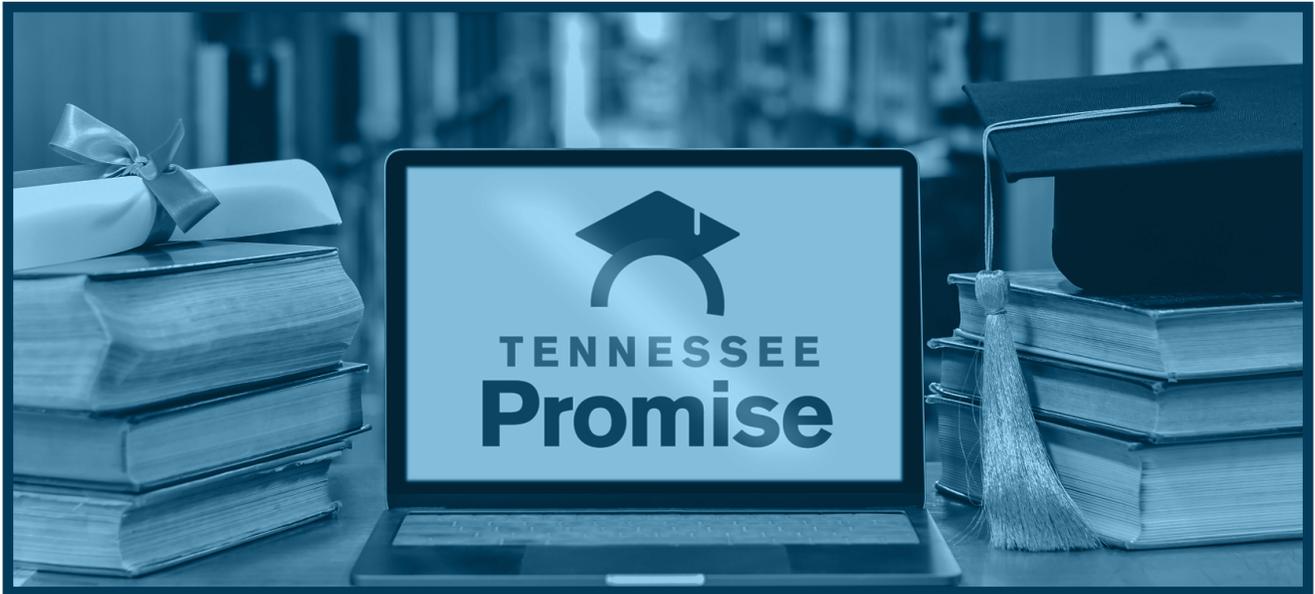




OFFICE OF RESEARCH AND EDUCATION ACCOUNTABILITY

**TENNESSEE PROMISE:
AN UPDATE ON KEY EVALUATION METRICS**



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Introduction

In July 2020, OREA released its initial evaluation of Tennessee Promise.¹ Established by the Tennessee General Assembly in 2014, the Tennessee Promise Scholarship gives recent high school graduates the opportunity to earn an associate degree or technical diploma free of tuition and mandatory fees. Since OREA's initial evaluation was completed, more up-to-date data has become available. This brief provides updated figures for three key metrics that measure the program's success in increasing college access and completion among recent high school graduates.

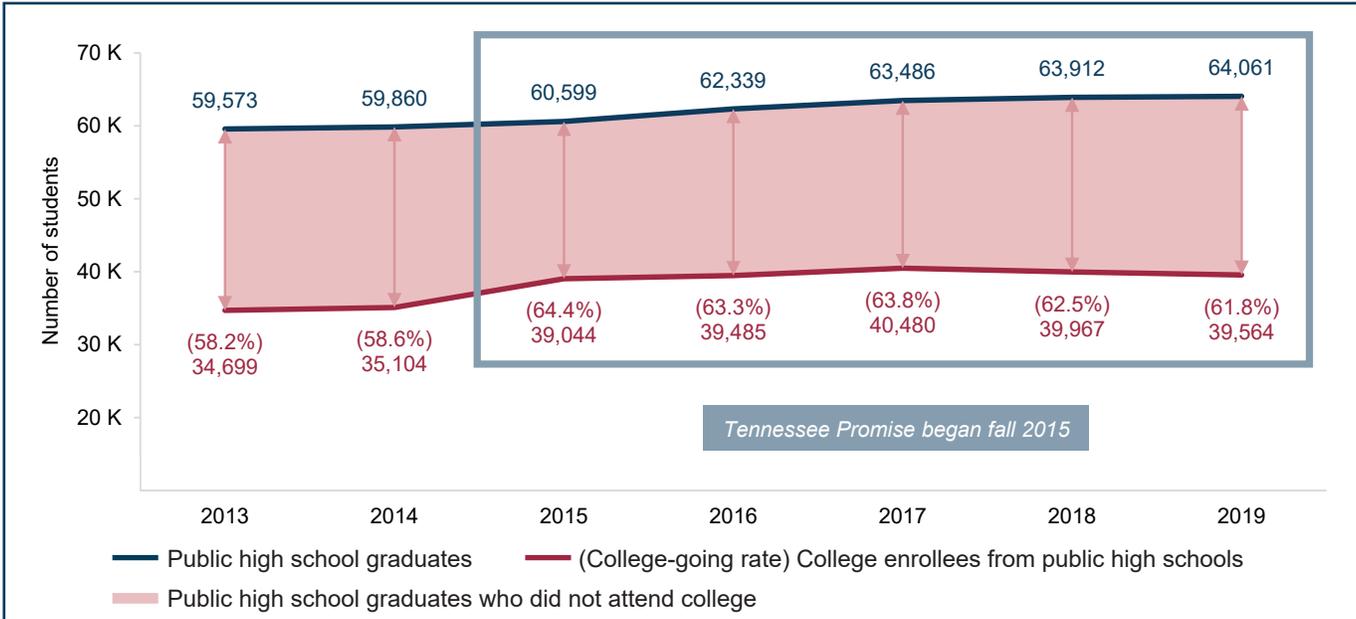
College enrollment trends

The overall college-going rate in Tennessee increased by about 6 percentage points, from 58.6 percent to 64.4 percent, between 2014 and the first year of Tennessee Promise (2015). In three of the following four years (between 2015 and 2019), the college-going rate decreased. By 2019, the rate had dropped to 61.8 percent, which remains 3.2 percentage points higher than the rate before Promise began, but 2.6 percentage points lower than the rate in the first year of the program.

College-going rate
Number of public high school graduates who enroll in college in the summer or fall term following high school graduation
<i>divided by</i>
Total number of public high school graduates from the same year

As shown in Exhibit 1, Tennessee also saw an increase in the number of students who attended college from 2014 to 2017. During that time, the number who enrolled in college increased by 15.3 percent (about 5,400 students). Between 2017 and 2019, though, the number of students who attended college decreased by 2.3 percent (about 900 students).

Exhibit 1: Number of public high school graduates in Tennessee who attended college | 2013-2019



Note: (1) The Tennessee Higher Education Commission has worked with the Tennessee Department of Education to clarify definitions and streamline data sharing between the two agencies. (2) Enrollment numbers for 2020 are based on preliminary financial aid data and are not specific to recent high school graduates as shown in this chart, but they show an 8% drop in enrollment for first-time freshmen across all public institutions in Tennessee. OREA will continue to monitor enrollment as more data becomes available.

Source: OREA analysis of data from the THEC's Higher Education Fact Books.

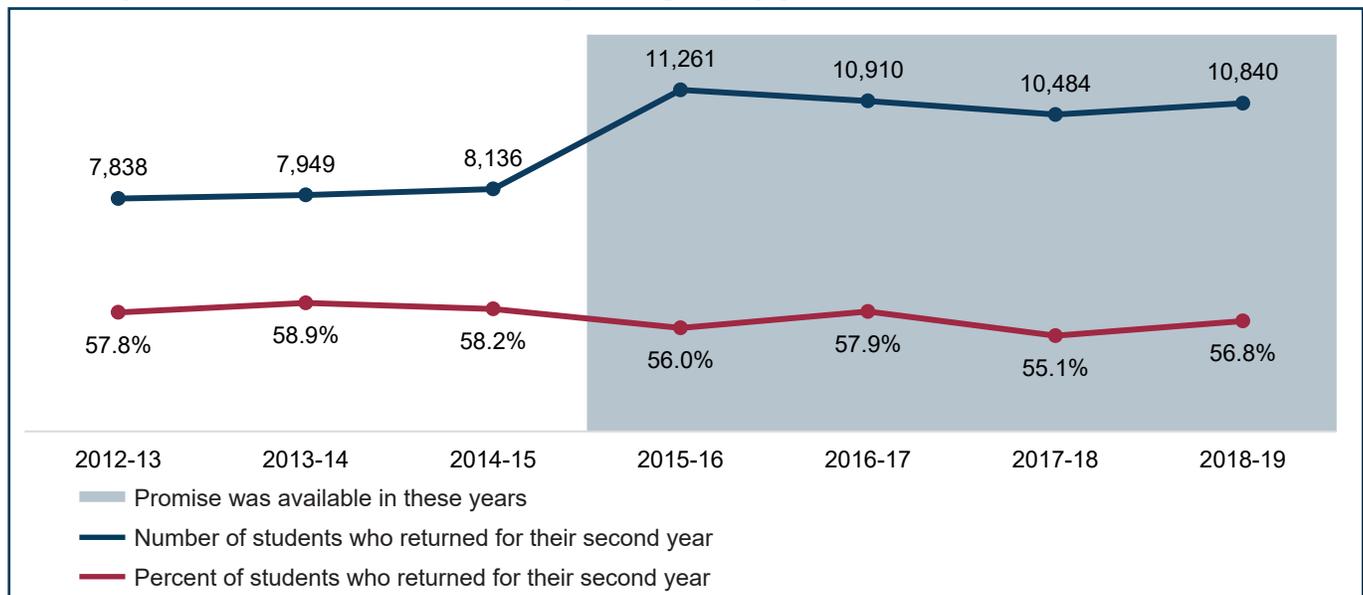
¹ TCA 49-4-708(f) requires the Comptroller's Office of Research and Education Accountability (OREA) to review, study, and determine the effectiveness of Tennessee Promise on an ongoing basis.

The noticeable increase in the college-going rate in the first year of Tennessee Promise suggests that more students enrolled in college that year than would have absent the Promise program.² Although dropping after 2015, the college-going rate remained higher than it was before the program began, suggesting that Tennessee Promise is continuing to have a positive effect on college enrollment, though smaller than in the program’s first year.

Retention at community colleges

After the initial implementation of Promise, more recent high school graduates enrolled in college, which increased enrollment in Tennessee’s community colleges. (Most Promise students enroll in community colleges, all of which are eligible for Promise.) As a result of this enrollment increase, community colleges had a 38 percent increase in the number of students, whether enrolled in Promise or not, who returned for a second year (from 8,137 in 2014 to 11,261 in 2015).³ Since 2016, this number has dropped in two of the three years examined but remains about 2,700 higher than in the year before Promise began. This means that more students have remained enrolled and on track to graduate since Promise began, though the greatest increase occurred in the first year of the Promise program. This trend is similar to the college-going rate, with an initial increase the year Promise began followed by a decline in subsequent years.

Exhibit 2: Number and percent of first-time, full-time students who were retained for a second year at Tennessee’s community colleges | by year



Note: This exhibit shows all students who began college for the first time as a full-time student – whether enrolled in Promise or not – and returned for a second consecutive year between 2012-13 and 2018-19.

Source: OREA analysis of data from the THEC’s Higher Education Fact Books.

Promise not only increased the number of students who enrolled in community colleges but also increased the proportion of younger students at community colleges. In interviews with OREA, community college 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 (i.e., the percent of freshmen who returned for a second year) remained fairly steady.

² 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 in-state or out-of-state postsecondary institutions, including four-year public and private institutions, many of which are not eligible for the Promise program.

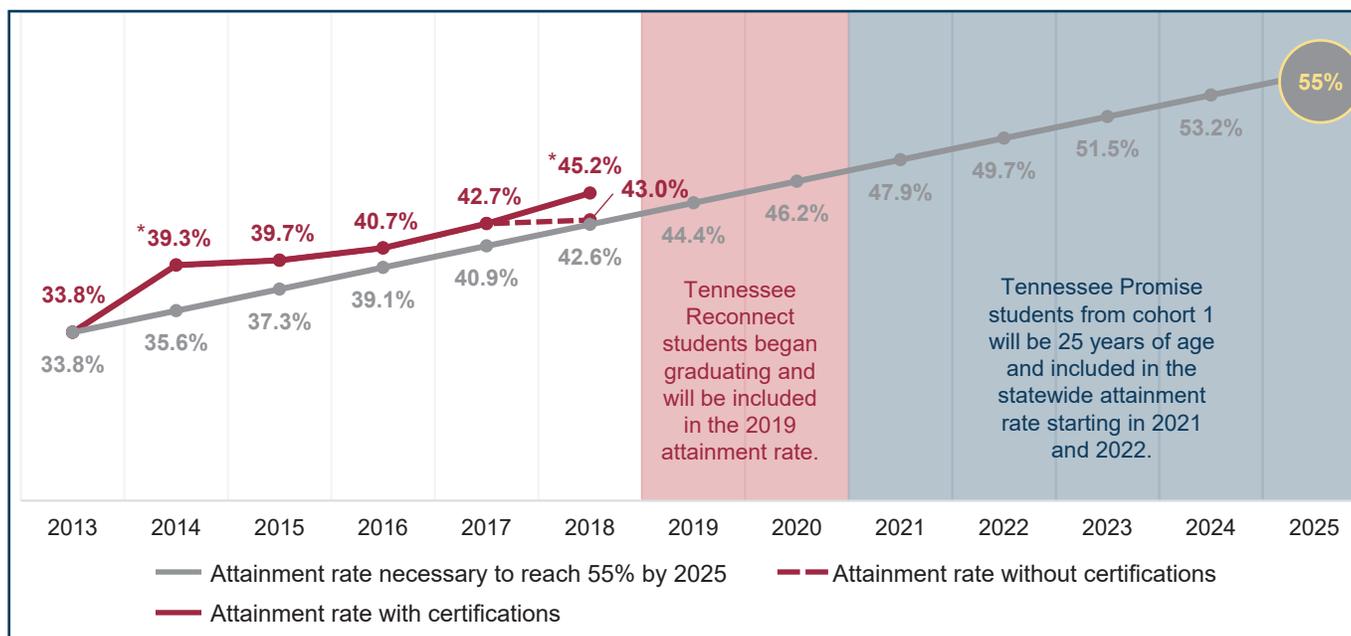
³ The retention numbers include all first-time freshmen who enrolled full-time at a Tennessee community college and remained enrolled in a public institution for a second year. Unless granted a waiver, all Promise students are required to enroll as full-time students.

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 percent 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., technical certificate or diploma, associate degree, bachelor’s degree, etc.).⁴ 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 from high school. The first cohort of Promise students graduated from high school in 2015 and will not be included in attainment rates until 2021 and 2022 (as shown in the blue box of Exhibit 3).

Tennessee’s credential attainment rate rose from 33.8 percent in 2013 to 45.2 percent in 2018 (the most recent attainment rate reported).⁵ Over this period, the average annual growth was 2.28 percentage points, surpassing the minimum average annual growth necessary to stay on track to reach the 55 percent goal. The most significant increases were due in part to changes made to the attainment rate calculation in 2014 and 2018, however.

Exhibit 3: 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 (gray line)



Notes: (1) *Increases in these years were due in part to changes made to the attainment rate calculation in 2014 and 2018. (2) 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 use Reconnect to complete the remaining courses they need to finish their program of study.

Source: OREA analysis of data from the Lumina Foundation’s 2019 report *A Stronger Nation: Learning beyond high school builds American talent*.

The Lumina Foundation, which tracks Tennessee’s attainment data, began including technical certificates with the 2014 calculation of state attainment rates. Prior to 2014, the rate calculation included only associate degrees or higher (e.g., bachelor’s degrees, master’s degrees, etc.). Starting with the 2018 calculation of state attainment rates, the Lumina Foundation began including industry-recognized certifications, which are typically awarded based on assessments of knowledge and skill, unlike other credentials that recognize the completion of an academic program of study.

⁴The 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.

⁵The Lumina Foundation posts annual attainment rates by state. As of publication in January 2020, the 2018 rate is the most recent attainment rate reported.

These calculation changes contributed to an increase in the attainment rate of 5.5 percentage points between 2013 and 2014, and 2.5 percentage points between 2017 and 2018. Increased credential attainment also contributed to the rise in the attainment rates over those time periods 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 2018, the attainment rate increased a total of 5.9 percentage points, for an average annual growth of 1.48 percentage points. The average annual growth is lower (0.93 percentage points) if the calculation change made in 2018 is removed. 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, however, Tennessee's attainment rate calculation does not yet include Promise students.

Evidence from OREA's evaluation suggests that Tennessee Promise will have a positive effect on the attainment rate. As shown earlier, 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. Tennessee Promise is also helping more students stay enrolled and on track to earn credentials. This is especially true for the first cohort of Promise students. 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 expected increase in the attainment rate with 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 64.4 to 61.8 percent between 2015 and 2019, and, though not specific to Promise students, preliminary enrollment numbers at community colleges for 2020 show a 10.3 percent drop. OREA will continue to monitor enrollment as more data becomes available. Also, retention rate data shows that fewer students in 2018 remained on track to graduate than in the first year of the program.

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 early 2022.

See OREA's *Tennessee Promise Evaluation* for a full explanation and analysis of the program, as well as policy options that address ways to increase the number of students who enter the program, stay on track to graduate, and ultimately earn a credential: <https://comptroller.tn.gov/office-functions/research-and-education-accountability/publications/higher-education/content/tennessee-promise-evaluation.html>.



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