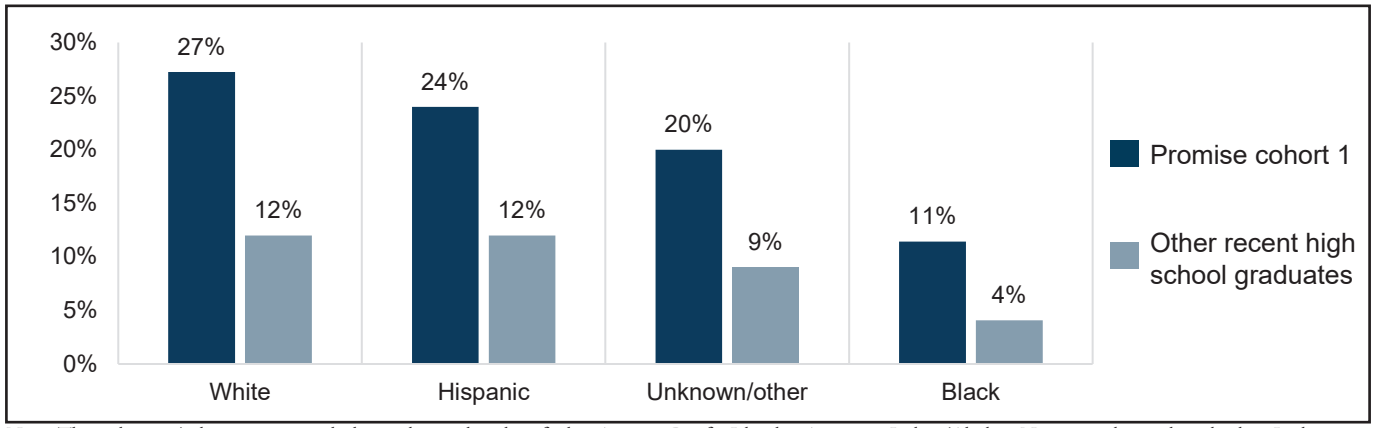
Source: OREA analysis of THEC data.

[69] The percent of Promise students who received associate degrees includes students who stayed enrolled at community colleges (as shown in the fourth line of Exhibit 5.1) plus those who earned an associate degree either before or after transferring (they are included in the percentages found in the fifth and sixth lines of the exhibit). The percent who received certificates includes students who stayed enrolled at community colleges (as shown in the third line of the exhibit) plus those who earned a certificate either before or after transferring (they are included in the percentages found in the fifth and sixth lines of the exhibit).

Although about 25 percent of Promise students systemwide earned a credential, there was variation across the community colleges. More than 30 percent of Promise students who did not transfer within the five-semester time frame earned a credential at Motlow State (35 percent) and Pellissippi State (35 percent). At two other community colleges, less than 20 percent of Promise students earned a credential: Southwest Tennessee (12 percent) and Chattanooga State (17 percent).

When accounting for several student-level factors (e.g., ACT scores and expected family contribution) and institution-level factors (e.g., the percentage of the student body that was Pell-eligible), Promise students were over two times more likely to earn a credential than other recent high school graduates.[70] For example, one factor OREA controlled for was race. White students earned credentials at a higher rate than other students, but when looking only at students of the same race, as Exhibit 5.2 shows, Promise students earned credentials at higher rates.

Exhibit 5.2: Percent of students at community colleges who earned a credential | by race and whether they were a Promise student

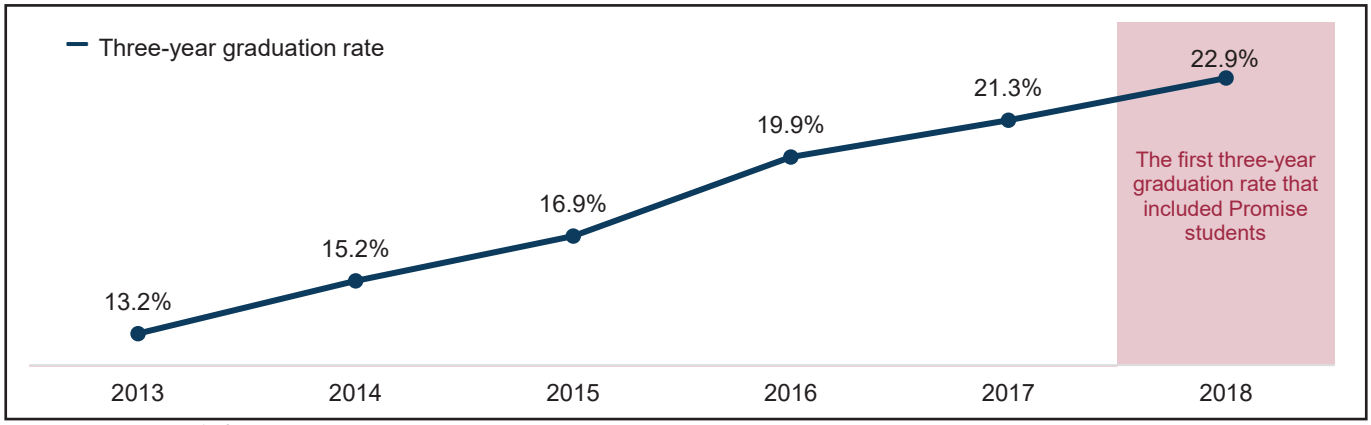


Note: The unknown/other category includes students who identified as Asian or Pacific Islander, American Indian/Alaskan Native, multiracial, and other. It also includes students whose race and ethnicity are not known. That group made up 8 percent of all students examined.
Source: OREA analysis of THEC data.

Trends since 2013

As previously explained, Promise participants are earning credentials at higher rates than other recent high school graduates. OREA analyzed the extent to which Promise program outcomes increased the overall graduation rates at community colleges statewide. The Tennessee Promise program covers five semesters, or two and a half years, but the state has traditionally tracked three-year graduation rates. All students who enroll in a given year are placed in a cohort. The three-year graduation rate is the percentage of students in a cohort who graduate three years after initial enrollment. Students who take more time to complete their degrees continue to earn credentials after three years, but are not included in the three-year graduation rate.

Exhibit 5.3: Three-year graduation rate at community colleges since 2013



Source: Tennessee Board of Regents.

[70] To determine this, OREA performed a logistic regression. A student's Pell eligibility status, gender, ACT score, whether the student is a first-generation college student, race, whether a student is a Promise student, and schoolwide demographics (percentage of minority students, percentage of Pell-eligible students, and first-time freshmen headcount at each institution) were included in the analysis.

As shown in Exhibit 5.3, the three-year graduation rate has increased by 9.7 percentage points since 2013. During this period, student demographics began to change as fewer adult students were enrolling, increasing the proportion of younger students at the community colleges. In addition, community colleges implemented a series of reforms during this time period. For example, community colleges restructured the way academically underprepared students are supported through their first college-level courses.

The proportion of younger students continued to increase with the first cohort of Promise, but this influx of younger students did not alter the trend of steady increases in the graduation rate. Prior to the inclusion of Promise students, between 2016 and 2017, the three-year graduation rate rose by 1.4 percentage points. The first time Promise students were included in the calculation, between 2017 and 2018, the increase in the graduation rate was similar, at 1.6 percentage points. This steady increase, both before and after Promise, made it difficult for OREA to parse out the specific effect of Promise students on community college graduation rate trends. For this analysis, only one Promise cohort is reflected in the graduation rate trends, which adds to the difficulty in isolating the program's effect.

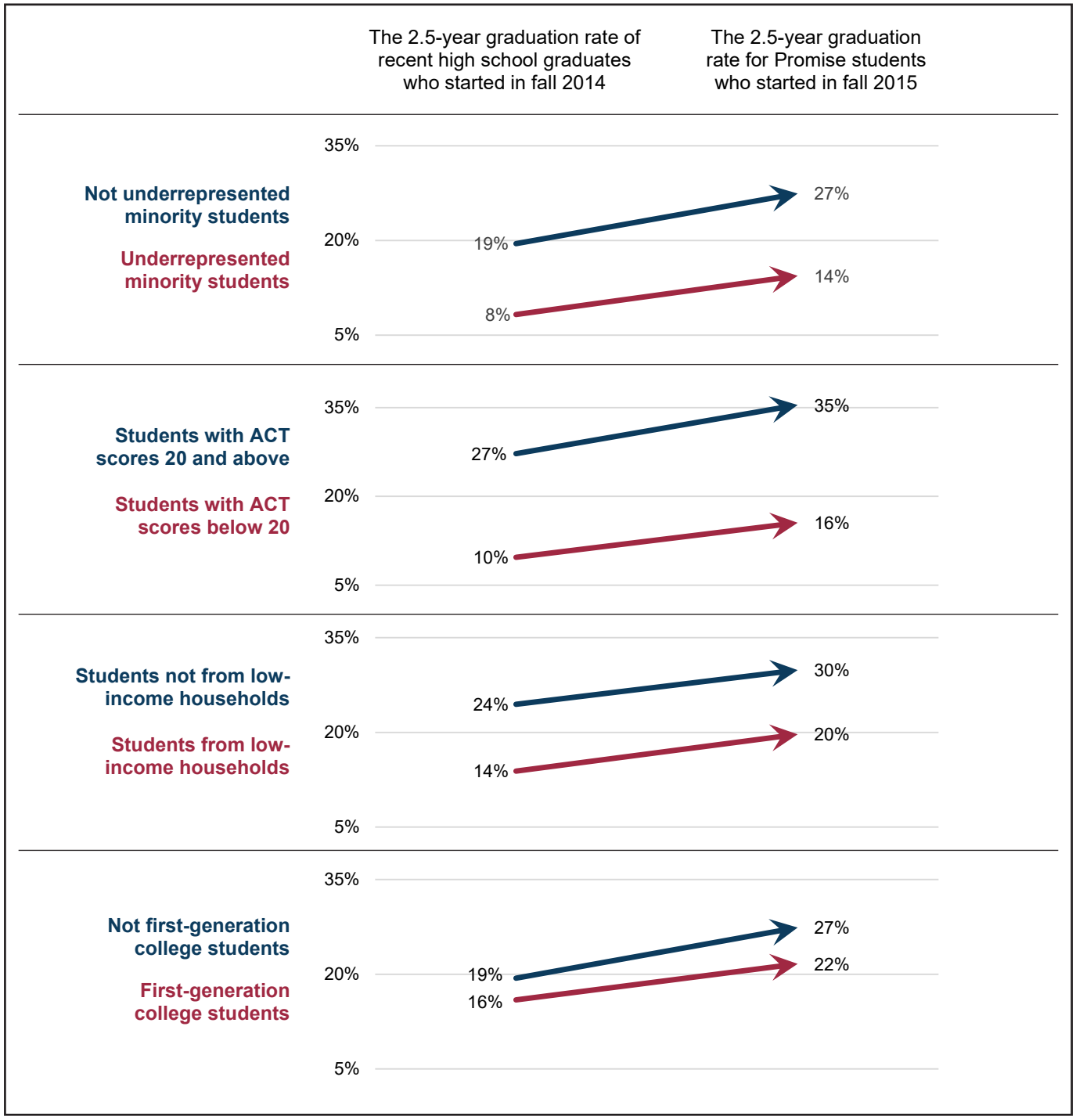
Attainment by student subgroups

As explained in Section 2, some student subgroups are less likely than others to attend college and earn a credential. These subgroups include students from low-income households, students with low ACT scores, and underrepresented minority students. As Exhibit 5.4 shows, students from these subgroups, along with first-generation college students, were less likely to earn a credential than their peers.[71] Students from these subgroups make up a significant portion of the community college population and an increase in credential attainment for them would have a positive impact on the statewide attainment rate. For example, students who scored below 20 on the ACT made up over half of the students who started at a community college in fall 2014, and their lower attainment rates affected the overall attainment rate. (Of students who scored below 20 on the ACT, 10 percent received a credential within two and a half years, which was 17 percentage points behind their peers.)

Outcomes for Promise students in each subgroup improved when compared to students who started college the year before Promise, though the difference in outcomes between these subgroups and their peers, often referred to as the achievement gap, remained. For example, of the students who began college the year before Promise, 14 percent of Pell-eligible students earned a credential, while 24 percent of students who were not Pell-eligible earned a credential. For those who started in the fall of 2015, 20 percent of Pell-eligible Promise students earned a credential, while 30 percent of Promise students who were not Pell-eligible earned a credential. Both groups earned credentials at higher rates, but the gap between the groups stayed about the same, at 10 percentage points. The same trend was also found for other student subgroups: outcomes increased, but the gap between these groups and their peers remained.

[71] Each subgroup was compared to students from the same year who were not in that subgroup, even if students in the comparison group were a part of another subgroup. For example, first-generation students who started in 2014 were compared to students who were not first-generation students who also started in 2015, regardless of underrepresented minority status, ACT scores, or household income. OREA then completed the same comparison between first generation students and their peers for students who started in 2015 to analyze changes in achievement gaps and outcomes between 2014 and 2015.

Exhibit 5.4: Percent of community college students in Promise cohort 1 who received a credential in 2.5 years compared to the percent of full time, recent high school graduates in 2014 (the year before Promise) who received a credential in 2.5 years | by student subgroup



Note: Students who qualified for the federal Pell grant were considered to be from low-income households. Pell eligibility is determined by expected family contribution, or EFC, which is the amount a student's parents are expected to contribute to the student's college costs based on their income and household expenses. The lower a student's EFC, the more Pell funding he or she receives.
Source: OREA analysis of THEC data.

Increasing credential attainment for student subgroups with lower attainment rates is one way for Tennessee to continue the state's upward trend in postsecondary attainment. Although Tennessee Promise was not expressly designed to close gaps in credential attainment, students in these subgroups have a greater potential for growth. Improving outcomes for underrepresented minority students, students with low ACT scores, and students from low-income households would further increase the percentage of Tennesseans with a postsecondary credential.

Areas of potential improvement to increase credential attainment

While student outcomes have improved since the implementation of Tennessee Promise, the majority (75 percent) of Promise students did not graduate within the five semesters of Promise eligibility. Through interviews and surveys of community college administrators, OREA identified several areas of potential improvement to increase credential attainment at the community colleges.

Exhibit 5.5: Word cloud based on surveys and interviews of community college administrators

Note: Words shown in larger font were said more often by administrators. Red text was added for words that described areas of potential improvement and were the top 11 most used words (there are 11 words, instead of 10, because "part time" and "HOPE" were both used the same number of times).
Source: OREA surveys and interviews with community college officials. In total, 47 community college administrators representing various departments participated in interviews and 23 administrators responded to OREA's surveys.

As shown in Exhibit 5.5, when asked what they would change about the Tennessee Promise program, administrators most often discussed the summer term, the cost of fees and textbooks, and Promise eligibility requirements and deadlines. Administrators cited differences between Promise and other public scholarships, such as Tennessee Reconnect and the HOPE scholarship, when identifying these potential modifications. This section focuses on possible changes to the summer term and Promise eligibility requirements and deadlines. (See Section 4 for a discussion of the costs of textbooks and fees.) Summer term courses offer students who have fallen behind an opportunity to get back on track and graduate on time. Getting back on track for the timely completion of a credential is particularly important because the longer it takes a student to complete a credential, the less likely the student is to complete the credential.

The opportunity to catch up may be particularly useful to community college students, most of whom begin college academically underprepared. Students who are not prepared academically for college must enroll in learning support courses (i.e., courses designed to assist academically underprepared students in core subjects like math and reading) and completing these courses may slow down progress toward earning a credential. Academically underprepared students are also more likely than their peers to fail a course, which places them further behind. Course scheduling challenges can also delay progress, as students postpone enrollment in required courses because of class schedule conflicts (e.g., two required courses scheduled at the same time) or schedule conflicts between school and work.

Whatever the reason for getting off track, Promise students may try to catch up by enrolling in courses during the summer term. The pace of the summer term is faster than that of the fall and spring semesters, however; summer courses run for five to 10 weeks compared with the 15 weeks allotted to fall and spring courses. Community college administrators interviewed by OREA noted that students who enter college academically underprepared may struggle with courses operating on an accelerated schedule.

> "Twelve hours is a lot to take during the summer. [We] would never advise them to take that many hours unless they're high-achieving students. [We] don't want to set them up for failure, but if they need to take a class or two and they don't have funding to pay out of pocket, it's a deterrent."
>
> -A response from a community college official during an OREA interview

In addition, Promise students must enroll full time (i.e., at least 12 credit hours) to qualify for Promise funding. Promise students who enroll part time during the summer term do not qualify for Promise funding and must pay for any part time courses taken through other means. This requirement differs from HOPE

scholarship requirements, which allow students to use HOPE funds to enroll part time during the summer term. (See pages 28-29 for a chart outlining the difference between state-funded scholarships.) Reconnect students may also attend part time during the summer term and still qualify for Reconnect program funding.[72] Community college officials stated that some students could benefit from enrolling part time during the summer, but may be reluctant to do so because the cost of part time enrollment in the summer is not covered by Promise.

Granting students more latitude regarding program eligibility requirements, as is done with other state-funded scholarships, was another potential modification to the Promise program suggested by administrators from 12 of the state's 13 community colleges. Once enrolled in college, Promise students must meet three program requirements to be eligible for the program: remain enrolled full time continuously, complete eight hours of community service, and maintain a GPA of 2.0 or higher. Similarly, HOPE and Reconnect students must also maintain a minimum GPA and remain enrolled continuously, but are not required to enroll full time or complete community service.[73] HOPE students are also given one opportunity to regain their HOPE eligibility if their GPA falls below the minimum requirement.

Community college administrators interviewed by OREA also noted that Promise and HOPE differ on when participating students must begin college. Under current rules, Promise students must enroll in the fall semester immediately after high school graduation or lose their eligibility for the program.[74] HOPE scholarship recipients, by contrast, may defer enrollment in college for more than a year (16 months) after high school graduation.

Community college administrators also pointed to the significant number of students who lose Promise eligibility because they do not meet the program's requirement of eight hours of community service each semester, either because they do not complete the required number of hours or complete the hours but do not report them by the deadline. Another Drive to 55 program, Tennessee Reconnect, does not have a community service requirement. Community college officials questioned why the Promise and Reconnect programs set different levels of expectations for students when both programs are part of the Drive to 55 effort to increase credential attainment.

State expenditures per student

In addition to other potential benefits, like mentoring and assistance with the FAFSA, Promise students also received more state funds through various state scholarships, including Promise, HOPE, and the Tennessee Student Assistance Award (TSAA), than other recent high school graduates. The Tennessee Promise program allows participants to attend college tuition-free for up to five semesters if they complete program requirements each semester. To fund this guarantee, proceeds from the Promise endowment are used to pay for any tuition and mandatory fees that are not paid for by other gift aid (e.g., the federal Pell grant, the HOPE scholarship).[75]

For Promise students who started in fall 2015 at one of the state's community colleges, the state spent almost $22.7 million on Promise scholarships, or $1,758 per student, over their five semesters.[76] This calculation includes all students who started at a community college in fall 2015, including those who dropped out of college or transferred to another college. For those same students, the state also spent $47.6 million on other state-funded scholarships (e.g., the HOPE scholarship, TSAA, Wilder-Naifeh). This equals $3,693 per student in other scholarships.

[72] Tennessee Reconnect students can attend college part time in any term (fall, spring, and summer). See Exhibit 1.18 for more information about the Tennessee Reconnect program.

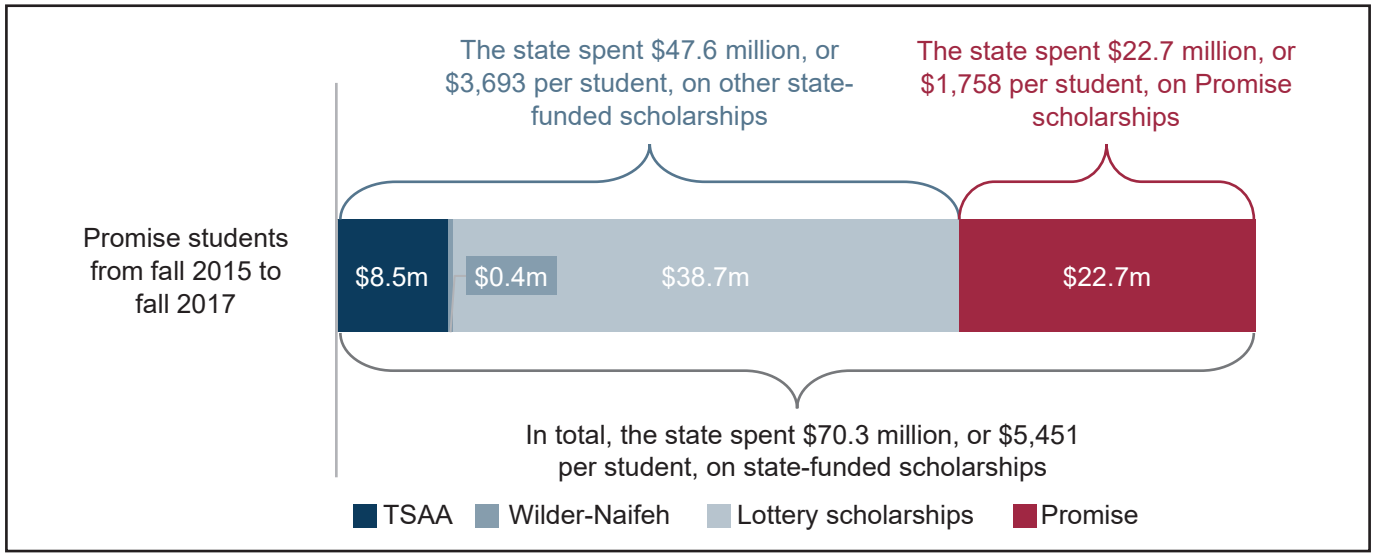
[73] Tennessee Reconnect students must also complete a survey each year that helps advisors understand their needs.

[74] Provided that all other requirements have been met, students are exempt from enrolling in the fall semester immediately following high school graduation if granted a medical or personal leave of absence for reasons including, but not limited to, illness of the student, illness or death of an immediate family member, extreme financial hardship, fulfillment of a religious commitment, or fulfillment of National Guard active duty. If students are on a waitlist for their program of study, they may be also granted a leave of absence.

[75] Other sources of gift aid that are applied before the Promise scholarship include the federal Pell Grant and any scholarships derived from the Tennessee Education Lottery Scholarship (TELS) or the Tennessee Student Assistance Award (TSAA).

[76] This analysis looks at all students who started as Promise students at a community college in fall 2015. Some Promise students transferred to another state college or Promise-eligible private college where their degree attainment and scholarship funds continued to be tracked. They are included in the total count of students and in the calculation of funds spent per student. Degrees earned by these students are also included in the calculation of the funds spent per credential. Some Promise students received no Promise funds, because their tuition and mandatory fees were paid for by other gift aid. They are also included in the total count of students.

Exhibit 5.6: State funds spent between fall 2015 and fall 2017 on state scholarships for Promise students who started at a community college in fall 2015 (cohort 1)



Note: Wilder-Naifeh grants are awarded to students attending a TCAT, and some students who began at a community college transferred to a TCAT between fall 2015 and fall 2017, which is why some Promise students, as shown, received Wilder-Naifeh funds. Although Wilder-Naifeh is also funded by lottery funds, THEC tracks it separately, as is shown here.
Source: OREA analysis of THEC data.

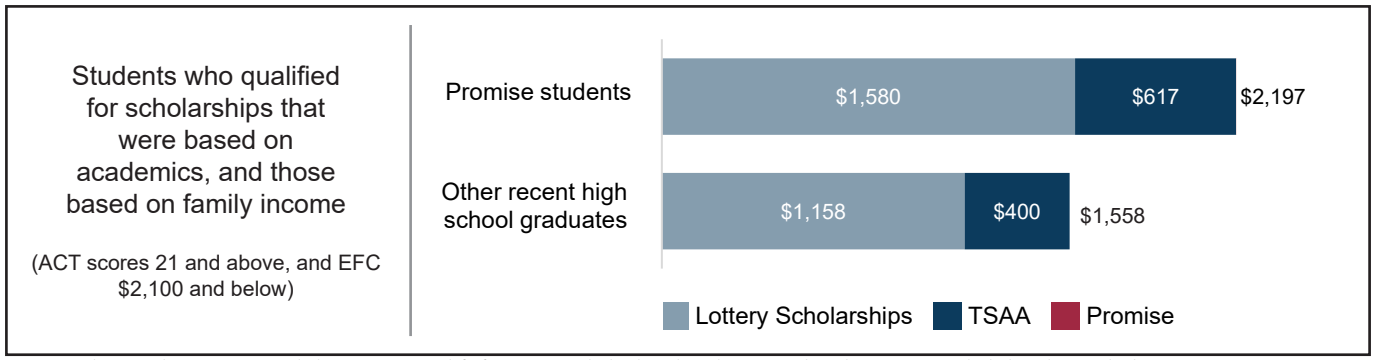
Most of the other state-funded scholarships awarded to Promise students were based on family income or academic achievement. Students qualify for the TSAA grant, for example, if their expected family contribution (EFC) is $2,100 or below, while students can receive the HOPE grant only if their GPA in high school is at least 3.0 or if they score at least a 21 on the ACT. Other scholarships, like the HOPE access grant, are awarded based on a combination of academic merit and financial need. The more funding a Promise student receives from non-Promise state scholarships, the less funding the student receives from the Promise program. This is because Promise is a last-dollar scholarship and only kicks in after other sources of gift aid are applied.[77] On average, students who qualified for scholarships based on family income or academic achievement, therefore, received less Promise funding, while students who did not qualify for those scholarships received more Promise funds.

Even when accounting for academic merit and family income level, Promise students received more in other state-funded scholarships than other recent high school graduates received. For example, in the fall 2015 semester, Promise students whose EFC and ACT scores qualified them for merit-based and income-based scholarships received an average of $2,197 in other state-funded scholarships.[78] These students did not receive Promise funds because tuition and mandatory fees were paid for by other gift aid. Other recent high school graduates who also qualified for other state-funded scholarships, based on academic achievement and family income, received an average of $1,558 in other state-funded scholarships, about $640 less than the group of Promise students who qualified for the same scholarships. One likely reason that Promise students received more in state-funded scholarships, even when accounting for EFC and ACT scores, is that Promise students were required to complete the FAFSA during the Promise application process, which serves as the application for many state-funded scholarships.

[77] Other sources of gift aid that are applied before the Promise scholarship include the federal Pell Grant and any scholarships derived from the Tennessee Education Lottery Scholarship (TELS) or the Tennessee Student Assistance Award (TSAA).

[78] All students with a 21 ACT qualified for the HOPE scholarship, which this analysis focuses on. Others may have qualified for HOPE based on GPAs, and not ACT scores, but they are not included.

Exhibit 5.7: State funds spent on state scholarships (such as Promise, HOPE, TSAA) for Promise students and other recent high school graduates in their first semester, fall 2015



Note: Students with an ACT score below 21 may qualify for HOPE scholarships based on GPA, but they are not included in the graph above.
Source: OREA analysis of THEC data.

After their first semester, Promise students continued to receive more in other state-funded scholarships, partly because they were more likely than other recent high school graduates to remain enrolled and accumulate credits, both of which cost more money. After five semesters, for example, Promise students who qualified for scholarships based on academics and family income received an average of $7,215 per student, while other similar recent high school graduates received an average of $4,763.

State expenditures per credential

Of the 12,899 Promise students who started in fall 2015 at a community college, 3,206 received a credential by the end of the fall 2017 semester, their final semester of Promise eligibility. In total, the state spent $70.3 million in state-funded scholarships on these students. To calculate the cost per credential, the total funds spent for Promise students was divided by the number of students who earned a credential, for an average cost per credentialed Promise student of $21,932.

Exhibit 5.8: Calculation of state funds spent per Promise student who earned a credential in five semesters

	Promise cohort 1
Total funds spent on state scholarships for all Promise students:	$70.3 million
	divided by
Number of Promise students who earned a credential in five semesters:	3,206 students
Funds spent on state scholarships per credential:	**$21,932**

Source: OREA analysis of THEC data.

To compare the cost per credentialed Promise student to that of other recent high school graduates, OREA controlled for ACT scores and EFC, which affect the amount of state-funded scholarships and credentials students earned.[79] To account for those factors, OREA compared Promise students to other recent high school graduates within four categories: high ACT scores and low EFC, high ACT scores and high EFC, low ACT scores and high EFC, and low ACT scores and low EFC, as shown in Exhibit 5.9.

When examining only students with low EFC, the cost per Promise student who received a credential was less than that of other recent high school graduates (as shown on the top row of Exhibit 5.9). These students were more likely to receive TSAA scholarships and the federal Pell grant, which are both granted based on family income. Promise students in this group received the smallest amount of Promise funds, likely because all or most of their tuition and mandatory fees were paid for by TSAA and Pell. Promise students also earned credentials at higher rates than their peers, driving down the cost per student who earned a credential in five semesters. The state cost for a Promise student who earned a credential and had a low EFC was about $5,000 less than for other recent high school graduates with low EFC.

[79] Students with ACT scores of 21 and above all qualify for the HOPE scholarship, while students with scores below a 21 are less likely to qualify for the HOPE scholarship, though some may still do so based on their high school GPA. Students who qualified for state-funded scholarships based on GPA are not included in this analysis.

Those with high ACT scores earned the HOPE scholarship. This means Promise students with high ACT scores received more in state-funded scholarships than those with lower ACT scores. These students also received less in Promise scholarships, because Promise pays only the remaining balance after the HOPE scholarship is applied to a student's balance. Both Promise and other recent high school graduates received most of their state-funded scholarships from HOPE, but Promise students earned credentials at higher rates, bringing down the cost per degree. The state cost for a Promise student who earned a credential and had a high ACT score was about $5,500 less than for other recent high school graduates with high ACT scores.

Students with high EFC and low ACT scores did not qualify for state-funded scholarships based on academics and family income, and were less likely to receive federal Pell grants. Promise students in this group, therefore, received the largest amount of Promise funds per student. Other recent high school graduates either did not apply for Promise or did not meet program requirements and received less funding in state-funded scholarships than any other group of students in this analysis. Among students with higher EFC and low ACT scores, the cost per Promise student with a credential was about $7,900 more than the cost for their peers. (See Exhibit 5.9, bottom right.)

Exhibit 5.9: State expenditures and credential attainment for Promise students and recent high school graduates | by ACT scores and EFC

	High ACT (21 and above)	**Low ACT** (below 21)	Total
Low EFC ($2,100 and below)	Smallest group (1,633) Higher rate of credential attainment* **Cost per credential:** Other recent graduates: $26,348 Promise students: $21,631 The cost per credentialed student was **$4,717 less for Promise** students	Largest group (5,451) Lower rate of credential attainment* **Cost per credential:** Other recent graduates: $33,067 Promise students: $28,331 The cost per credentialed student was **$4,735 less for Promise** students	7,084
High EFC (above $2,100)	2nd smallest group (3,138) Higher rate of credential attainment* **Cost per credential:** Other recent grads: $21,239 Promise students: $17,738 The cost per credentialed student was **$3,501 less for Promise** students	2nd largest group (4,945) Lower rate of credential attainment* **Cost per credential:** Other recent grads: $17,775 Promise students: $25,645 The cost per credentialed student was **$7,870 more for Promise** students	8,083
Total	4,771	10,396	

Note: *Attainment rates for each group are compared to the average for all students who started at a community college in fall 2015.
Source: OREA analysis of THEC data.

The proportion of Promise students from each of these categories is different than for other recent high school graduates. For example, Promise students had higher average ACT scores and, therefore, a higher proportion of students fell in the two high ACT categories (the left two categories in Exhibit 5.9). To compare recent high school graduates and Promise students in a way that accounted for this, OREA calculated the average cost per credentialed student if the proportions between the four categories were the same for Promise students and other recent high school graduates.

Using this weighted average, the cost per credentialed student was about the same for Promise students and other recent high school graduates ($24,542 and $24,911, respectively).[80]

While Promise students received about the same in state-funded scholarships as other recent high school graduates, the increased college-going rate in Tennessee suggests that the Promise program brought more students to college, and credential attainment data shows that Promise students earned more credentials once enrolled than other recent high school graduates. Based on the attendance and credential attainment in the two years prior to Promise, OREA estimates that if the Promise program had not existed, between 1,561 and 1,882 fewer credentials would have been awarded at the state's community colleges by fall 2017.[81]

Credential attainment at TCATs

Across all types of institutions, TCATs had the highest percent of Promise students who earned a credential within their allotted time spans, at 74 percent. TCATs divide the school year into three equal trimesters. Promise students can attend a TCAT for up to eight trimesters tuition-free. For students at TCATs who began in fall 2015, their final trimester of Promise eligibility was spring 2018.

Exhibit 5.10: Whether students received a credential in eight trimesters at the TCATs | percent of Promise students compared to other recent high school graduates

Outcomes after eight semesters	Other recent high school graduates	Promise students
Did not earn a credential or transfer to another state school	39.00%	24.70%
Transferred to another state school, did not earn a credential	2.00%	1.00%
Earned a certificate, did not transfer	17.50%	16.87%
Earned a diploma, did not transfer	40.00%	54.23%
Earned a credential, then transferred to another state school	1.00%	2.99%
Transferred to another state school, then received a credential	0.50%	0.21%
Of those who started at TCATs, **74 percent of Promise students** and **59 percent of other recent high school graduates received a credential** in eight trimesters.		

Source: OREA analysis of THEC data.

Promise students were about two times more likely to receive a credential at TCATs than other recent high school graduates who attended a TCAT, even after controlling for race, gender, ACT score, expected family contribution, and first-generation college student status.[82]

Credential completion rates at TCATs are difficult to compare year to year because TCAT programs grow and shrink based on market needs. Completion rates within a given program may not change, for example, but if that program grows or shrinks, making up a larger or smaller proportion of the student body, the overall TCAT attainment rate could be affected. OREA, therefore, chose not to track trend data, but instead compared TCAT students to their peers within the same year.

[80] The weighted average uses the graduation rate and funds spent per student from each group (high ACT scores and low EFC, high ACT scores and high EFC, low ACT scores and high EFC, and low ACT scores and low EFC). Then using these figures, OREA estimated how much would have been spent and how many credentials would have been earned if the ratio of students from each of the four groups matched the overall population for both Promise students and other recent high school graduates.

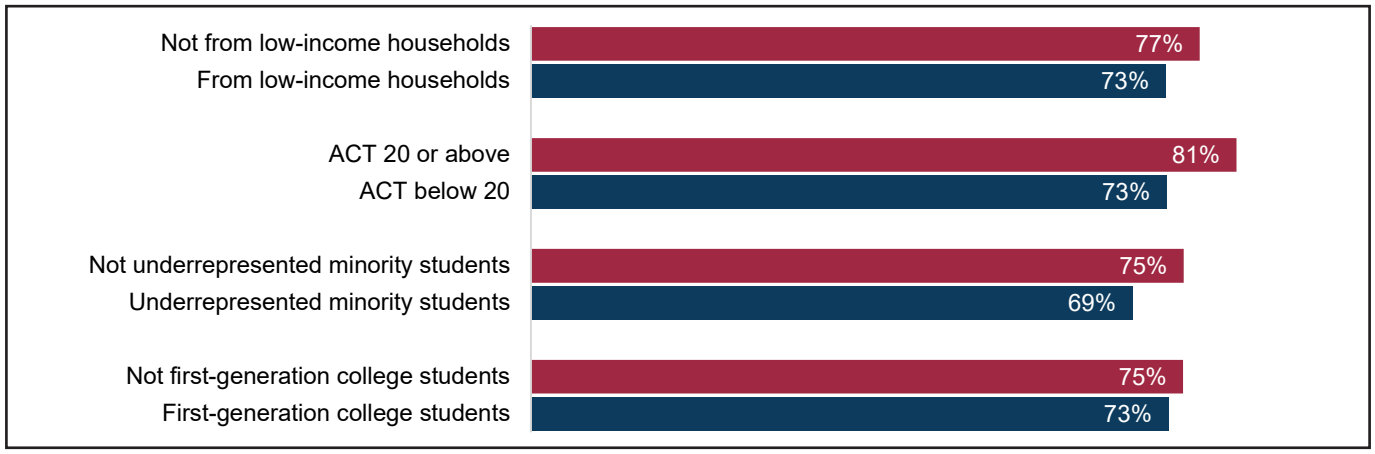
[81] This analysis is based on the number of students who enrolled in the fall of 2015 and earned a credential by the fall of 2017, compared to the amount that would have enrolled and earned a credential if the growth in community college enrollment and credential attainment between 2014 and 2015 was the same as the growth between 2013 and 2014 (the year before Tennessee Promise).

[82] OREA performed a logistic regression. Each student's Pell eligibility status, gender, ACT score, first-generation college student status, race, and whether a student is a Promise student were included in the analysis.

Attainment by student subgroups

OREA identified several student groups that have traditionally earned credentials at lower rates once enrolled in college: students from low-income households, students with low ACT scores, first-generation college students, and underrepresented minority students. At the TCATs, Promise students from each of these subgroups who started in fall 2015 earned credentials at lower rates than their peers.[83] This credential attainment gap was smaller than gaps found at community colleges. The largest gap was 8 percentage points between underrepresented minority students and their peers, while the smallest was found for first-generation college students who earned credentials at rates 2 percentage points lower than their peers.

Exhibit 5.11: Percent of Promise students who started in fall 2015 and earned a credential at a TCAT in eight trimesters | by student subgroup



Source: OREA analysis of THEC data.

OREA completed an analysis of student outcomes that accounted for expected family contribution, ACT scores, underrepresented minority status, and first-generation college status. The analysis found that those who were not underrepresented minority students were over 1.5 times more likely to earn a credential than underrepresented minority students. The effects of the other factors, however, were too small to determine whether differences were due to chance or due to substantial differences between subgroups and their peers.[84]

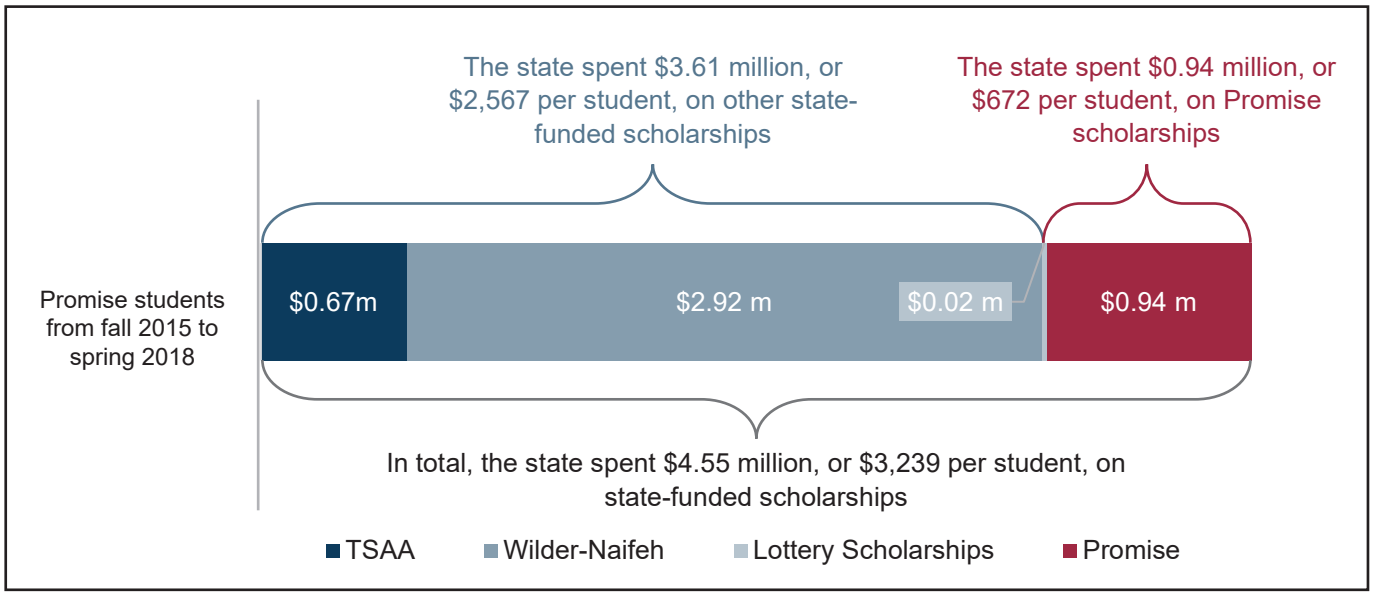
State expenditures per student

The Tennessee Promise program allows participants to attend a TCAT tuition-free for up to eight trimesters if they complete program requirements each trimester. For all Promise students who started in fall 2015 at a TCAT, including students who later transferred to another institution, the state spent a total of $944,000 on Promise scholarships, an average of $672 per student. Promise students also received other state-funded scholarships. In total, about $4.55 million, or $3,239 per student, was spent on state scholarships, including Promise scholarships, for the first cohort of TCAT Promise students.

[83] Each subgroup was compared to students from the same year who were not in that subgroup, even if students in the comparison group were a part of another subgroup. For example, first-generation students who started in 2015 were compared to students who were not first-generation students who also started in 2015, regardless of underrepresented minority status, ACT scores, or household income.

[84] Binary logistical regression was used. Gender was also included in the analysis and men were also over 1.5 times more likely to graduate than women. Women, however, were not a subgroup that has traditionally completed college at lower rates, so they were not examined as a traditionally underserved subgroup.

Exhibit 5.12: State funds spent on state scholarships for Promise students who started in fall 2015 (cohort 1) at a TCAT, over eight trimesters



Note: Although Wilder-Naifeh is also funded by lottery funds, THEC tracks it separately, as is shown here.
Source: OREA analysis of THEC data.

Both the Promise and Wilder-Naifeh programs are not awarded based on income or academic achievement.[85] The majority of state-funded scholarships received by Promise students enrolled at a TCAT were from those two programs. Fewer than 10 students who started at a TCAT received lottery scholarships between the fall 2015 trimester and the spring 2018 trimester. This is because TCAT students do not qualify for the lottery scholarships. Those students who did receive lottery scholarships began at a TCAT, but transferred within the eight trimester time frame.

The remaining state-funded scholarship, TSAA, is awarded based on family income.[86] (See pages 28-29 for more information.) As with community college students, those TCAT students who received more in other state-funded scholarships due to low expected family contribution (EFC) received less Promise funding, while students with higher EFC received more Promise funding.

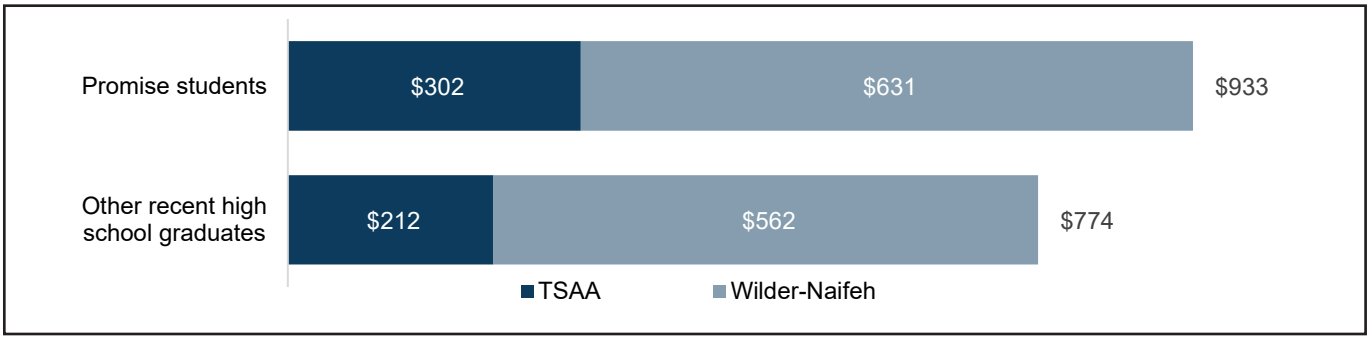
The average EFC for Promise students was almost double that of their peers. To compare the cost per student for Promise students and other recent high school graduates in a way that accounts for this factor, OREA compared Promise students to other recent high school graduates with similar EFC. The following analysis, therefore, examines Promise students and other recent high school students based on EFC.

Even when accounting for family income level, Promise students received more in other state-funded scholarships than other recent high school graduates. For example, Promise students who qualified for TSAA grants (i.e., their EFC was $2,100 or below) received an average of $933 in other state-funded scholarships for the fall 2015 trimester. These students did not receive many Promise funds because tuition and mandatory fees were paid for by other gift aid. Other recent high school graduates who also qualified for TSAA, based on EFC, received an average of $774 in other state-funded scholarships, about $160 less than their Promise peers. (See Exhibit 5.13.) Promise students are required to complete the FAFSA during the Promise application process, which serves as the application for many state-funded scholarships. This is likely one reason that Promise students received more in state scholarship funds.

[85] See Exhibit 1.18 for more information about the Wilder-Naifeh grant.

[86] OREA used the first year for which a student had EFC data to determine TSAA eligibility.

Exhibit 5.13: Funds received from state scholarships other than Promise by TCAT students with EFCs below $2,100 | Promise students compared to other recent high school graduates | fall 2015



Source: OREA analysis of THEC data.

State expenditures per credential

For Promise students who started at a TCAT, the state spent $4.55 million on 1,405 students, and 1,044 of them received credentials. This equals $4,362 in state scholarships per Promise student who earned a credential in eight trimesters. (See Exhibit 5.14.)

Exhibit 5.14: Calculation of state funds spent per Promise student who earned a credential in eight trimesters at a TCAT

	Promise cohort 1
Total funds spent on state scholarships for all Promise students:	$4.55 million
	divided by
Number of Promise students who earned a credential in eight trimesters:	1,044 students
Funds spent on state scholarships per credential:	**$4,362**

Source: OREA analysis of THEC data.

To compare the cost per credentialed Promise student to the cost for other recent high school graduates, OREA controlled for EFC, which can affect the amount of state-funded scholarships and the rate at which students earn credentials. OREA compared Promise students to other recent high school graduates within two categories: those with EFC $2,100 and below and those with EFC above $2,100 (as shown in Exhibit 5.15).

Exhibit 5.15: State expenditures and credential attainment for Promise students and recent high school graduates | by EFC

EFC $2,100 and below (qualified for TSAA)	EFC above $2,100 (did not qualify for TSAA)
Larger group (994)	Smaller group (798)
They received more in other state-funded scholarships but received very few Promise dollars. In total, **fewer state funds were spent for each student in this group.**	They received less in other state-funded scholarships but received more Promise dollars. In total, **more state funds were spent for each student in this group.**
Slightly lower than the average credential attainment rate	Slightly higher than the average credential attainment rate
Cost per degree: Other recent graduates: $3,776 Promise students: $4,076	**Cost per degree:** Other recent graduates: $2,576 Promise students: $4,646
The cost per credential **was $301 more for Promise students**	The cost per credential **was $2,070 more for Promise students**

Source: OREA analysis of THEC data.

When examining only students with low EFC, the cost per Promise student who received a credential was $301 more than that of other recent high school graduates (as shown on the left of Exhibit 5.15). Both Promise students and their peers with lower EFC were more likely to receive TSAA scholarships and the federal Pell grant, both of which are granted based on family income. Even though both groups of students qualified for income-based scholarships, Promise students received more TSAA and Wilder-Naifeh funds than other recent high school graduates. This is likely because Promise students were not only required to complete the FAFSA, qualifying them for many state-funded scholarships, but were also more likely to stay enrolled and accumulate clock hours, both of which increase costs. Promise students with low EFC received very little in Promise funds because all or most of their tuition and mandatory fees were paid for by TSAA, Wilder-Naifeh, and Pell. While Promise students received more in state funds, they also earned credentials at higher rates, driving down the cost per credentialed student. Despite the higher credential attainment, the cost to the state per Promise student with low EFC who earned a credential was about $300 more than their peers.

Students with high EFC did not qualify for state-funded scholarships based on family income, and were less likely to receive federal Pell grants. Promise students in this group, therefore, received more Promise funds per student than students in the other categories. Other recent high school graduates either did not apply for Promise or did not meet program requirements and, therefore, received less funding in state-funded scholarships than any other group of students in this analysis. Among students with higher EFC, the cost per Promise student with a credential was about $2,100 more than the cost for their peers (bottom right in Exhibit 5.15).

The proportion of Promise students with high and low EFC is different than for other recent high school graduates. For example, 50 percent of Promise students had an EFC that qualified them for TSAA grants, while 74 percent of other recent high school graduates were in this category. To compare Promise students to their peers, OREA calculated the average cost per credentialed student if the proportions between the two EFC categories were the same for Promise students and other recent high school graduates. Using this weighted average, the cost was about $1,088 more per Promise student who received a credential than for other recent high school graduates.

While Promise students received more in state-funded scholarships than other recent high school graduates, the increased college-going rate in Tennessee suggests that the Promise program brought more students to college, and credential attainment data shows that Promise students earned more credentials once enrolled than other recent high school graduates. Based on the attendance and credential attainment in the two years prior to Promise, OREA estimates that if the Promise program had not existed, between 382 and 569 fewer credentials would have been awarded by spring 2018 to recent high school graduates who started at a TCAT in the fall of 2015.

Credential attainment at public Promise-eligible universities

Promise students can enroll at two state universities, Austin Peay and Tennessee State, in any two-year associate degree program offered. Students who started in fall 2015 remained eligible for Promise for up to five semesters, ending in fall 2017.

Approximately 13 percent of Promise students at Tennessee State University and Austin Peay State University earned a credential in five semesters.

Exhibit 5.16: Percent of Promise students who earned a credential and/or transferred after five semesters at Austin Peay and Tennessee State Universities

Outcomes after five semesters	Promise students
Did not earn a credential or transfer to another state school	75.00%
Transferred to another state school, did not earn a credential	12.20%
Earned an associate degree, did not transfer	9.82%
Earned a credential, then transferred to another state school	0.00%
Transferred to another state school, then received a credential	2.98%
Of those who started at a public university, **12.8 percent of Promise students received a credential** in five semesters.	

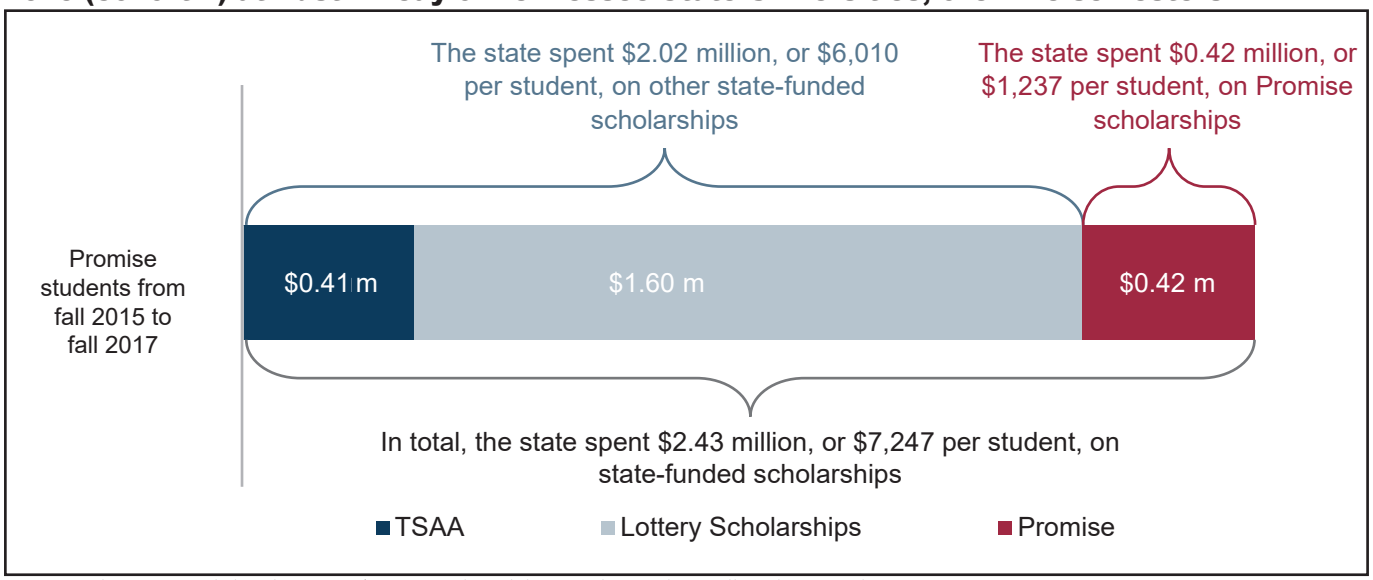
Source: OREA analysis of THEC data.

In the first Promise cohort, 20 students enrolled in Tennessee State University in fall 2015, with none receiving a credential at the end of five semesters. At Austin Peay, 13.6 percent of the 316 students who attended as Promise students earned a credential in five semesters. Over the first three cohorts of students, the number of Promise students enrolling at these two public four-year institutions almost doubled to over 650 students. Future cohorts with higher numbers of participating students should generate the data necessary for a more comprehensive analysis of credential attainment trends and student subgroup outcomes at these two public universities.

State expenditures per student and credential

For all Promise students who started in fall 2015 at Tennessee State University or Austin Peay State University, including students who transferred, the state spent a total of $416,000 on Promise scholarships. This averages out to $1,237 per student. Promise students also received other state-funded scholarships. In total, about $2.4 million, or $7,247 per Promise student, was spent on all state scholarships, including Promise.

Exhibit 5.17: State funds spent on state scholarships for Promise students who started in fall 2015 (cohort 1) at Austin Peay or Tennessee State Universities, over five semesters



Note: Numbers are rounded to the nearest $10,000 in this exhibit. Combining them will result in rounding errors.
Source: OREA analysis of THEC data.

For Promise students who started at Austin Peay State University or Tennessee State University, the state spent $2.4 million on 336 students, and 43 received credentials. This equals $56,625 in state scholarships per credentialed Promise student after five semesters. This cost per successful student was almost double the cost at the community colleges ($21,932 was spent per successful student at the community colleges). Promise students who attended Promise-eligible public universities qualified for TSAA and state-scholarships based on income at slightly lower rates than students at community colleges, but qualified for scholarships based on academics at slightly higher rates. Promise students at Austin Peay and Tennessee State, though, were also likely to stay enrolled and earn credits, causing increased costs. Lastly, students were less likely to earn a credential in the five-semester time frame allowed by Promise, driving up the cost per credentialed student after five semesters.

Exhibit 5.18: After five semesters, the cost per degree for Promise students who started at Austin Peay or Tennessee State Universities in fall 2015

Total funds spent on state scholarships for all Promise students:	$2.4 million
	divided by
Number of Promise students who earned a credential in five trimesters:	43 students
Funds spent on state scholarships per credential:	**$56,625**

Source: OREA analysis of THEC data.

Although a lower percentage of Promise students attending a four-year university earned associate degrees or other credentials in five semesters, this statistic may be explained in part by the fact that some students discontinue their Promise-eligible program without completing an associate degree; such students may remain at the same university and transfer into a bachelor's degree program, however. Over 50 percent of students who started at a public four-year university in a Promise-eligible associate degree program remained enrolled after their fifth semester (the final semester of program eligibility).

Exhibit 5.19: Status of Promise students who started in fall 2015 in the first semester after their Promise eligibility expired

	Count	Percent
Earned a credential in five semesters	43	12.8%
Transferred to another type of public college (e.g., community college)	19	5.7%
Still enrolled at a public four-year university	143	42.6%
Not enrolled in a public college or university	131	39.0%

Note: Over 50 percent of students who started at a public four-year university remained enrolled after their fifth semester. Some of those students earned a credential and are included in the top row (the grey row), while some of them did not earn a credential and remained enrolled at a public institution (in the blue rows). The last row represents students who were not enrolled in a public college or university after their fifth semester and did not earn a credential.
Source: OREA analysis of THEC data.

Future analysis could analyze outcomes for Promise students beyond their first five semesters of Promise eligibility to determine cost per credential earned in eight semesters (the length of a four-year degree), instead of five semesters (the length of Promise eligibility).

Credential attainment at private colleges and universities

The first cohort of Promise students could also enroll in associate degree programs offered at 17 private colleges or universities. (See page 49 for a full list of Promise-eligible private colleges.)[87] In fall 2015, 420 Promise students enrolled in these private institutions. Over 14 percent received a credential during the first five semesters.

Exhibit 5.20: Percent of Promise students who earned a credential and/or transferred after five semesters at a private four-year college or university

Outcomes after five semesters	Promise students
Did not earn a credential or transfer to another state school	62.86%
Transferred to another state school, did not earn a credential	22.86%
Earned an associate degree, did not transfer	9.76%
Earned a credential, then transferred to another state school	1.43%
Transferred to another state school, then received a credential	3.10%
Of those who started at a private college or university, **14.3 percent of Promise students received a credential** in five semesters.	

Source: OREA analysis of THEC data.

The percentage of Promise students who earned a credential at private colleges and universities varied widely. A full analysis of credential completion at most of these institutions was difficult because so few Promise students were enrolled; however, three institutions enrolled over 50 Promise students in fall 2015, which allowed for some analysis. Of the three, Cumberland University had the highest percentage of Promise students (51 percent) who earned a credential in five semesters or less. At the other two private universities, Martin Methodist College and South College, 4 percent of the Promise students enrolled at each college earned a credential in five semesters.

[87] Since the first cohort of Promise students, more private colleges and universities were made Promise-eligible institutions. Promise students in subsequent cohorts, therefore, were able to enroll in more than 17 private colleges and universities.

Promise expenditures per student and per credential degree

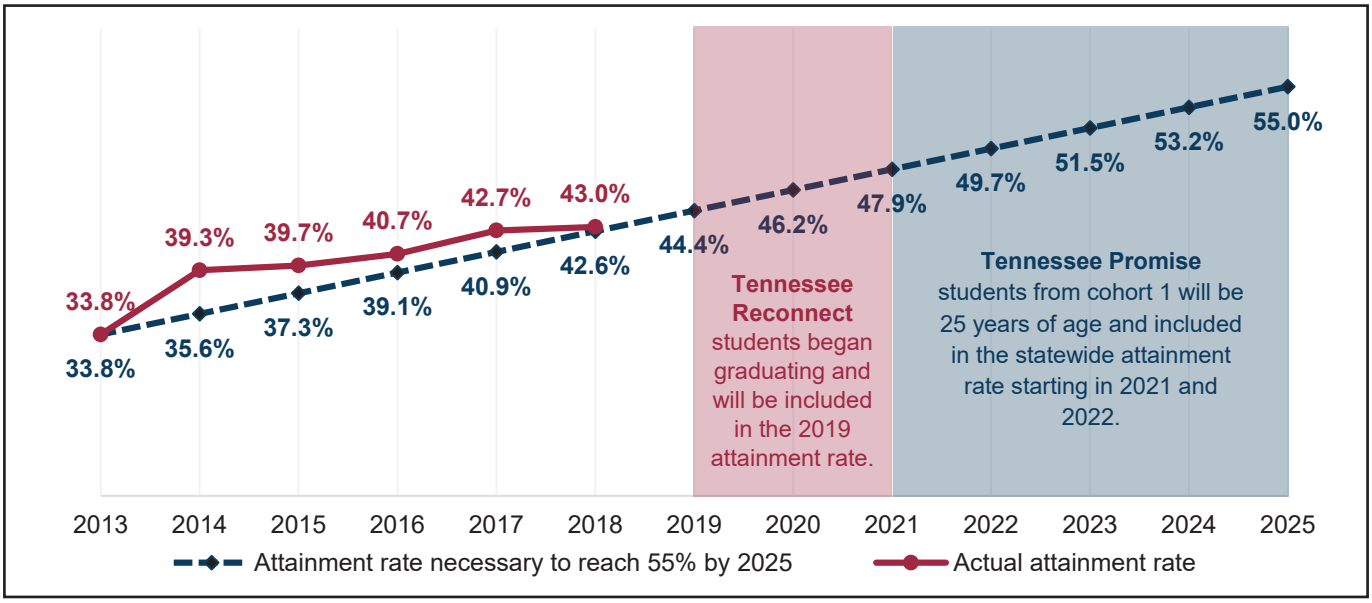
For all Promise students who started in fall 2015 at a private four-year institution, the state spent a total of $603,549 on Promise scholarships. This averages out to $1,437 per student. While Promise students likely received other state-funded scholarships, such data for private four-year institutions was not readily available. The Promise funds spent per student who started at a private university was less than the cost at the community colleges. This is likely because private university students had higher ACT scores, qualifying them for the HOPE grant and other scholarships based on academics. Because Promise is a last-dollar scholarship, increased HOPE funds, for example, would reduce the amount of Promise funds students received.

For Promise students who started at private colleges and universities, the state spent $603,549 in Promise scholarships for 420 students and 60 received credentials. This equals $10,059 in Promise scholarships per Promise student who earned a credential in five semesters. In comparison, the amount of Promise funds spent per successful Promise student was less for those who started at a community college ($7,080) and about the same as the amount spent on students who started at a public university ($9,674). Students at private and public universities were less likely to earn credentials in five semesters than their peers who started at a community college, which is one reason for the higher amount of Promise funds spent per credentialed student.

Promise and the Drive to 55: Looking ahead

The Tennessee Promise program is one initiative in the state's Drive to 55 effort to increase the percentage of Tennesseans with a postsecondary credential to 55 by 2025. Progress towards this goal is measured using the attainment rate. This rate measures the percent of Tennesseans ages 25-65 (also called working-age adults) who have a postsecondary credential (e.g., certificate, diploma, associate degree, bachelor's degree, etc.).[88] Promise students, who generally turn 18 during their senior year of high school, are not included in the attainment rate until they reach the age of 25, which is six or seven years after graduating high school. The first cohort of Promise students graduated high school in 2015 and will not be included in attainment rates until 2021 and 2022 (as shown in the blue box of exhibit 5.21).

Exhibit 5.21: Percentage of Tennesseans (ages 25-65) with a postsecondary credential (red line) and the projected rate necessary for the state to stay on track to meet the Drive to 55 goal (blue line)



Note: Tennessee Reconnect began in 2018 and provides adult students with last-dollar scholarships to pursue certificates, diplomas, or associate degrees. Reconnect students will be included in the attainment rate earlier than Promise students because Reconnect students are often already over the age of 25, and are counted in the same year that they earn a credential. Some students complete a postsecondary credential shortly after enrolling in the Reconnect program. These students already have most of the necessary credits to earn a credential and complete the remaining credits through the program.

Source: The Lumina Foundation.

[88] The attainment rate is measured for residents over the age of 24 because younger Tennesseans are more likely to be working toward a credential and most are still dependents of their parents.

Tennessee's credential attainment rate rose from 33.8 percent in 2013 to 43.0 percent in 2018 (the most recent attainment rate reported).[89] Over this period, the average annual growth was 1.84 percentage points, surpassing the minimum average annual growth (1.76 percent) necessary to stay on track to reach the 55 percent goal. The most significant increase in the attainment rate was due in part to a calculation change made in 2014, however. The Lumina Foundation, which tracks Tennessee's attainment data, began including certificates in state attainment rates in 2014. Prior to 2014, the rate calculation included only technical diplomas and degrees (e.g., associate degrees, bachelor's degrees, etc.).[90] This calculation change led to a rate increase of 5.5 percentage points between 2013 and 2014, the largest increase over the 2013-2017 time period. Increased credential attainment likely contributed to the rise in the attainment rate over the time period as well.

After the attainment rate calculation change in 2014, the state's attainment rate has continued to increase, but at a slower rate. From 2014 to 2017, the attainment rate increased a total of 3.7 percentage points, for an average annual growth of 0.93 percentage points. If this level of average annual growth continues in the future, Tennessee will not reach the Drive to 55 goal by 2025. As explained above, though, Tennessee's attainment rate calculation does not yet include Promise students.

Evidence from this evaluation suggests that Tennessee Promise will have a positive effect on the attainment rate. As shown in Section 3, the college-going rate has increased since the implementation of Tennessee Promise, meaning that more high school students are going to college directly after graduation.[91] Tennessee Promise is also helping a higher percentage of students stay enrolled and earn credentials.

The inclusion of the first Promise cohort may provide more of a positive effect on the attainment rate than cohorts two and three. The college-going rate increased in 2015, when the first cohort of Promise students began attending college. Promise students also accumulated credits and stayed enrolled at higher rates than students in the year before Promise. These positive trends will likely mean a higher attainment rate for 2021 and 2022, when the first Promise cohort is included in the attainment rate calculation.

But, after this likely increase in the attainment rate due to the inclusion of the first Promise cohort, the growth in the attainment rate that can be attributed to Promise students is likely to slow. The college-going rate declined from 64.3 to 63.4 percent between 2015 and 2017, and retention rate data shows students in cohort 2 remained on track to graduate at similar rates as the first cohort.

Tracking Tennessee's attainment rate once Promise students turn 25 will help the state gauge if it is on track to meet attainment goals, or if further efforts are necessary to stay on track. This will be examined in OREA's next Promise evaluation (which will begin in late 2021 or early 2022).

[89] The Lumina Foundation posts annual attainment rates by state. As of February 2020, the 2018 rate is the most recent attainment rate reported.

[90] Data before 2014 was based solely on the U.S. Census Bureau American Community Survey (ACS). The ACS asks respondents to select their highest level of education and certificates are not an option for respondents to select. In 2014, Lumina began to include a second source of data to ensure that the attainment rate included postsecondary certificates. The new data comes from the National Opinion Research Center (NORC) at the University of Chicago. The NORC estimates the percentage of working-age Americans who have earned a postsecondary certificate by polling a nationally representative sample of Americans ages 25-64. Tennessee's attainment rate since 2014, therefore, includes both sources of data and measures the percentage of Tennesseans with a postsecondary credential, including certificates.

[91] The college-going rate equals the number of high school graduates who enroll in college following graduation in a given year divided by the total number of high school graduates from the same year.

Conclusions and policy options

Conclusions

(1) Following the implementation of Tennessee Promise, a larger percentage of recent high school graduates attended college, and those participating in the program accumulated more credits, stayed enrolled longer, and earned credentials at higher rates than their peers.

During the first three years of the program, about 60,000 students applied to the program each year. Over 80 percent of those students were from subgroups who have historically attended college at lower rates than their peers or from areas of the state with college-going rates below the median state rate. The college-going rate increased from 58.4 percent to 64.3 percent in the first year of Tennessee Promise.[92]

Once Promise students enrolled in college, their outcomes exceeded those of their peers. When compared to other recent high school graduates, Promise students at community colleges earned four and a half more credits in their first year, representing an additional class or two. They were also twice as likely to stay enrolled and over twice as likely to earn a credential. The higher outcomes of Promise students have contributed to the rise in the three-year graduation rate at the community colleges (where 84 percent of Promise students attended).

(2) Progress toward the Drive to 55 goal is measured using the state's attainment rate, but the first cohort of Promise students will not be included in this measurement until 2021 and 2022. Tracking Tennessee's attainment rate once Promise students reach age 25 will help the state gauge if it is on track to meet attainment goals, or if further efforts are necessary to stay on track.

The Tennessee Promise program is one initiative in the state's Drive to 55 effort to increase the percentage of Tennesseans with a postsecondary credential to 55 by 2025. Progress toward this goal is measured using the attainment rate. This rate measures the percent of Tennesseans ages 25-65 (also called working-age adults) who have a postsecondary credential (e.g., certificate, diploma, associate degree, bachelor's degree).[93] Promise students, who generally turn 18 during their senior year of high school, are not included in the attainment rate until they reach the age of 25, which is six or seven years after graduating high school. The first cohort of Promise students graduated high school in 2015 and will not be included in attainment rates until 2021 and 2022. (See Exhibit 5.21 on page 96.)

Tennessee's credential attainment rate rose from 39.3 percent in 2014 to 43.0 percent in 2018 (the most recent attainment rate reported).[94] Over this period, the attainment rate increased a total of 3.7 percentage points, for an average annual growth of 0.93 percentage points. If this level of average annual growth continues in the future, Tennessee will not reach the Drive to 55 goal by 2025. As explained above, though, Tennessee's attainment rate calculation does not yet include Promise students.

Evidence from this evaluation suggests that Tennessee Promise will have a positive effect on the attainment rate. The college-going rate has increased since the implementation of Tennessee Promise, meaning that more high school students are going to college directly after graduation.[95] Tennessee Promise is also helping a higher percentage of students stay enrolled and earn credentials.

The inclusion of the first Promise cohort may provide more of a positive effect on the attainment rate than cohorts two and three. The college-going rate increased in 2015, when the first cohort of Promise students began attending college. Promise students also accumulated credits and stay enrolled at higher rates than students in the year before Promise.

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[92] The college-going rate equals the number of high school graduates who enroll in college following graduation in a given year divided by the total number of high school graduates from the same year.

[93] The attainment rate is measured for residents over the age of 24 because younger Tennesseans are more likely to be working toward a credential and most are still dependents of their parents.

[94] The Lumina Foundation posts annual attainment rates by state. As of February 2020, the 2018 rate is the most recent attainment rate reported.

[95] The college-going rate equals the number of high school graduates who enroll in college following graduation in a given year divided by the total number of high school graduates from the same year.

These positive trends will likely mean a higher attainment rate for 2021 and 2022, when the first Promise cohort is included in the attainment rate calculation.

After this likely increase in the attainment rate due to the inclusion of the first Promise cohort, however, the growth in the attainment rate that can be attributed to Promise students is likely to slow. The college-going rate declined from 64.3 to 63.4 percent between 2015 and 2017, and retention rate data shows students in cohort 2 remained on track to graduate at similar rates as the first cohort.

Tennessee's postsecondary attainment rate will be reexamined in OREA's next Promise evaluation (which will begin in late 2021 or early 2022).

(3) Increasing Tennessee's postsecondary attainment rate will likely not be possible without increasing participation among students from certain subgroups and areas of the state who historically have not attended college at high rates.

Tennessee's college-going rate increased from 58.4 percent to 64.3 percent in the first year of the Tennessee Promise program, then held steady the following two years (at about 64 percent in 2016 and 2017). This means that the inclusion of the first Promise cohort will likely provide a positive effect on the attainment rate, while subsequent cohorts are less likely to increase the rate further. When the Drive to 55 began in 2013, the statewide attainment rate was 33.8 percent and needed to increase by an average of 1.76 percent or more per year to reach Tennessee's goal of 55 percent postsecondary credential attainment by 2025. This requires increases in college enrollment and credential attainment year after year.

OREA identified several student subgroups and counties with low rates of college attendance before the implementation of Promise; students in these two categories make up the majority (over 80 percent) of high school seniors. Without increasing college enrollment among these groups, the state's college-going rate is unlikely to increase.

Promise applicants with low ACT scores, minority applicants, and those from lower-income households were less likely to complete program requirements and become Promise students. OREA also identified seven counties in which 20 percent or less of high school graduates became Promise students (10 percentage points below the average). Those counties are Hardin, Fayette, Haywood, Stewart, Putnam, Montgomery, and Henry.

If more students from these subgroups and counties were able to become and remain Promise-eligible, the gaps between groups with low college-going rates and high-college going rates could shrink, increasing the statewide college-going rate.

(4) The program requirements most often missed by Promise applicants were the mandatory meeting and the community service requirement.

The Promise application process includes various requirements that applicants must complete throughout their senior year and in the summer after high school graduation. If a student fails to fulfill any of the application requirements, they are no longer eligible for the Tennessee Promise scholarship.

Of public high school graduates from 2015 to 2017, almost 80 percent applied to Tennessee Promise. After the application process, 70 percent of those applicants did not complete program requirements to become Promise students. For most student subgroups, this percentage was higher.

Understanding which requirements were missed most often can provide insight into where supports could be targeted to increase the number of students who enter the program statewide.

Overall, attending the mandatory meeting hosted by the mentor organization and completing eight hours of community service were the program requirements that the highest percentage of Promise applicants failed to complete, making them ineligible for the program. Those who missed one of those two requirements represented over 60 percent of applicants who did not ultimately become Promise students. Applicants are expected to attend the mandatory

meeting with a mentor organization and complete community service requirements outside of school hours.[96] When asked what typically prevented applicants from becoming Promise students, mentor organizations cited lack of transportation as a barrier, especially for students in rural areas.

There is evidence that some of the students who miss the mandatory meeting or community service would have gone to college as Promise students if missing those requirements did not make them ineligible. There were approximately 11,000 students in the first three cohorts who applied for Promise but did not become Promise students who still enrolled in a TCAT or community college (which are Promise-eligible institutions). These students did not receive additional supports through the Promise program, such as mentoring, assistance with the FAFSA process, or encouragement from institution-based advisors to stay continuously enrolled as a full time student. The 11,029 students had lower rates of persistence and completion than their Promise-eligible peers, even when conducting analyses that took ACT scores, family income, race, gender, and whether the student was a first-generation college student into account. Keeping these students eligible for Promise would likely increase their higher education outcomes and help Tennessee increase degree completion.

(5) The majority (75 percent) of Promise students at community colleges did not earn a credential within the five semesters of Promise eligibility. During interviews and surveys with OREA, community college officials cited several barriers to Promise students' academic success.

Through interviews and surveys of community college administrators, OREA identified elements within the program that hinder Promise students' retention, persistence, and credential completion.[97] When asked what they would change about the Tennessee Promise program, administrators most often discussed the summer term, the cost of fees and textbooks, and Promise eligibility requirements and deadlines. (The cost of fees and textbooks are discussed in the next conclusion.)

Once enrolled in college, Promise students must meet three program requirements to be eligible for the program: remain enrolled full time continuously, complete eight hours of community service each semester, and maintain a cumulative GPA of 2.0 or higher. Granting students more latitude regarding program eligibility requirements, as is done with other state-funded scholarships, was suggested by administrators from 12 of the state's 13 community colleges.

The Tennessee Promise and Reconnect programs were created to increase postsecondary credential attainment, though for different target groups. Tennessee Promise was created for recent high school graduates, and Reconnect was created for adults who never went to college or who started college but did not earn a credential.[98] Though created for the same goal – credential attainment – differences exist between the two programs. Reconnect students may enroll part time (i.e., minimum of six credit hours) while Promise students must enroll full time (i.e., 12 credit hours). The full time enrollment requirement of Promise is designed to keep participants on track to earn a credential within the five-semester limit. The Reconnect program allows part time enrollment because adult students are more likely to have work and/or family obligations, though administrators from five community colleges told OREA during 2018 interviews that many Promise students on their campuses struggle to balance the demands of finances, work, family (e.g., childcare), and classes.

Additionally, Promise students are required to complete eight hours of community service each semester while Reconnect students are required to complete an annual questionnaire that generates a personalized Reconnect Success Plan, designed to connect a student with community and institution-based resources.

Like Promise, the HOPE scholarship was created for recent high school graduates. HOPE recipients must earn a minimum 3.0 high school GPA or 21 on the ACT while Promise eligibility does not include academic merit. Students

[96] This applies to students who attend a high school served by TNAchieves, which serves 90 of the state's 95 counties and hosts schoolwide mandatory meetings on a designated date. Students served by the Ayers Foundation, which serves the remaining five counties, meet one-on-one with counselors who work daily in their high school. Because the Ayers Foundation counselors meet individually with Promise applicants, there is greater flexibility to schedule meetings when students are available.

[97] About 84 percent of Promise students from cohorts 1-3 enrolled in a community college. At least one official from each of Tennessee's 13 community colleges was interviewed by OREA in 2018. In total, 47 community college administrators representing various departments (e.g., admissions, financial aid, student affairs, etc.) participated in interviews with OREA. In 2019, OREA invited administrators from all 13 community colleges to participate in an online survey. In total, 23 community college administrators responded to OREA's 2019 survey. At least one administrator from each of Tennessee's 13 community colleges participated in the survey. In most cases, multiple administrators from the same community college (i.e., administrators representing different departments) filled out the survey. OREA reviewed interview comments and survey responses to identify common themes.

[98] To be eligible for Tennessee Reconnect, a student must qualify as an independent student when filing the FAFSA. To qualify as an independent student, an applicant must be at least 24 years old, married, have a child or other dependent(s), serve actively in the military or be a veteran, be orphaned or have lived in foster care, be an emancipated minor, or be an unaccompanied youth who is homeless or self-supporting.

who receive the HOPE scholarship can delay enrollment in postsecondary education for up to 16 months after high school graduation, while Promise students are required to enroll the fall semester immediately following high school graduation. HOPE scholarship recipients are permitted to attend college part time, including during the summer term, while Promise students must enroll full time. (If Promise students wish to enroll part time in the summer, they may do so, but at their own expense.) Both programs require students to maintain a minimum GPA to remain eligible, though the GPA threshold is higher for HOPE than for Promise.[99] HOPE scholarship recipients are given one opportunity to regain the scholarship if they fail to maintain the required GPA, while Promise students are not able to regain the scholarship if they drop below the required 2.0 cumulative GPA.

Full time enrollment

Through interviews and surveys with OREA, administrators at nine of Tennessee's 13 community colleges mentioned that Promise students struggle to attend full time because they are not academically prepared or because they must work full time to financially support themselves and/or their family. Students who drop below full time for reasons not currently allowed are no longer eligible for Promise.

Currently, waivers to the full time status requirement for Promise students are considered only for those whose course enrollment options are limited due to the requirements of their chosen program, for students with documented learning disabilities, or if granted a personal or medical leave of absence due to medical issues, extreme financial hardship, or religious or military obligations.

Delayed enrollment

Community college administrators specified that recent high school graduates who receive the HOPE scholarship or the federal Pell grant can delay enrollment and that Promise students could also benefit from this flexibility. If Promise students do not enroll in college immediately following high school graduation, they lose Promise eligibility and may not qualify for other state scholarships until they become eligible for Tennessee Reconnect. (Students become eligible for Reconnect at the age of 24, if they have a child, are married, or meet other requirements.)[100] Community college administrators told OREA that recent high school graduates may not know what program they want to pursue immediately after high school or may not be able to enroll immediately due to work or family responsibilities.

Summer term

Promise students who choose to attend college during the summer semester can use the Promise scholarship if they enroll full time, with at least 12 credit hours. Doing so counts toward the program's five-semester limit. Summer term courses offer students who have fallen behind an opportunity to get back on track and graduate on time. Getting back on track for the timely completion of a credential is particularly important because the longer it takes a student to complete a credential, the less likely it is that the student will do so.

The opportunity to catch up may be particularly useful to community college students, most of whom begin college academically underprepared. Students who are not prepared academically for college must enroll in learning support courses, designed to assist academically underprepared students in core subjects like math and reading. Completing these courses may slow students' progress toward earning a credential. Academically underprepared students are also more likely than their peers to fail a course, which places them further behind. Course scheduling challenges can also delay progress, as students postpone enrollment in required courses because of class schedule conflicts (such as two required courses scheduled at the same time) or schedule conflicts between school and work.

Whatever the reason for getting off track, Promise students may try to catch up by enrolling in courses during the summer term. The pace of the summer term is faster than that of the fall and spring semesters, however; summer courses run for five to 10 weeks compared with the 15 weeks allotted to fall and spring courses. Community college administrators told OREA that students who enter college academically underprepared may struggle with courses operating on an accelerated schedule.

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[99] Recipients of the HOPE scholarship are required to maintain a cumulative 2.75 GPA through the first 48 credit hours and a 3.0 GPA thereafter.

[100] To be eligible for Tennessee Reconnect, a student must qualify as an independent student when filing the FAFSA. To qualify as an independent student, an applicant must be at least 24 years old, married, have a child or other dependent(s), serve actively in the military or be a veteran, be orphaned or have lived in foster care, be an emancipated minor, or be an unaccompanied youth who is homeless or self-supporting.

Promise students who enroll part time during the summer term do not qualify for Promise funding and must pay for any part time courses taken through other means. Community college officials stated that some Promise students may be reluctant to enroll part time during the summer term because of the associated cost, but could benefit from taking courses during the summer.

Community service

Community college administrators also told OREA that significant numbers of students lose Promise eligibility because they do not meet the program's community service requirement. Promise students are required to complete and report eight hours of community service each semester or trimester, which is not required for other public scholarships. When asked how often community service prevents students from maintaining Promise eligibility, administrators from seven of the state's 13 community colleges said it happened "often" or "very often." Community service takes place outside of class time and typically off campus, and therefore requires transportation. Administrators from eight of the state's 13 community colleges told OREA that transportation access is an issue for Promise students "very often" or "often."

(6) Tennessee Promise does not cover the cost of books, supplies, tools, or non-mandatory fees, even if those items are required for a course or program of study. Community college administrators estimated that Promise students pay an average of $1,150 each year for these items.

The Tennessee Promise scholarship is a last-dollar scholarship, meaning it is applied to a student's tuition and mandatory fees after other sources of gift aid. Tennessee Promise does not cover books, supplies, tools, or non-mandatory fees, even if those items are required for a course or program of study. In a 2019 survey with OREA, 75 percent of community college administrators told OREA that the cost of textbooks, fees, tools, and supplies not covered by Promise impede the academic success and persistence of Promise students enrolled at their institution "often" or "very often."[101] Almost all of the officials indicated that at least half of students did not understand that the Promise program, though promoted as "free college," does not pay for these items.

The Tennessee Promise scholarship covers tuition and mandatory fees, defined as tuition and fees that are required for enrollment or attendance and are charged to all students. Students enrolled in certain courses (e.g., natural science, allied health, and online courses) are typically required to pay additional fees that are not covered by Promise. Additionally, students enrolled in most TCAT programs are required to purchase tools and supplies that are not covered by the scholarship.

The most popular associate degree programs at Tennessee's community colleges require students to complete 41 hours of general education courses, including two science courses (e.g., biology, chemistry) which include a lab fee. For example, students enrolled in a science course at Volunteer State Community College are required to pay a $20 lab fee per natural science course. The lab fee amount varies by course and community college.

Students enrolled in specific programs are responsible for course fees, and the cost can vary greatly across programs. For example, students enrolled in the nursing program at Pellissippi State Community College must pay $25 per credit hour for nursing courses. Pellissippi State's nursing program requires 39 credit hours of nursing courses, meaning that those students must pay $975 in fees over the course of enrollment. Students enrolled in the Associate of Applied Science in the business and culinary arts program at Walters State Community College must pay $20 per credit hour for culinary arts courses. The program requires 33 credit hours of culinary arts courses, meaning that students enrolled in that program pay $660 in course-specific fees.

The two most popular program areas at TCATs are mechanic/automotive repair and health professions. The additional costs for these programs vary greatly. Surgical technology program costs at TCAT Murfreesboro total $664, the dental assistant program costs at TCAT Dickson total $2,097, and the cost of supplies and textbooks for the master automotive technology program at TCAT Nashville total $4,260.

For online courses, the Tennessee Promise scholarship will cover up to the amount of tuition and fees that would be charged to a student enrolled in an equal number of credit hours on campus. Any remaining tuition or fees for online

[101] In 2019, OREA invited administrators from all 13 community colleges to participate in an online survey. In total, 23 community college administrators responded to OREA's 2019 survey. At least one administrator from each of Tennessee's 13 community colleges participated in the survey. In most cases, multiple administrators from the same community college (i.e., administrators representing different departments) filled out the survey. OREA reviewed interview comments and survey responses to identify common themes.

courses are the financial responsibility of the Promise student. Five out of 13 community colleges charge an extra fee for institution-based online courses. (The other eight community colleges do not charge an extra fee for institution-based online courses.) The fees range between $30 and $126 per three-hour online course, depending on the community college. Promise students who enroll in online courses offered through TN eCampus are required to pay anywhere from $175 for one course up to $1,273 if they enroll in 15 credit hours.

Students who live in certain areas of the state must travel a longer distance to reach a Promise-eligible institution and could benefit from enrolling in online courses. Of Tennessee's 95 counties, 24 did not have a Promise-eligible institution during the first three years of the program. The remaining 71 counties had at least one eligible institution. Additionally, there are 76 public high schools[102] located over 30 minutes from the nearest community college campus where an associate degree can be completed.[103] (See Exhibit 3.15 in Section 3 for a list of the 76 high schools.) Students with unreliable transportation, work, or family obligations could also benefit from taking online courses.[104] In interviews with OREA, administrators from 12 of the state's 13 community colleges cited students' lack of access to reliable transportation as a problem, and administrators from five community colleges said that the cost of online fees are among the concerns they hear most frequently from Promise students.

Low-income students, such as those who are Pell-eligible, may struggle more than other students to pay for items not covered by Promise. The Pell grant is awarded based on financial need and students from the lowest-income families receive a *full* Pell grant, which exceeds the cost of tuition and mandatory fees, leaving them with extra funds to pay for books, non-mandatory fees, supplies, and tools. Some Pell recipients receive a *partial* grant, in which case the Tennessee Promise scholarship will kick in to cover the remaining cost of tuition and mandatory fees. Depending on the Pell award amount, partial Pell Grant recipients may not have any remaining funds to pay for items not covered by Promise (as compared to full Pell recipients).

Some community colleges have created institutional scholarships to help Promise students pay for books. None of the community college officials interviewed by OREA indicated their institution's scholarship covered the cost of all books for such Promise students.

(7) OREA identified practices at the community colleges that helped Promise students navigate the challenges associated with remaining eligible for the Promise scholarship and completing a credential.

According to interviews with academic and student success professionals and financial aid officers at the community colleges, the influx of younger students due to Tennessee Promise required community colleges to change some practices to address this demographic shift. Changes included creating safeguards to prevent Promise students from dropping below full time status and losing their Promise eligibility, the creation or expansion of first-year seminars, and the introduction of completion coaches.

Several colleges prevent Promise students from dropping a class without first discussing the idea with an advisor. This ensures that Promise students do not drop below full time status (rendering them ineligible for the Promise scholarship) without understanding the implications. For example, Promise students at Cleveland State are required to talk to a financial aid advisor before dropping a class so the consequence of dropping below a full time course load (12 credit hours) is understood.

At least four institutions have also created or modified a type of course that is provided to first-time freshmen in which students learn life skills necessary to succeed in college. At Northeast State, this course is called "College and Lifelong Learning" and teaches skills like critical thinking, using campus resources, and technology literacy. Some colleges have incorporated community service into this class to help Promise students complete their community service requirement.

[102] To analyze the proximity of students to Promise-eligible institutions, OREA compared the physical addresses of Tennessee's public high schools with Promise-eligible institutions. Public high schools are a reasonable proxy to use in calculating the distance students in a certain area of the state must travel to attend the nearest eligible institution. Commute times will vary for individual students based on the location of their particular residence. Most Promise students attend community colleges or TCATs, neither of which offer on-campus housing.

[103] There are 64 total community college campuses in Tennessee, including both main and satellite campuses. There are 11 campuses where a student cannot earn an associate degree; students who attend classes at one of those 11 campuses can enroll in online courses or travel to another campus location to complete their degree.)

[104] A limited number of TCAT programs also offer online courses, but OREA examined only online courses available through community colleges for this evaluation.

Through a combination of temporary grants and institutional funding, at least 10 community colleges hired completion coaches who serve as a one-stop shop for students who have questions or need to be connected to various campus resources. Community colleges already provided assistance to students through financial aid offices, academic advising, and the various academic departments, but officials interviewed by OREA believed that the division of these supports among multiple departments and offices can be confusing to students and difficult for them to navigate. Completion coaches are familiar with the full range of resources and supports available and offer students a single point of contact for assistance. Ninety percent of academic affairs and student success officials surveyed by OREA indicated completion coaches are "good" or "very good" at helping Promise students find academic resources at their college.

The success of Promise students compared to other recent high school graduates and the steady retention rates, despite the changing student body, suggest that the adjustments made at community colleges have been effective in supporting Promise students.

(8) About 60 percent of all Promise funds went to students from households with annual incomes over $80,000 and 33 percent of Promise funds went to students from households with annual incomes over $100,000. Students from lower-income households were more likely to qualify for the Pell grant or other need-based scholarships.

Not all Promise students receive funding from the Promise scholarship because Tennessee Promise is a last-dollar scholarship. Promise funds are used to pay for tuition and mandatory fees that are not already paid for by other sources of gift aid, such as the HOPE scholarship or federal Pell grant. Students from households with incomes less than $60,000 are more likely to qualify for the Pell grant or other need-based scholarships. Those scholarships then cover some or all tuition and mandatory fees; thus, students from low-income households are less likely to receive funds through the Promise program.

In contrast, students with incomes above $60,000 do not generally qualify for the federal Pell Grant or other lottery scholarships that are dependent on family income. If those students do not qualify for HOPE funding or other sources of gift aid that are dependent on family income, Promise will cover all tuition and mandatory fees. Students from families with incomes above $60,000 received the majority of the Promise funds spent across the state. (See page 13 for examples of students.)

Policy options

Tennessee Promise was created to increase the number of recent high school graduates who access college and complete a credential. Based on an analysis of the available data, OREA found that Promise students outperform their peers by staying enrolled longer, earning more credits, and completing credentials at higher rates, but meeting Tennessee's Drive to 55 goal will likely not be possible without increasing the number of students who enter and remain in the program. About 70 percent of applicants did not complete all application requirements to become Promise students and about 75 percent of students who attended college as part of the Promise program did not complete a credential within the five-semester limit.

The following policy options address changes that could be made by various stakeholders to increase the number of students who apply for the scholarship, become Promise students, and remain in the program as they work toward earning a credential.

The Tennessee General Assembly could appoint a working group to consider the conclusions and policy options presented in this report.

A working group could consider the policy options presented in this report, including the following questions:

- How can mentor organizations and K-12 and higher education stakeholders **increase the number of high school seniors who apply to the Promise program?** OREA identified several counties in which a low percentage of students applied to the Promise program. The working group could determine best practices to increase application rates in those areas.
- How can mentor organizations and K-12 and higher education stakeholders **increase the number of Promise applicants who become Promise students?** OREA identified 11,029 students from cohorts 1-3 who applied for Promise and did not complete all application requirements to become Promise students but ultimately enrolled in a TCAT (1,079 students) or a community college (9,950 students), both of which are Promise-eligible institutions. Understanding these students could help stakeholders assist similar students with completing the application process.
- Can the Promise program be modified or adjusted to ensure that **more Promise students earn a credential?** Through interviews and surveys with OREA, college officials cited several barriers to Promise students' academic success, including the full time enrollment requirement in the summer term, and costs not covered by the Promise program. Adjustments to those elements of the program, among others, would likely allow more students to remain Promise eligible and enrolled in college.
- Can Promise-eligible colleges implement or expand best practices **to increase the number of Tennesseans earning a credential each year?** For example, first-year seminars that teach skills necessary for college success and hiring completion coaches are best practices that have been implemented at several community colleges.

The General Assembly and education officials will have to weigh the cost of any program changes with the potential benefits, such as enhanced workforce development. Tennessee Promise scholarships are paid from the Tennessee Promise Endowment Fund. In addition to accrued investment earnings, the fund has received an average allocation of $54.9 million from excess lottery reserves in each of the last four years ($219.6 million total). At the end of the 2019 fiscal year, the fund contained a total of $594.7 million, of which $233.3 million was available for scholarships. (The remaining $361.4 million constitutes the fund's principal, which is kept intact while the investment earnings and other sources of revenue are used for scholarships.)

Making changes that result in more students entering or remaining in the Promise program may result in greater scholarship payments from the fund. The extent to which the fund is impacted will depend on the program component and the affected students. Not all Promise students receive the same amount of Promise funds. Students from low-income households are more likely to qualify for need-based gift aid (e.g., Pell, TSAA), and students who meet academic requirements qualify for academic-based gift aid (e.g., HOPE). Students who meet one or both criteria receive little or no funds from the Promise scholarship.

Some policy options are cost-neutral while others may increase fund expenditures. The associated cost of some policy options would be lower if the option were targeted for specific students (e.g., those from low-income households). Additional appropriations from the lottery reserves could be allocated to the endowment or the General Assembly could appropriate general funds to support some policy options.

Policy options for the Tennessee General Assembly

(1) The Tennessee General Assembly could encourage or require that students are given the opportunity to attend the mandatory mentor meeting and complete eight hours of community service at their high school during the school day.

Increasing the number of high school graduates who enter the Tennessee Promise program would likely have a positive effect on the state's overall attainment rate, because outcomes for Promise students exceed those of their peers based on an OREA analysis. Of students who apply to the program in their senior year, though, 70 percent do not complete program requirements and, therefore, cannot enter the program.

The requirements that the highest percent of Promise applicants missed were the mandatory mentor meeting and the community service requirements. When asked why students become ineligible for the program, mentor organizations cited lack of transportation as a barrier, especially for students in rural areas. Students could be given the opportunity to attend the mandatory mentor meeting and complete eight hours of community service at their high school during the school day. These two requirements happen during the spring semester of students' senior year, when students may have more flexibility and fewer testing requirements.

(2) The Tennessee General Assembly could change Promise program requirements to more closely resemble those of other public scholarships.

Once Promise students enroll in college, they are required to meet several requirements to maintain Promise eligibility, including taking classes full time, maintaining a cumulative 2.0 GPA, refiling the FAFSA annually, and completing eight hours of community service each semester. In addition to going to school, students may also have work and family obligations. Administrators from five community colleges told OREA during 2018 interviews that many Promise students on their campuses struggle to balance the demands of finances, work, family (e.g., childcare), and classes. Granting students more latitude regarding program eligibility requirements, as is done with other state-funded scholarships, was suggested by administrators from 12 of the state's 13 community colleges during surveys and interviews with OREA. There are more requirements for Promise students than for other public scholarships.

Adjustments to community service requirement

Community college administrators also told OREA that a significant number of students lose Promise eligibility because they do not meet the program's community service requirement. When asked how often community service prevents students from maintaining Promise eligibility, administrators from seven of the state's 13 community colleges said it happened "often" or "very often."

The community service requirement during the Promise application process serves as a merit component, similar to that of other state scholarships. For example, the HOPE scholarship requires that students earn a 21 on the ACT or graduate high school with a cumulative 3.0 GPA. Other public scholarships, such as the federal Pell grant or the Tennessee Student Assistance Award (TSAA) are awarded based on financial need. The primary eligibility criterion of the Promise scholarship is residency in the state of Tennessee; applicants are not required to meet any other merit criterion (e.g., financial, academic). The Reconnect scholarship, also part of the Drive to 55, contains no merit component during the application process, and like Promise, its primary eligibility criterion is residency.

Once enrolled in college, public scholarships require students to continue meeting merit criteria, though there are more requirements for Promise students than for other public scholarships. Recipients of the Pell grant or TSAA must continue to exhibit financial need while maintaining satisfactory academic progress, and HOPE scholarship recipients must maintain a cumulative 2.75 GPA for the first 48 hours enrolled and a 3.0 GPA thereafter. Students in the Reconnect program are also required to meet academic standards by maintaining a 2.0 cumulative GPA.

The merit criteria required of Promise students once enrolled includes maintaining a certain cumulative GPA, which is similar to the academic criteria of Pell, TSAA, HOPE, and Reconnect, though Promise students are also required to enroll full time and complete community service hours. Recipients of other public scholarships including HOPE, Pell, TSAA, and Reconnect may enroll part time and remain eligible. No other public scholarship requires applicants to complete community service hours to maintain eligibility.

Removing the community service requirement once Promise students enroll in college would align program requirements with other public scholarships and could help more Promise students remain in the program. Alternately, the community service requirement could be reduced (e.g., eight hours per year as opposed to per semester).

Adjustments to full time and initial enrollment

Institutional Review Panels (IRP) could be allowed to consider additional reasons when determining if students can drop below full time status or delay initial enrollment without losing their Promise eligibility.

Each higher education institution has an Institutional Review Panel (IRP) that hears appeals of public scholarship requirements, including requests for personal and medical leaves of absence or dropping below full time status within the Tennessee Promise program. Currently, waivers to the full time status requirement for Promise students are considered only for those whose course enrollment options are limited due to the requirements of their chosen program, for students with documented learning disabilities, or if granted a personal or medical leave of absence due to medical issues, extreme financial hardship, or religious or military obligations.

Although the full time enrollment requirement kept more Promise students on track to graduate within the five semester limit, some students could benefit from part time enrollment for reasons not currently allowed. The requirement that Promise students enroll full time in continuous semesters serves the goal of credential completion and helps explain why Promise students earn more credit hours, stay enrolled longer, and earn credentials at higher rates than their peers, though about 75 percent of students who attended college as part of the Promise program did not complete a credential within the five-semester limit.

Through interviews and surveys with OREA, administrators at nine of Tennessee's 13 community colleges mentioned that Promise students struggle to attend full time because they are not academically prepared or because they must work full time to financially support themselves and/or their family. Students who drop below full time enrollment for reasons not currently allowed are no longer eligible for Promise. Students who receive other public scholarships, including Tennessee Reconnect, HOPE, and Pell, can enroll part time while maintaining eligibility. IRPs could be authorized to consider additional reasons for part time enrollment of Promise students on a case-by-case basis each semester. Under such a plan, Promise students who are approved to enroll part time could receive prorated Promise funds for up to the equivalent of five full time semesters (i.e., Promise students enrolling part time would not receive more funds than students enrolling in five full time semesters).

In addition, Promise students may delay initial enrollment in college if granted a personal or medical leave of absence or if there is not an opening in their desired program of study. Community college administrators told OREA that recent high school graduates may not know what program they want to pursue immediately after high school or may not be able to enroll immediately due to work or family responsibilities. Recent high school graduates who receive the HOPE scholarship or the federal Pell grant are permitted to delay enrollment.

Appeals for missing community service and GPA

Promise students could be given one opportunity to regain the scholarship if they drop below the minimum GPA or miss the community service deadline. The IRPs are not currently allowed to consider appeals for students' incomplete community service or dropping below a cumulative 2.0 GPA, but could be granted that authority.

Currently, Promise students who drop below a cumulative 2.0 GPA, as determined at the end of each academic year (i.e., end of the summer term) lose the Promise scholarship and do not have the ability to regain eligibility. In contrast, HOPE scholarship recipients are given one opportunity to regain the scholarship if they fail to maintain the required GPA.

Community college administrators told OREA that a significant number of students lose Promise eligibility because they do not meet the program's community service requirement. When asked how often community service prevents students from maintaining Promise eligibility, administrators from seven of the state's 13 community colleges said it happened "often" or "very often." No other public scholarship requires applicants to complete community service hours to maintain eligibility.

If Promise students lose eligibility for any reason, including dropping below the minimum GPA or missing the community service deadline, they may not qualify for other state scholarships until they become eligible for Tennessee Reconnect (i.e., students are eligible for Reconnect at the age of 24, if they have a child, are married, or meet other requirements).[105]

Adjustments to the summer term

Tennessee Promise students could be allowed to enroll part time during the summer using scholarship dollars. Currently, Promise students who choose to attend college during the summer semester can use the Promise scholarship if they enroll full time (i.e., at least 12 credit hours).

The summer semester provides students with the opportunity to raise their GPA before cumulative GPA is calculated at the end of the academic year (i.e., the end of the summer term), accelerate their degree completion by earning additional credits, and, for students who have fallen behind, to get back on track and graduate on time. Enrolling full time in the summer can be challenging for some students, especially those who struggle academically. The pace of the summer term is faster than that of the fall and spring semesters; summer courses run for five to 10 weeks compared with the 15 weeks allotted to fall and spring courses. Community college administrators interviewed by OREA noted that students who enter college academically underprepared may struggle with courses operating on an accelerated schedule. Students who work may also find it difficult to balance the demands of work with a full time course load in the summer. Students receiving other public scholarships, including HOPE, TSAA, Pell, and Reconnect, can enroll part time in the summer term with scholarship dollars.

Promise students are currently allowed to remain in the program for five full time semesters. To offset the cost, Promise students could be given the option to enroll part time in two summer semesters in lieu of the fifth full time semester.

(3) The General Assembly could allow the Tennessee Promise scholarship to cover some or all non-mandatory fees, books, tools, or supplies. This could apply to all Promise students, or certain students based on financial need, residence in certain geographic areas of the state, enrollment in high-demand programs, or some combination of the three.

The Tennessee Promise scholarship is a last-dollar scholarship, meaning it is applied to a student's tuition and mandatory fees following the student's qualification for other sources of gift aid. Tennessee Promise does not cover books, supplies, tools, or non-mandatory fees, even if those items are required for a course or program of study. Community college administrators estimated that Promise students pay an average of $1,150 each year for these items. In a 2019 survey with OREA, 75 percent of community college administrators told OREA that the cost of textbooks, fees, tools, and supplies not covered by Promise impede the academic success and persistence of Promise students enrolled at their institution "often" or "very often." Administrators at 12 of Tennessee's 13 community colleges said that the most frequent question or concern they hear from Promise students is about the cost of books and fees not covered by Promise.

Financial need

The General Assembly could allow the Promise scholarship to cover some or all books, non-mandatory fees, tools, and supplies for students who exhibit financial need.

Low-income students, such as those who are Pell eligible, may struggle more than other students to pay for items not covered by Promise. The Pell grant is awarded based on financial need. Students from the lowest-income families receive a full Pell grant, which exceeds the cost of tuition and mandatory fees, leaving them with extra funds to pay for books, non-mandatory fees, tools, and supplies.

Some Pell recipients receive a partial grant, in which case the Tennessee Promise scholarship will kick in to cover the remaining cost of tuition and mandatory fees. Depending on the Pell award amount, partial Pell Grant recipients may not have any remaining funds to pay for items not covered by Promise, as compared to full Pell recipients. To address this issue, some community colleges have created institutional scholarships to help Promise students pay for books. None of the community college officials interviewed by OREA indicated their institution's scholarship covered the cost of all books for such Promise students, however.

[105] A Tennessee Reconnect student must qualify as an independent student when filing the FAFSA. To qualify as an independent student, an applicant must be at least 24 years old, married, have a child or other dependent(s), serve actively in the military or be a veteran, be orphaned or have lived in foster care, be an emancipated minor, or be an unaccompanied youth who is homeless or self-supporting.

Geography

The General Assembly could allow the Promise scholarship to cover some or all online fees for students who live in one of the 24 counties without a Promise-eligible institution or who graduated from one of the 76 public high schools located over 3o minutes from the nearest community college campus where an associate degree can be completed.[106] The General Assembly could also allow the scholarship to cover some or all online fees for all Promise students.

Students who do not have access to reliable transportation or those who are balancing the demands of work and family could benefit from taking online courses, but the associated fees are not covered by the Promise scholarship.[107] Administrators from five community colleges told OREA that the cost of online fees are among the concerns they hear most frequently from Promise students.

For online courses, the Tennessee Promise scholarship will cover up to the amount of tuition and fees that would be charged to a student enrolled in an equal number of credit hours on campus. Any remaining tuition or fees for online courses are the financial responsibility of the Promise student. Five out of 13 community colleges charge an extra fee for institution-based online courses. (The other eight community colleges do not charge such a fee.) The fees range between $30 and $126 per three-hour online course, depending on the community college. Promise students who enroll in online courses offered through TN eCampus are required to pay anywhere from $175 for one course up to $1,273 if they enroll in 15 credit hours, depending on their community college.

Students who live in certain areas of the state must travel a longer distance to reach a Promise-eligible institution. Of Tennessee's 95 counties, 24 did not have a Promise-eligible institution during the first three years of the program. The remaining 71 counties had at least one eligible institution. Additionally, there are 76 public high schools located over 30 minutes from the nearest community college campus where an associate degree can be completed.[108,109] Transportation access affects the success and persistence of Promise students "very often" or "often" based on responses to an April 2019 OREA survey from administrators at eight of the state's community colleges.

Additionally, administrators from five community colleges told OREA during 2018 interviews that many Promise students on their campuses struggle to balance the demands of finances, work, family (e.g., childcare), and classes, all of which are further impacted by access to reliable transportation.

About 44 percent of Promise students in cohorts 1-3 enrolled in at least one online course, though the available data does not identify the type of online course (i.e., institution-based online or TN eCampus). It is probable that allowing the Promise scholarship to cover online fees for some or all Promise students would increase the percentage of students who enroll in online courses.

High-demand programs

The General Assembly could also allow the Promise scholarship to cover some or the total cost of books, course-specific fees, tools, and supplies for students who enroll in high-demand programs.

The cost of fees, supplies, and tools required for certain courses and programs vary greatly. Students enrolled in the nursing program at Pellissippi State community college are financially responsible for $975 in fees over the course of their enrollment. Surgical technology program costs at TCAT Murfreesboro total $664, the dental assistant program costs at TCAT Dickson total $2,097, while supplies and textbooks for the master automotive technology program at TCAT Nashville cost $4,260.

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[106] To analyze the proximity of students to Promise-eligible institutions, OREA compared the physical addresses of Tennessee's public high schools with Promise-eligible institutions. Public high schools are a reasonable proxy to use in calculating the distance students in a certain area of the state must travel to attend the nearest eligible institution. Commute times will vary for individual students based on the location of their particular residence. Most Promise students attend community colleges or TCATs, neither of which offer on-campus housing.

[107] This applies to students who enroll in a community college where more online courses are available; few TCAT programs offer online learning options.

[108] To analyze the proximity of students to Promise-eligible institutions, OREA compared the physical addresses of Tennessee's public high schools with Promise-eligible institutions. Public high schools are a reasonable proxy to use in calculating the distance students in a certain area of the state must travel to attend the nearest eligible institution. Commute times will vary for individual students based on the location of their particular residence. Most Promise students attend community colleges or TCATs, neither of which offer on-campus housing.

[109] There are 64 total community college campuses in Tennessee, including both main and satellite campuses. There are 11 campuses where a student cannot earn an associate degree; students who attend classes at one of those 11 campuses can enroll in online courses or travel to another campus location to complete their degree.

The General Assembly could cover such costs for students enrolled in high-demand programs, as determined by the Department of Labor and Workforce Development. The department's publication *Tennessee's In Demand Occupations to 2026* lists radiologic technologists, respiratory therapists, tractor-trailer truck drivers, and licensed practical nurses among the professions requiring an associate degree, certificate, or technical diploma that are projected to have the highest number of job openings.

The General Assembly could also cover the cost of books, fees, tools, and supplies for students who enroll in TCAT programs because each TCAT tailors program offerings based on the workforce needs within its region.

(4) The General Assembly could fund completion coaches at all 13 community colleges.

Tennessee Promise was designed with the goal of simplifying college access. College applicants, especially those who are the first in their family to enroll, however, may find registration, records, financial aid, and course selection procedures difficult to navigate. Completion coaches, who are located on campus, are equipped to help students navigate the various offices and processes associated with successfully completing college.

Currently, completion coaches are funded through a combination of institutional funding and temporary grants.[110] The Institutional Outcome Improvement Fund could be expanded to partially or fully fund completion coaches at all community colleges.

Policy options for mentor organizations

Each Promise applicant is paired with a community-based mentor whose purpose is to answer questions, provide information, and support the applicant during their senior year of high school and the summer between graduation and enrollment in a postsecondary institution. For cohorts 1-3, three mentor organizations – the Ayers Foundation, Regional Economic Development Initiative (REDI), and TNAchieves – served students in various areas of the state.

(1) Mentor organizations could target additional supports in high schools with a large percentage of students in subgroups identified by OREA, such as students from low-income families.

OREA found that certain student subgroups, such as students with low ACT scores, became Promise students at lower rates than their peers. Although providing additional supports statewide would require significant investment, targeting additional supports in areas with the highest percentage of students from these groups could increase the percent of high school graduates who enter the program. Organizing community service days in accessible locations for students in these areas, for example, could help applicants from these groups meet Promise application requirements at higher rates.

OREA also identified counties across the state with low college-going rates and low application rates. Mentor organizations could focus their efforts in these areas on promoting the program and helping students apply. For example, mentor organizations hold one meeting before the Tennessee Promise application is due. Additional meetings could be held to further help students file the application, answer additional questions about the application process, and call more attention to the application deadline.

Other counties with low college-going rates had high application rates, but a low percentage of applicants who ultimately became Promise students. In these areas, the focus could be on keeping students eligible after they apply. For example, efforts to organize transportation in these counties could help more students attend the mandatory meeting. See page 41.

(2) Mentor organizations should provide students with the estimated cost of books, non-mandatory fees, supplies, and tools that are not covered by the Tennessee Promise scholarship. They should also continue to adjust messaging to ensure more Promise students understand these items are not covered.

The Tennessee Promise scholarship is a last-dollar scholarship, meaning it is applied to a student's tuition and mandatory fees after other sources of gift aid. Tennessee Promise does not cover books, supplies, tools, or non-mandatory fees, even

[110] These grant funds came from THEC's Institutional Outcome Improvement Fund and TN Promise Forward grants.

if those items are required for a course or program of study. Community college administrators estimated that Promise students pay an average of $1,150 each year for these items though many students are unaware they are responsible for these costs. In OREA's 2019 survey of community college financial aid and student service officials, most respondents indicated that at least half of students did not understand that the Promise program, though promoted as "free college," does not pay for these items.

Though community college administrators estimated that Promise students pay an average of $1,150 each year for items not covered by Promise, actual amounts vary depending on each student's courses and program of study. Additionally, TCAT students are financially responsible for the cost of their chosen program's required textbooks, tools, and supplies, and the cost of such items varies by program. For example, surgical technology program costs at TCAT Murfreesboro total $664, pharmacy technology program costs at TCAT Oneida total $1,351, dental assistant program costs at TCAT Dickson total $2,097, and the master automotive technology program costs at TCAT Nashville total $4,260.

All Promise applicants are paired with a mentor whose purpose is to assist students with the college application and financial aid process during their senior year of high school and the summer between graduation and enrollment in college. Students also receive frequent digital communication (such as emails or text messages) from their mentor organization and attend meetings hosted by the mentor organization at least twice during the senior year of high school.

Though the mentor organizations may provide information about the last-dollar nature of Promise to students during meetings, through digital communication, and in printed materials (i.e., the Tennessee Promise Student Handbook), many Promise students remain unaware the scholarship does not pay for books, fees, supplies, and tools. Administrators at 12 of Tennessee's 13 community colleges said that the most frequent question or concern they hear from Promise students is about the cost of books and fees not covered by Promise. In a 2019 survey with OREA, 75 percent of community college administrators told OREA that the costs of textbooks, fees, tools, and supplies not covered by Promise impede the academic success and persistence of Promise students enrolled at their institution "often" or "very often."

OREA reviewed the Tennessee Promise Student Handbook and confirmed that it states that the Promise scholarship does not cover books, non-mandatory fees, tools, or supplies, but the handbook does not include a cost estimate for such items.

Policy option for institutions of higher education

(1) Officials at institutions of higher education could continue to learn from effective practices at other institutions.

Through interviews and surveys, OREA identified several practices that likely helped Promise students accumulate credits, remain enrolled longer, and earn credentials at higher rates than their peers. These practices included preventing students from dropping a class without discussing it with a counselor, requiring a first-year seminar that provides students with the skills necessary to complete a credential, and hiring completion coaches.

Community college administrators explained during interviews that they have systemwide calls between community colleges and TCATs in which ideas and best practices are discussed. OREA also found evidence that several community colleges implemented the practices listed above after hearing about them from another institution. This type of sharing should continue for future Promise cohorts.

Policy option for LEAs

(1) School districts with lower college-going rates could require all students to apply for the Promise program.

In seven counties with below-average college-going rates, the application rates for Tennessee Promise fell below the statewide average of 79 percent.[111] Students in these counties could be required to apply to Promise, to ensure that a higher percent of students begin the Promise application process.

[111] College-going rates were based on the year before Tennessee Promise began (2014).

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