



**Jason E. Mumpower, Comptroller of the Treasury**

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## **TSU's Intensified Scholarship Program Contributed to Housing Shortage**

The Tennessee Comptroller's Office has completed a special report examining the circumstances that led to Tennessee State University's need for off-campus housing during the 2022-2023 school year.

The report concludes that TSU leaders' lack of planning, management, and sound decision-making exacerbated the need for emergency housing after TSU admitted a record number of students.

The Comptroller's review began following TSU's request in the Summer of 2022 to lease six properties, including five hotels, to provide emergency housing to students. The university initially requested the lease of 12 properties, including 11 hotels. Student demand for housing has exceeded the university's supply almost every year since at least 2017; however, the problem escalated in 2022 after TSU leaders conducted an extensive recruiting and scholarship effort despite the housing shortage.



Comptroller staff determined a significant factor in the university's enrollment growth was TSU's decision to increase its 2022-2023 scholarship budget from \$6.4 million to \$28.3 million. Approximately three quarters (1,280 out of 1,722) of the scholarships provided were full-cost scholarships that guaranteed housing.

Additionally, the Comptroller's Office concluded approximately one-third of the students (529 of 1,722) did not meet the minimum GPA requirement for these scholarships. The students may have qualified based on financial need, but there was no documentation to that effect in the random sample of student files reviewed.

Moreover, the \$28.3 million budgeted for scholarships was not fully approved by the TSU Board of Trustees until November 2022 – a month before the completion of the Fall 2022 semester.

TSU's housing problem is likely to continue for the foreseeable future. The university's on-campus housing capacity is 3,680 beds, short of the estimated need of 4,800 beds for Fall 2023. TSU officials plan to construct two new residence halls in the future, adding another 1,000 beds; however, four existing residence halls with a total of 1,506 beds may need to be demolished because they are at the end of their useful life.

As of last November, TSU planned to lease three hotels for the Fall 2023 semester.

The special report includes a number of policy considerations for the General Assembly, ranging from replacing TSU's Board of Trustees and management to enhanced reporting from current TSU leadership.

The Comptroller's Office will present the special report to the Senate's Ad Hoc Committee on TSU on the morning of February 23, 2023 immediately following the Senate Floor Session in Senate Hearing Room 1. The report will also be shared with the Education, Health, and General Welfare Joint Evaluation Committee of the Government Operations Committee during TSU's sunset hearing on February 27, 2023 at 9 a.m. in House Hearing Room 1. Both meetings will be streamed on the General Assembly's [website](#).

To view the special report on Tennessee State University, go to [tncot.cc/tsu](https://tncot.cc/tsu).

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