



Tennessee Education Lottery Scholarship Program Annual Report

Tennessee Higher Education Commission

Originally presented January 24, 2008

Updated April 22, 2008





Statutory Charge

“...provide assistance to the general assembly and to the Tennessee Student Assistance Corporation (TSAC) by researching and analyzing data concerning the scholarship and grant programs created under this part, including, but not limited to, student success and scholarship retention. THEC shall report its findings annually to the education committee of the senate and the education committee of the house of representatives before the second Tuesday in January.”



Tennessee Education Lottery Scholarship Eligibility Criteria, 2007-08



	HOPE (base)	General Assembly Merit Scholarship	ASPIRE (HOPE with need supplement)	Access Award	Wilder-Naifeh Technical Skills Grant
Amount (4-yr.)	\$4,000	\$5,000	\$5,500	\$2,750	N/A
Amount (2-yr.)	\$2,000	\$3,000	\$3,500	\$1,750	\$2,000
Minimum High School GPA	3.00	3.75	3.00	2.75	N/A
Minimum ACT Composite	<u>or</u> 21	<u>and</u> 29	<u>or</u> 21	<u>and</u> 18-20	N/A
Family Adjusted Gross Income	N/A	N/A	\$36,000 or less	\$36,000 or less	N/A
College Retention GPA	Cumulative 2.75 at 24 hours, cumulative 3.0 at 48, 72, 96 hours			Cumulative 2.75 at 24 hours allows qualification for HOPE	Satisfactory academic progress



Scholarship Recipients and Dollars Awarded 2004-05 through 2006-07

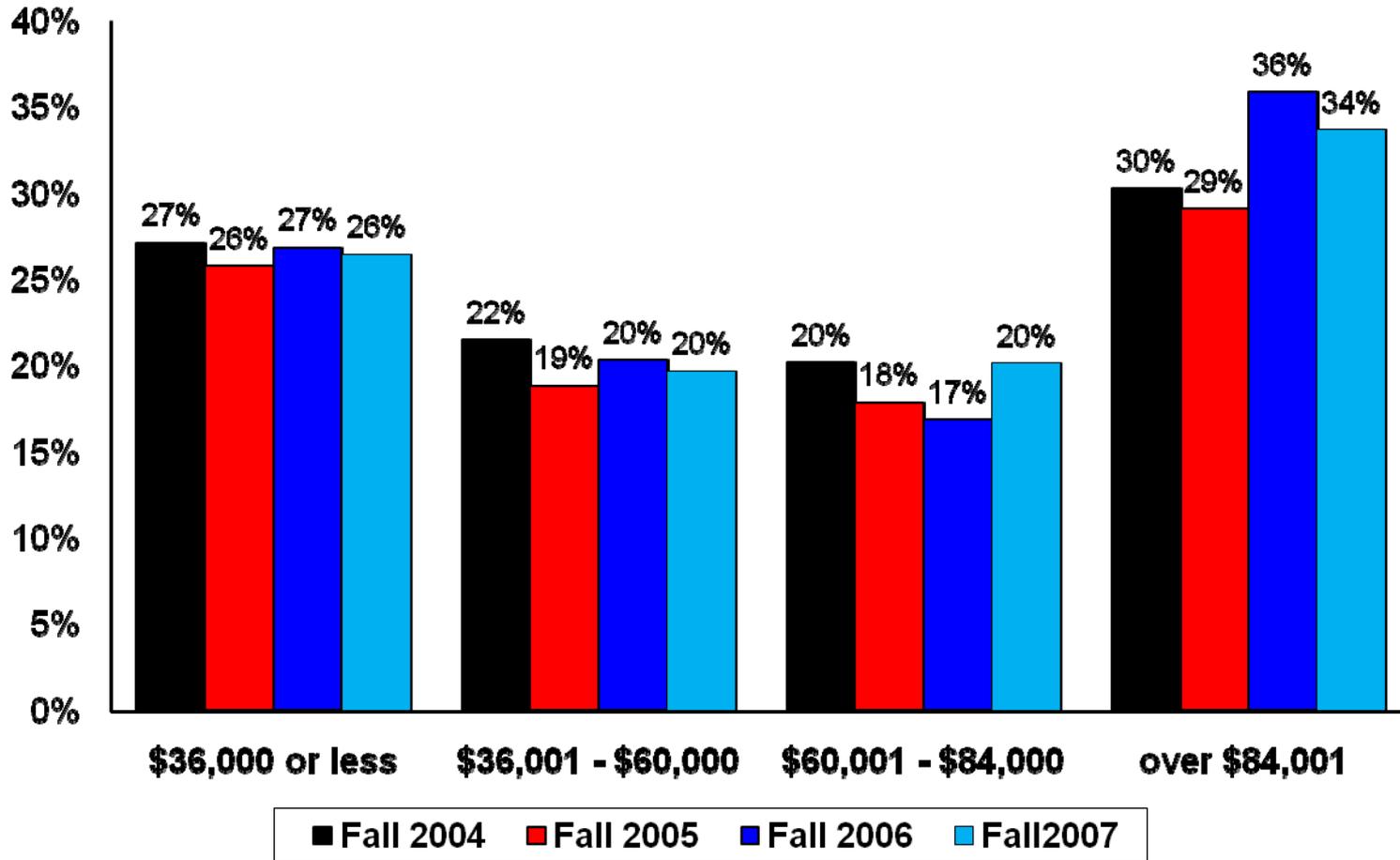


	2004-05		2005-06		2006-07	
	Students	Dollars	Students	Dollars	Students	Dollars
HOPE	31,272	\$86,650,189	40,275	\$126,345,913	33,120	\$108,329,304
GAMS	included in HOPE totals		included in HOPE totals		3,915	\$18,220,292
ASPIRE					11,625	\$52,784,041
Access Award	108	\$152,560	265	\$490,294	314	\$639,716
Wilder-Naifeh Technical Skills Grant	8,815	\$6,613,273	10,023	\$7,860,163	9,721	\$8,072,603
Foster Child Grant	n/a	n/a	30	\$88,245	17	\$34,604
Dual Enrollment Grant	n/a	n/a	5,465	\$2,060,356	8,306	\$3,600,922
Total	40,195	\$93,416,022	56,058	\$136,844,971	67,018	\$191,681,482

- 2007-08 estimate = \$233 Million
- 2008-09 estimate = \$238 Million

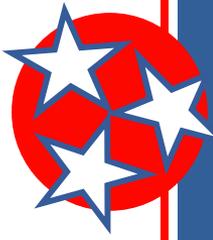


Distribution of Scholarship Recipients by Family Income (All Award Types*)

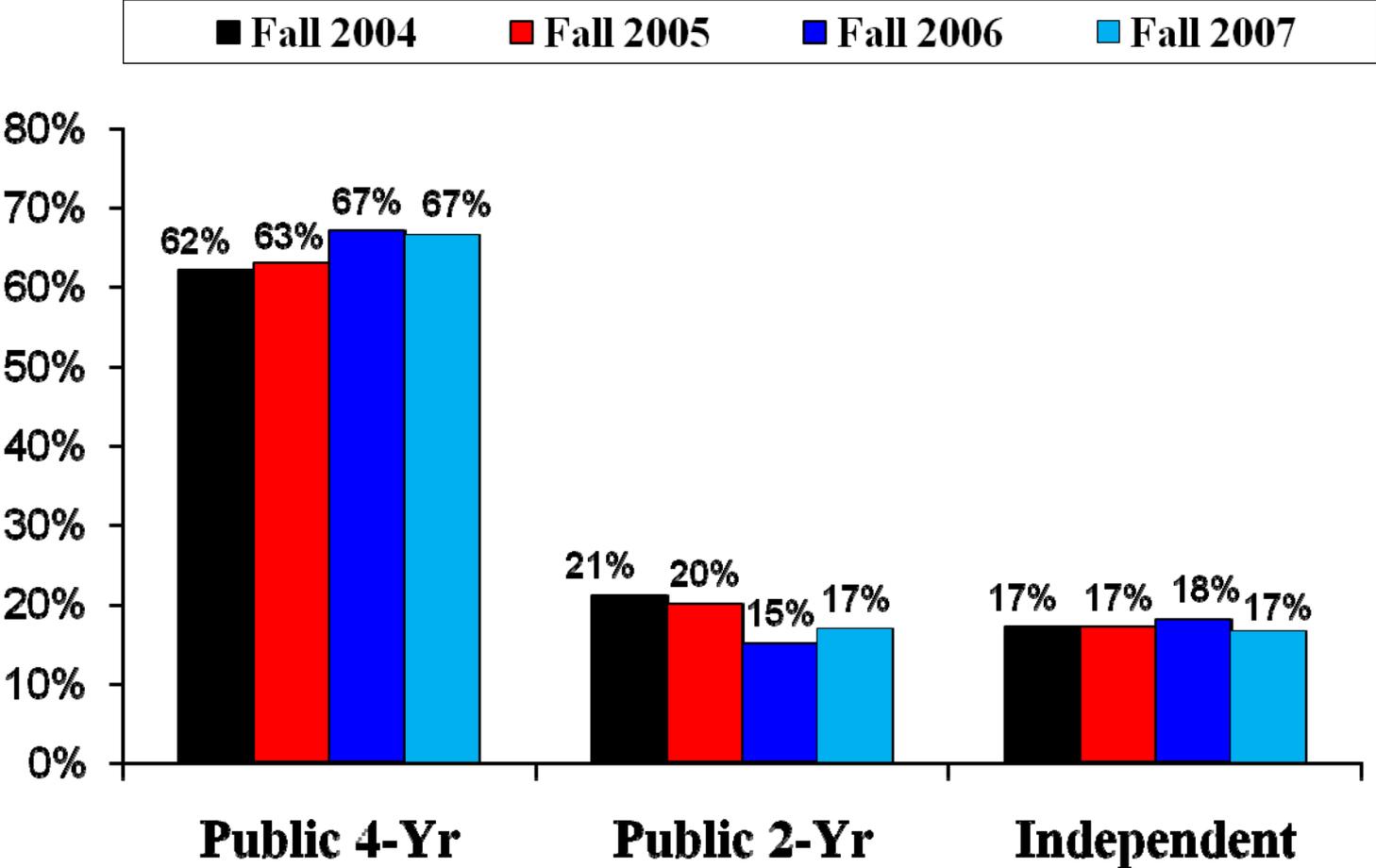


* HOPE, GAMS, ASPIRE, and Access. Fall 2007 data excludes first-time freshmen.





Distribution of Scholarship Recipients by Postsecondary Sector (All Award Types*)

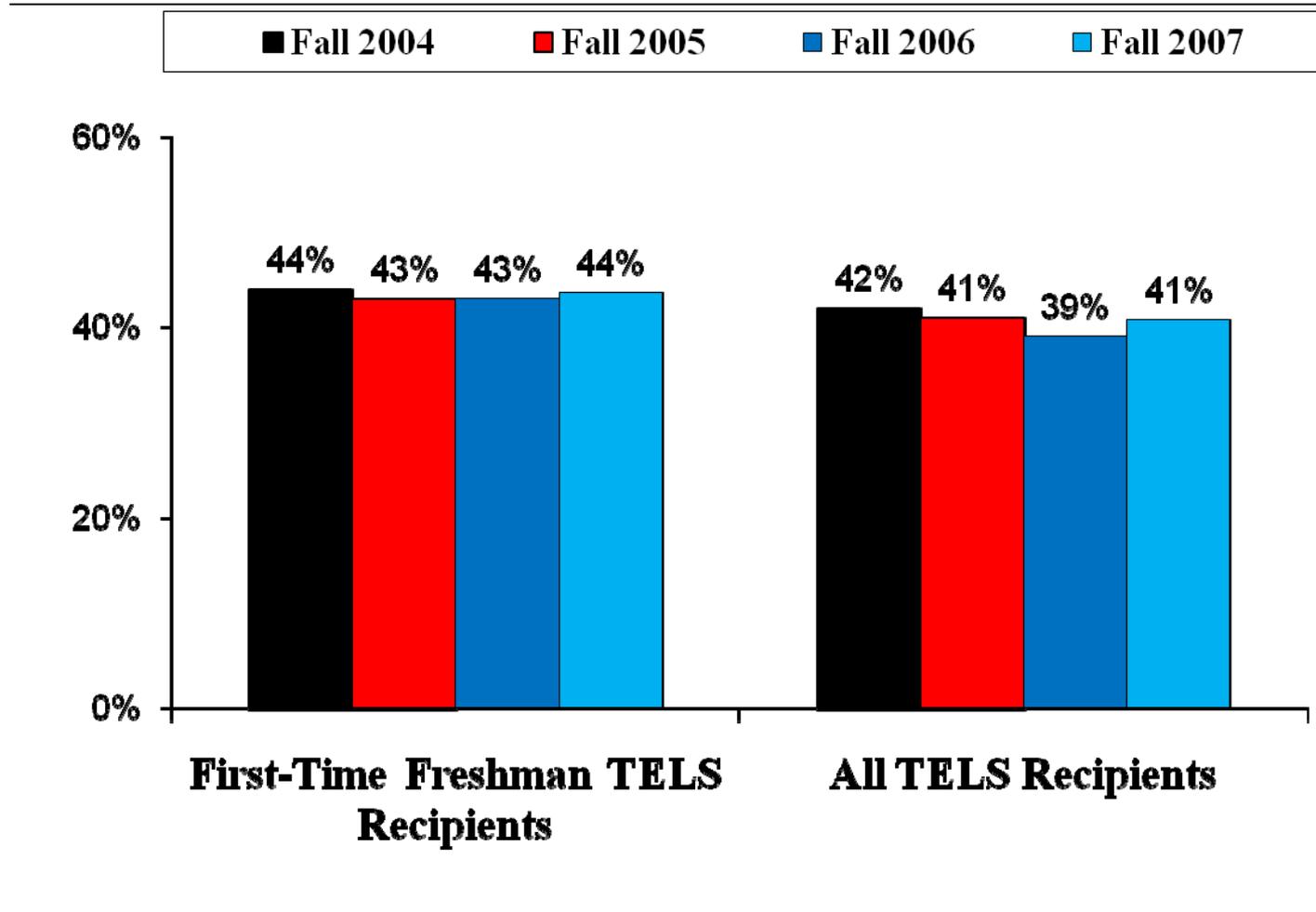


* HOPE, GAMS, ASPIRE, and Access.





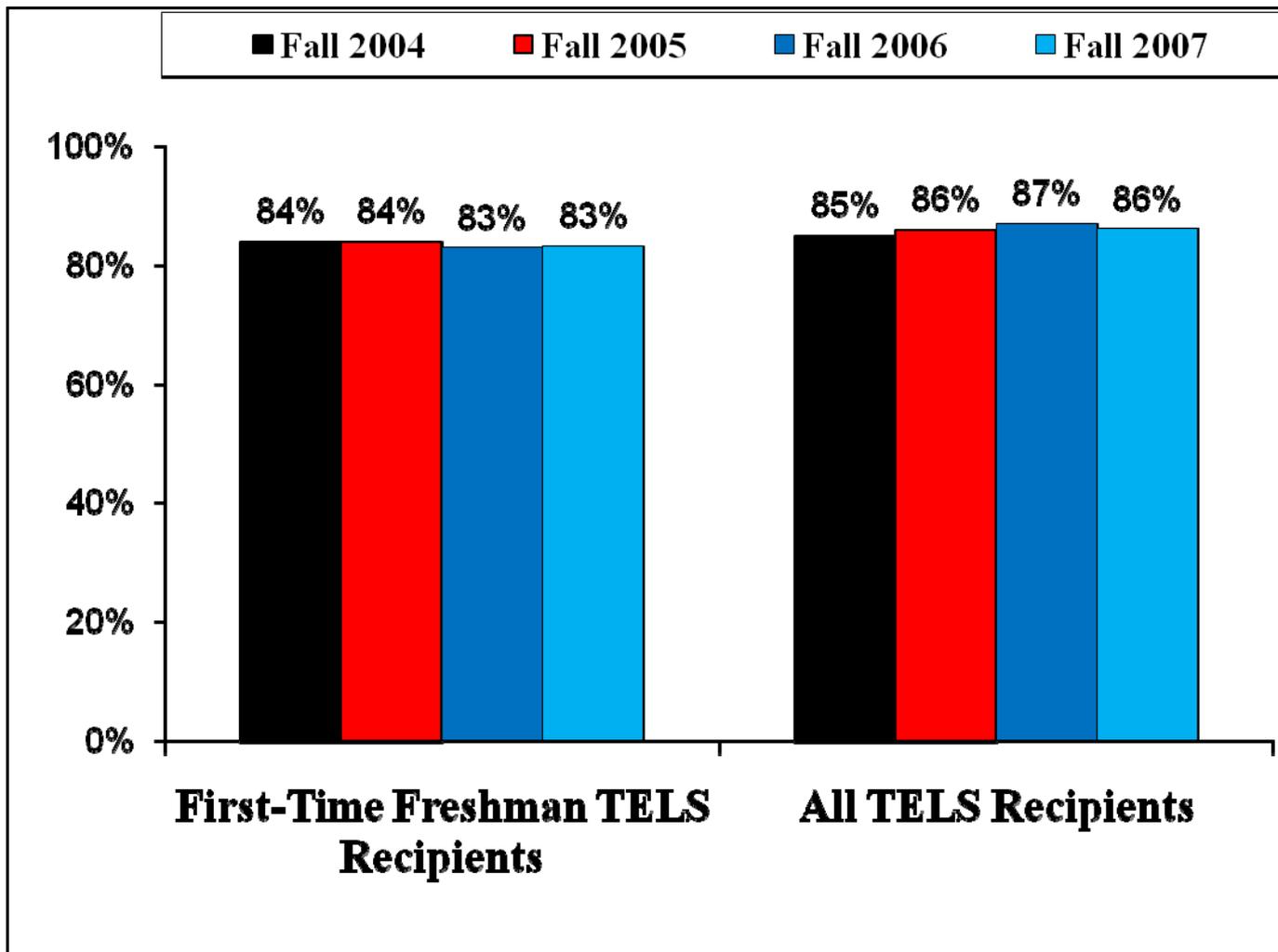
Male Students as a Percentage of Scholarship Recipients (All Award Types*)



* HOPE, GAMS, ASPIRE, and Access.



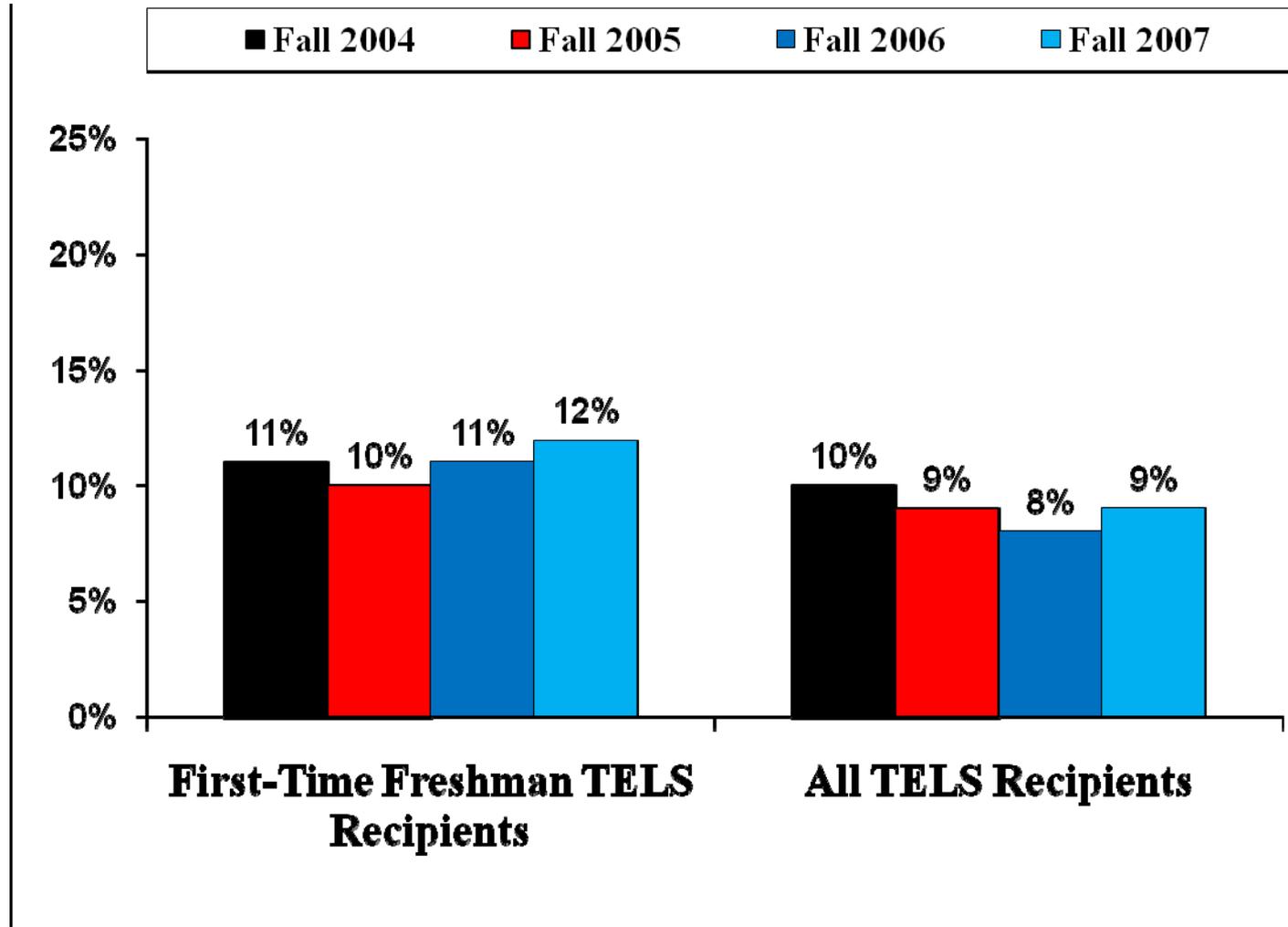
Caucasian Students as a Percentage of Scholarship Recipients (All Award Types*)



* HOPE, GAMS, ASPIRE, and Access.



African-American Students as a Percentage of Scholarship Recipients (All Award Types*)



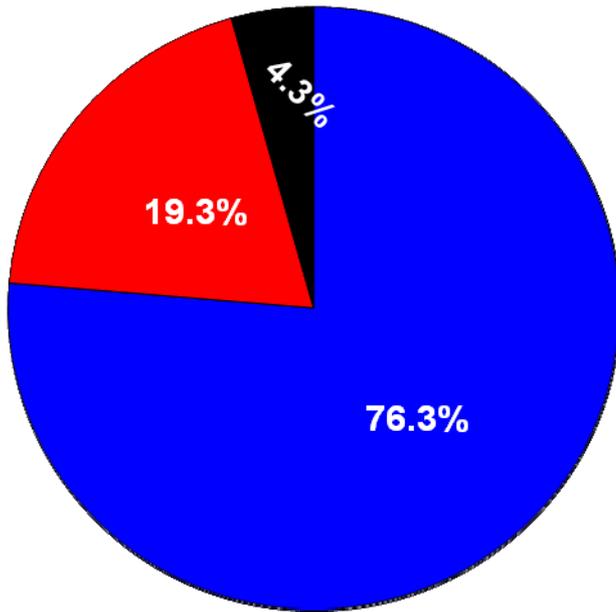
* HOPE, GAMS, ASPIRE, and Access.



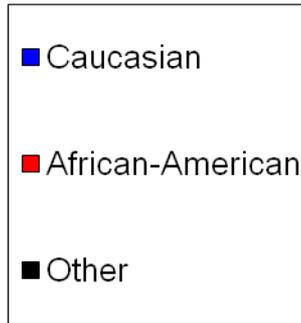
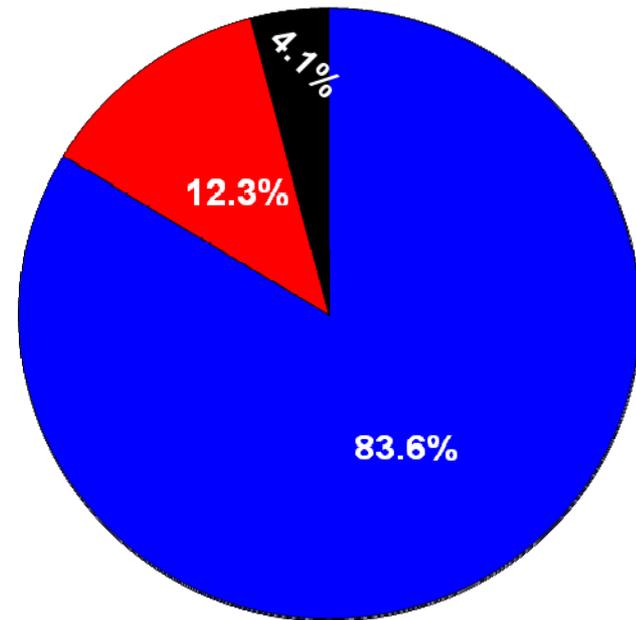


Fall 2007 Freshmen¹ by Race/Ethnicity

All First-Time Freshmen



First-Time Freshmen on Lottery Scholarship²

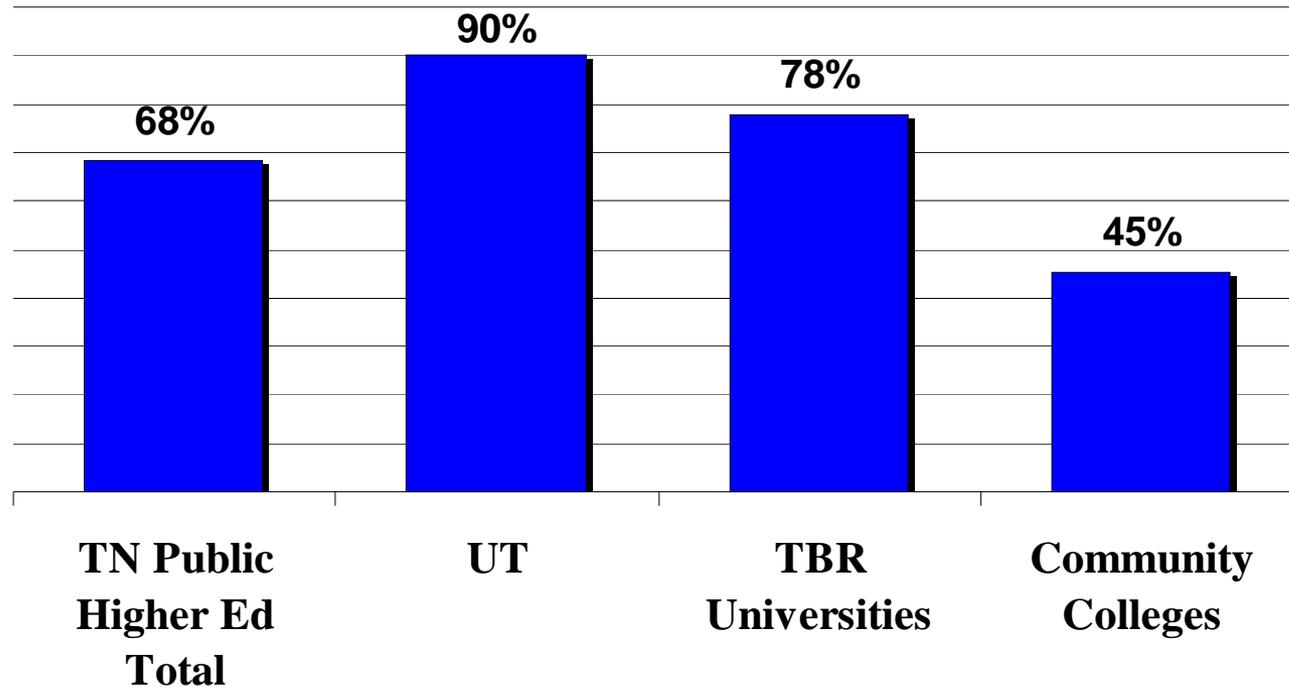
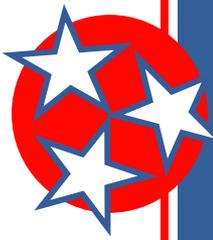


1. Public institutions only; Tennessee residents age 19 or younger enrolled Fall 2007 as first-time freshmen.

2. First-time freshmen receiving HOPE, GAMS, ASPIRE, or Access awards.



Percent of Fall 2007 Freshmen Attending on a Lottery Scholarship



68 percent of Fall 2007 freshmen in public institutions attended on a lottery scholarship. The percentage of students on scholarship was higher at universities than at community colleges.

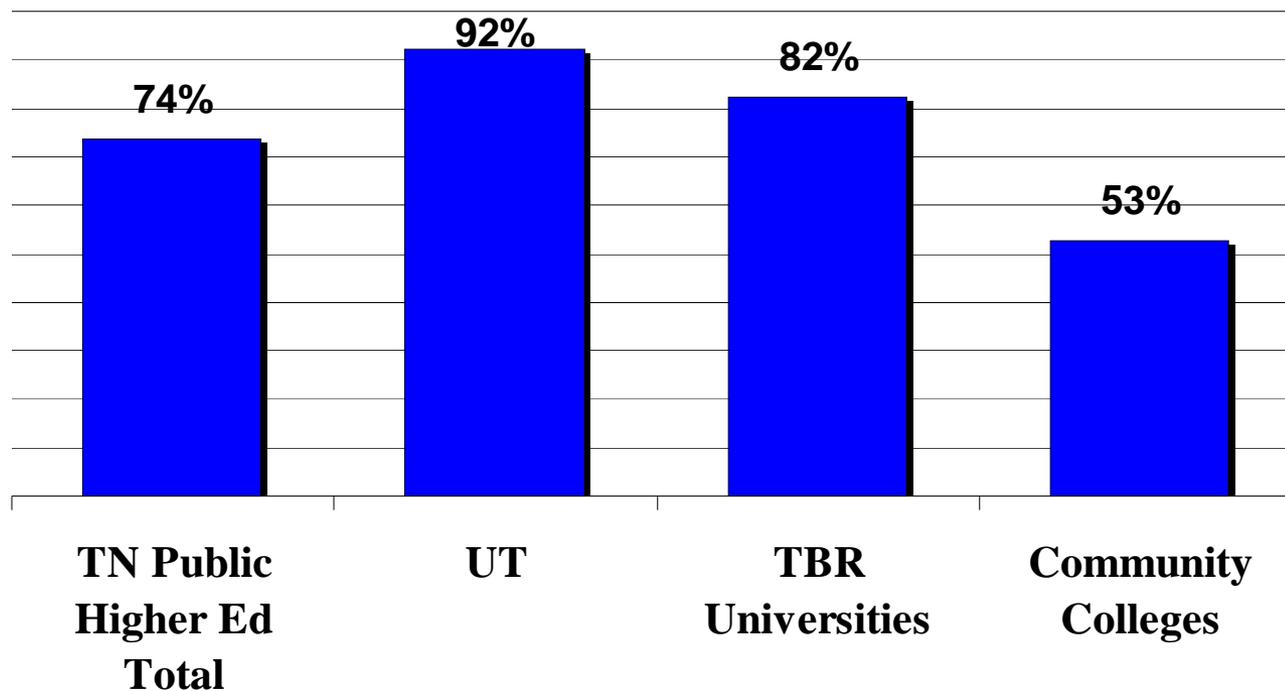
* Tennessee resident first-time freshmen who were 19 or younger; public institutions only. HOPE, GAMS, ASPIRE, and Access awards only.



Percent of Fall 2007 Freshmen Attending on a Lottery Scholarship



Caucasian Students



74 percent of Caucasian freshmen in public institutions attended on a lottery scholarship.

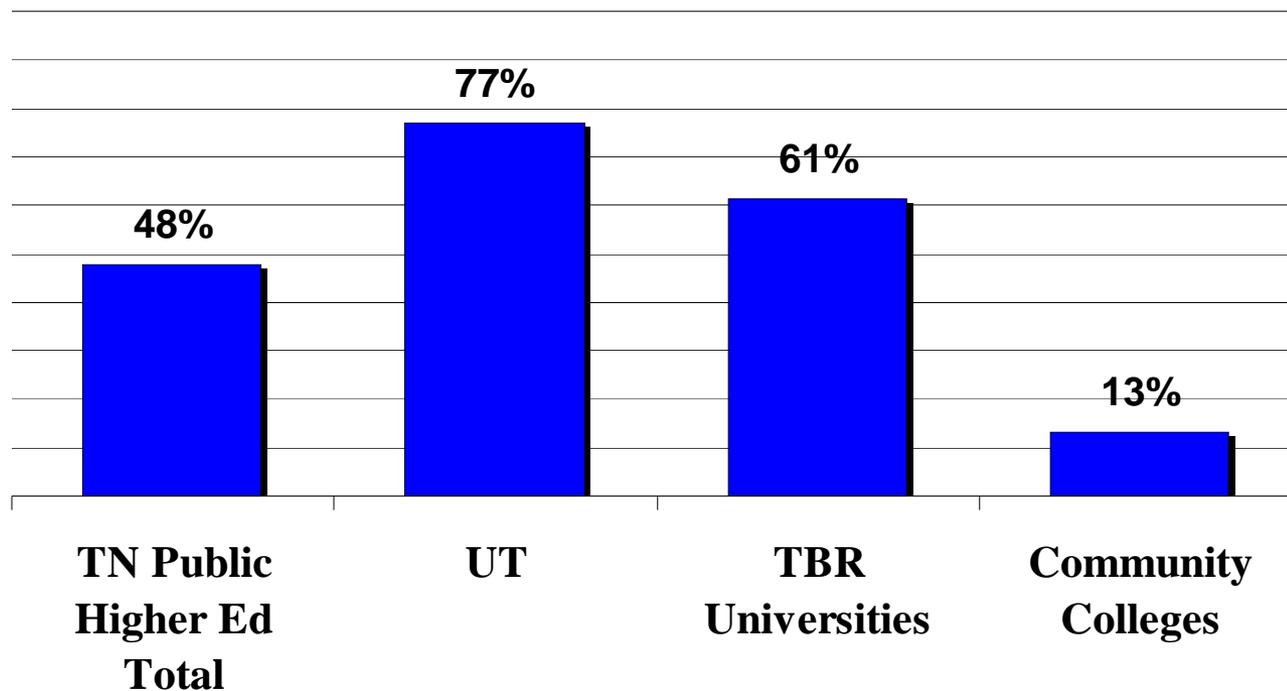
* Tennessee resident first-time freshmen who were 19 or younger; public institutions only. HOPE, GAMS, ASPIRE, and Access awards only.



Percent of Fall 2007 Freshmen Attending on a Lottery Scholarship



African American Students



48 percent of African American freshmen in public institutions attended on a lottery scholarship.

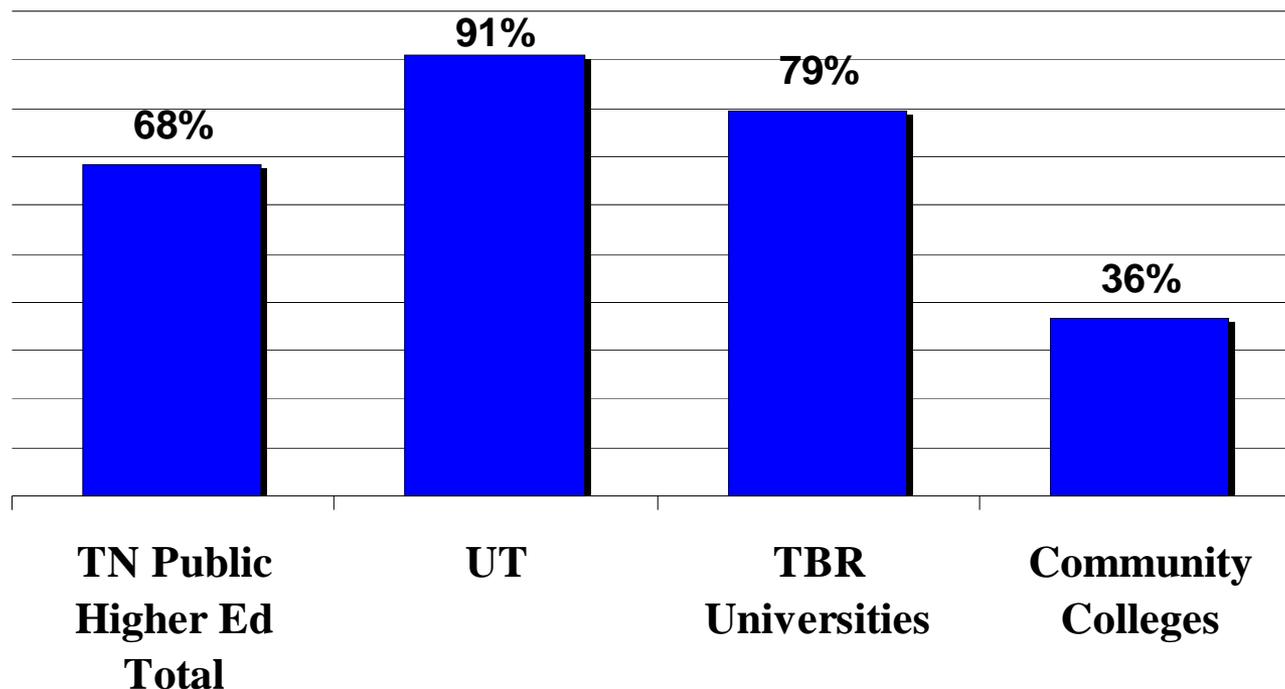
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Percent of Fall 2007 Freshmen Attending on a Lottery Scholarship



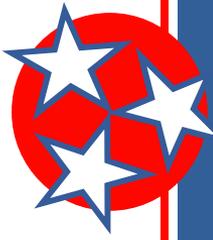
Students of Other Race/Ethnicity



68 percent of public college freshmen from other racial/ethnic backgrounds attended on a lottery scholarship.

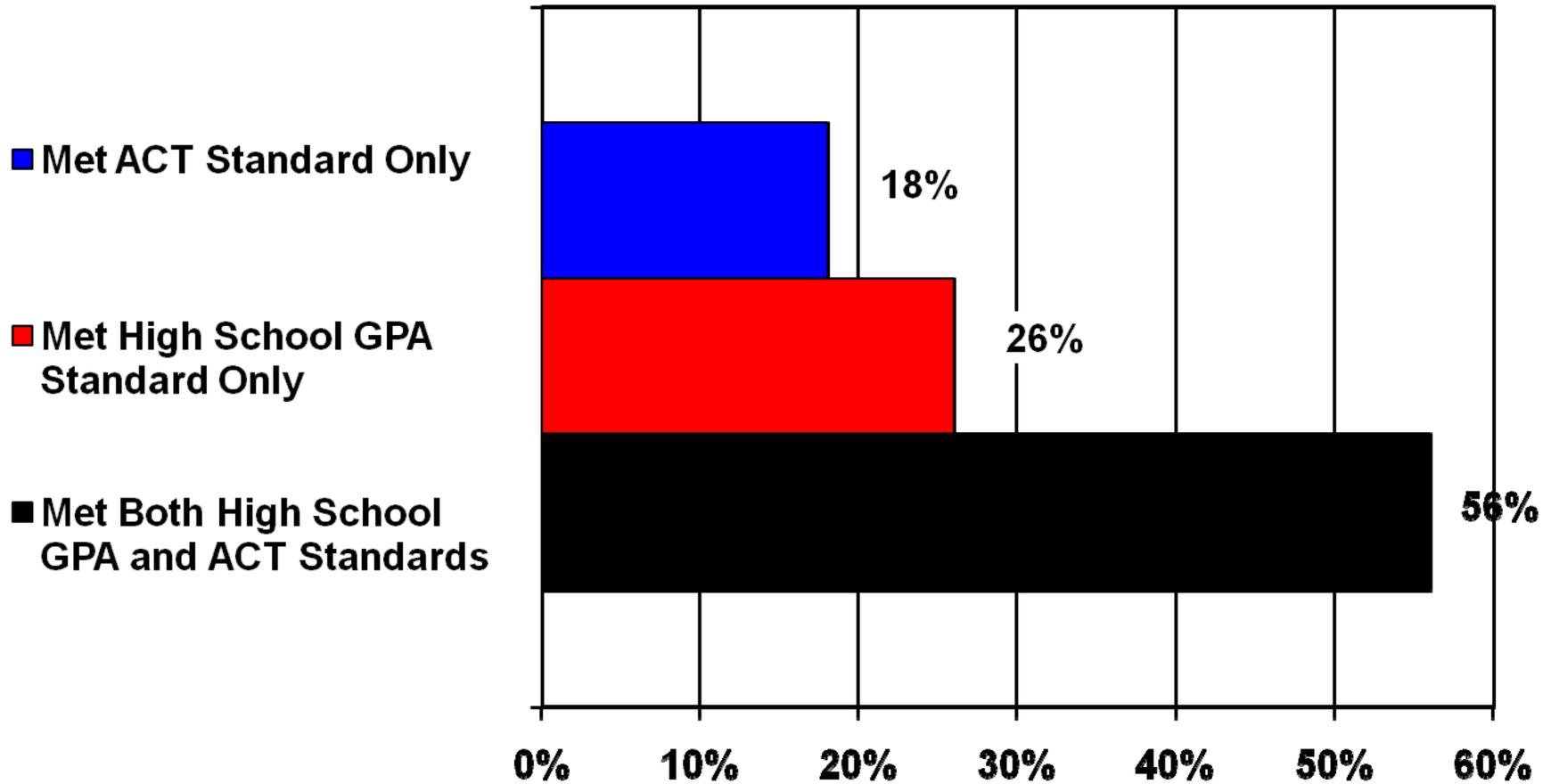
* Tennessee resident first-time freshmen who were 19 or younger; public institutions only. HOPE, GAMS, ASPIRE, and Access awards only.





Academic Preparation

Qualification Standards Met by Fall 2006 First-Time Freshman TELS Recipients*

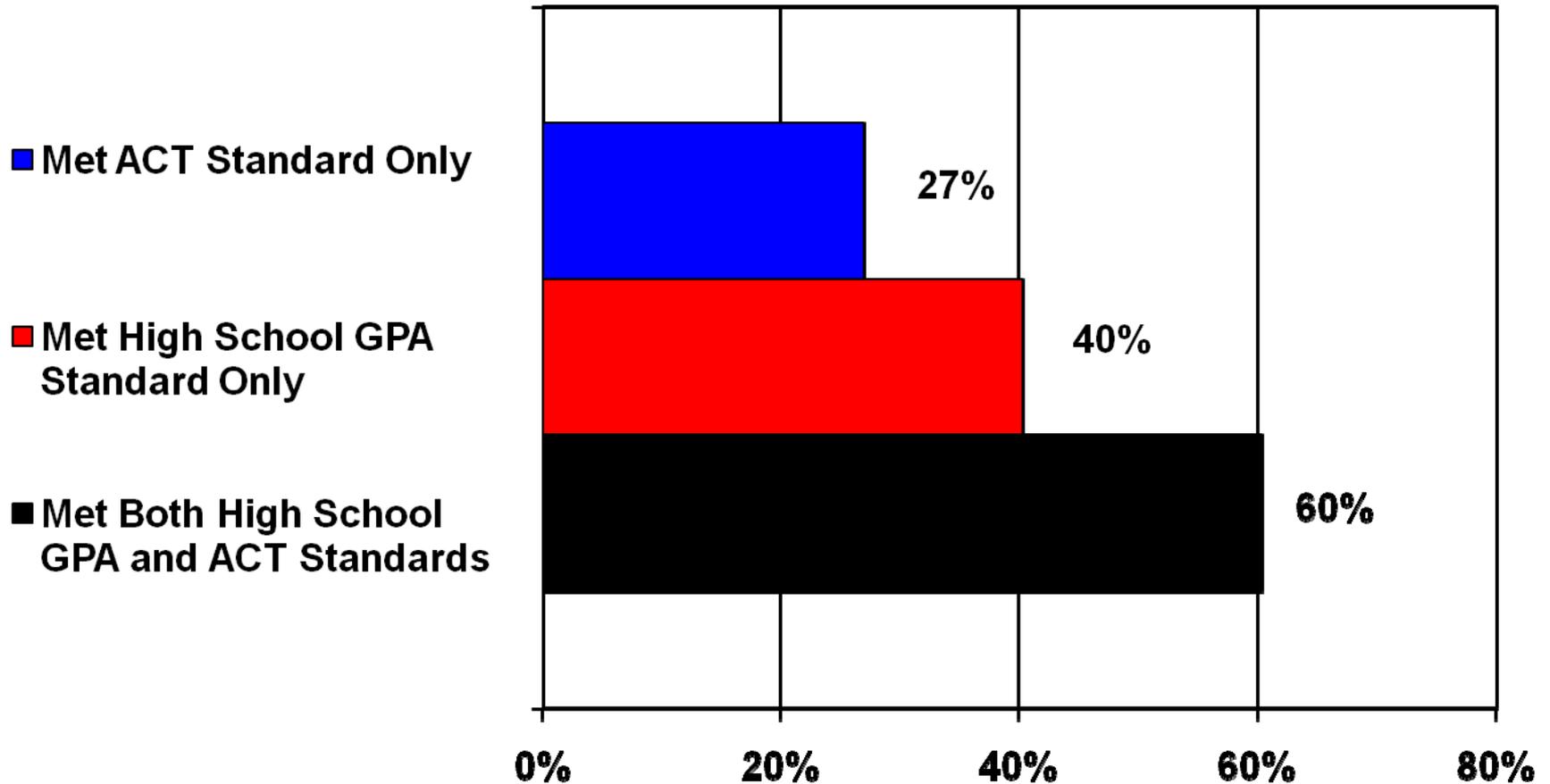
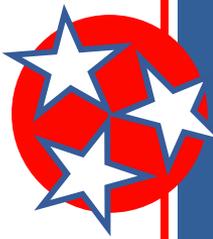


* Public institutions only; HOPE, GAMS, ASPIRE, and Access awards



Scholarship Retention Rates

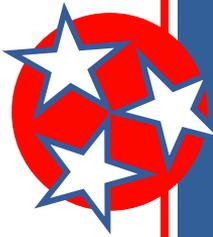
Fall 2006 First-Time Freshman TELS Recipients*



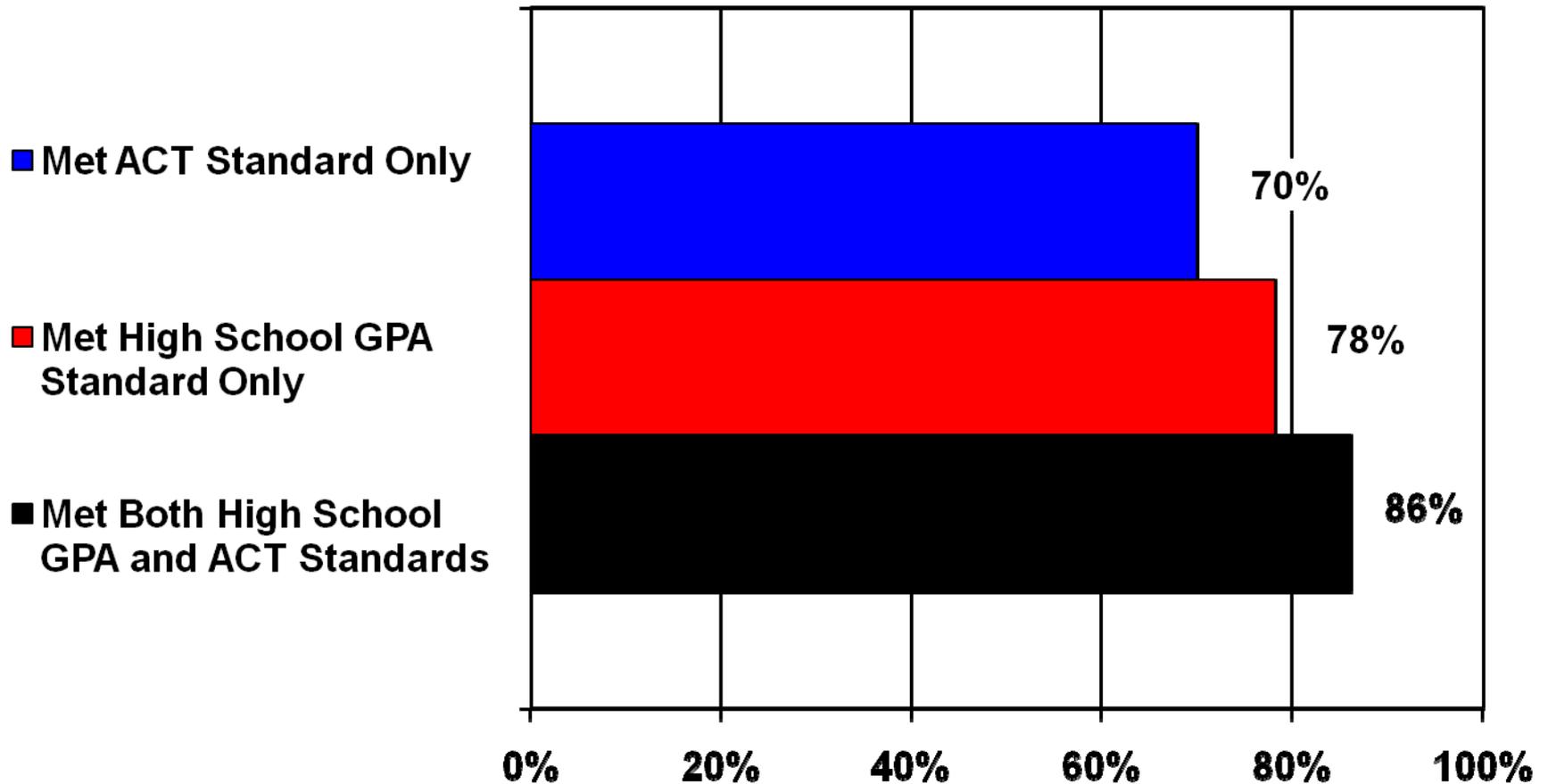
* Public institutions only; HOPE, GAMS, ASPIRE, and Access awards



College Retention Rates



Fall 2006 First-Time Freshman TELS Recipients*



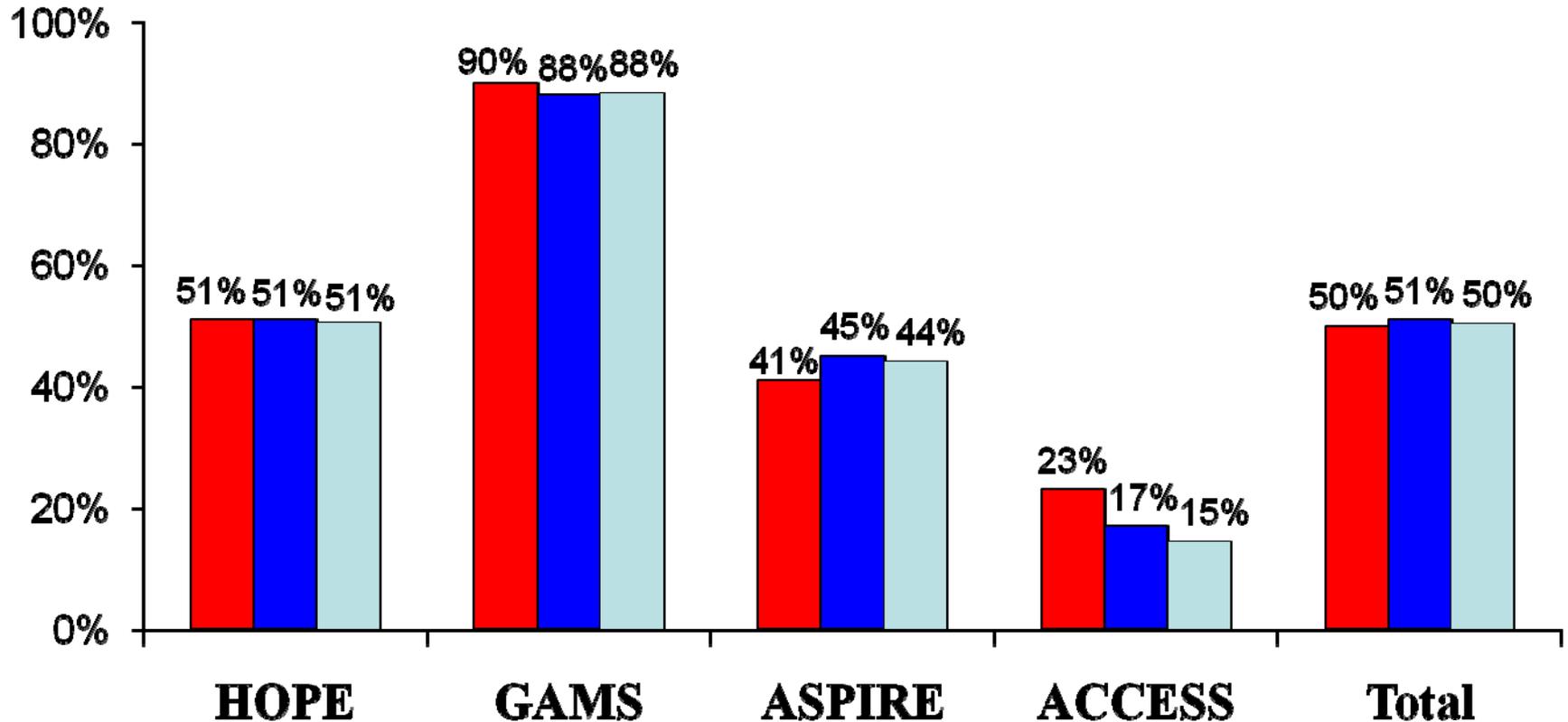
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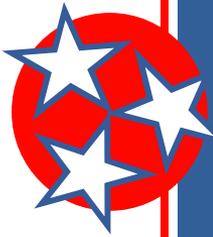
First-time Freshmen Scholarship Retention Rates by Award Type



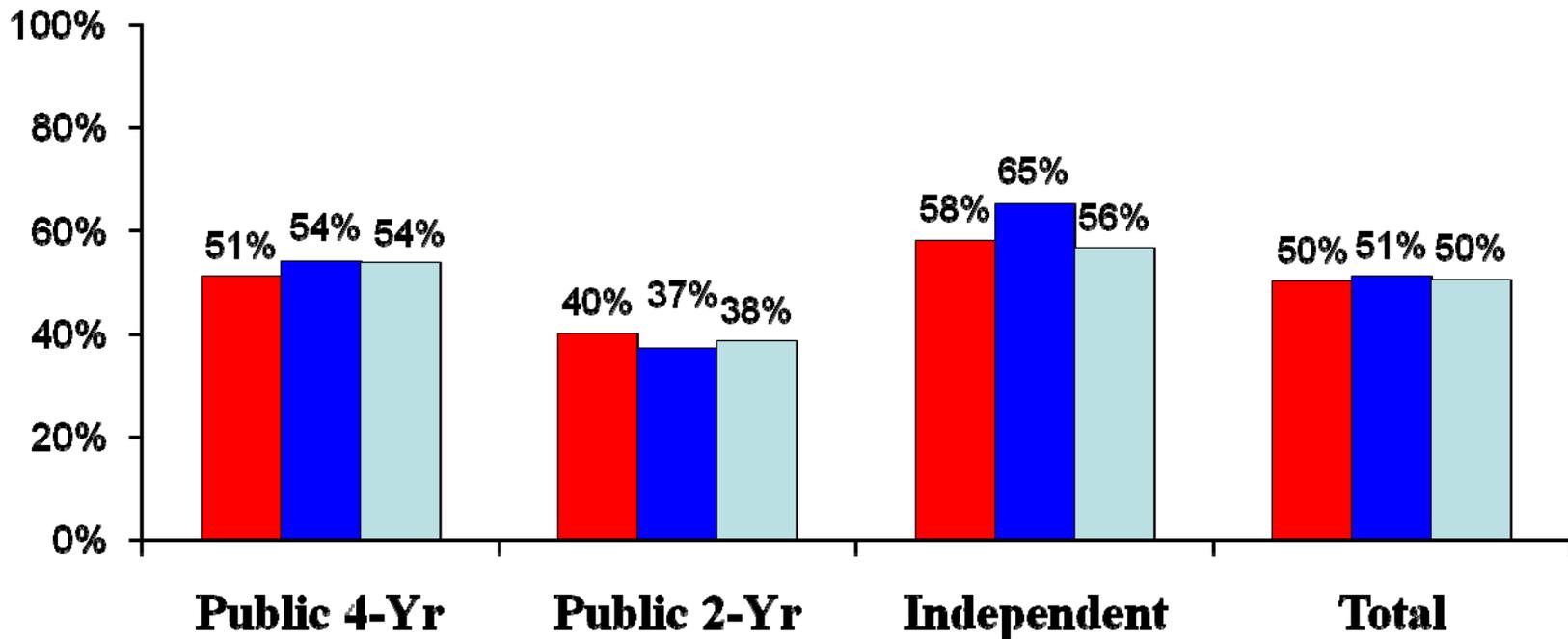
■ Fall 2004 to Fall 2005 ■ Fall 2005 to Fall 2006 ■ Fall 2006 to Fall 2007



First-time Freshmen Scholarship Retention Rates by Initial Postsecondary Sector*



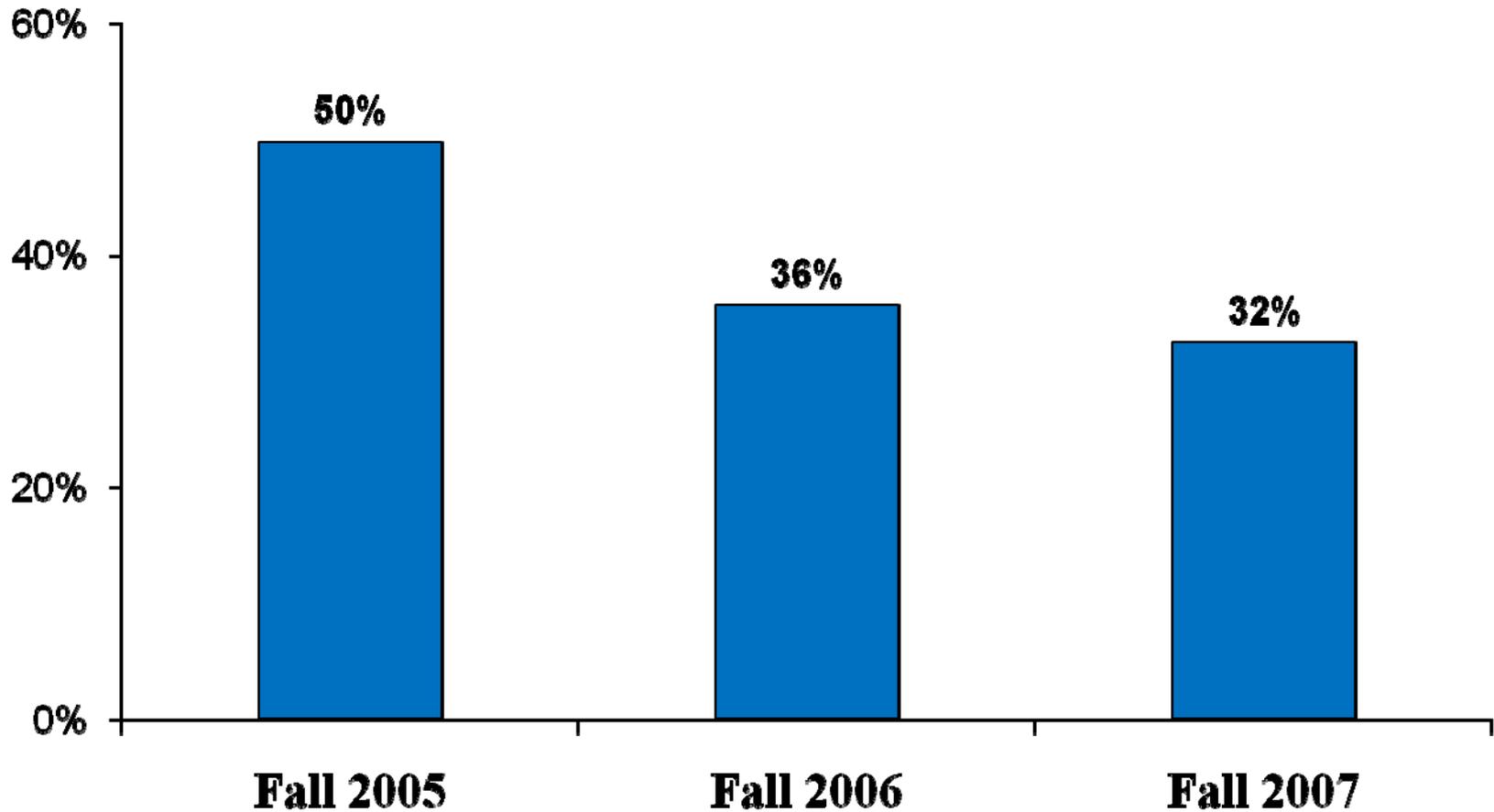
■ Fall 2004 - Fall 2005
 ■ Fall 2005 - Fall 2006
 ■ Fall 2006 - Fall 2007



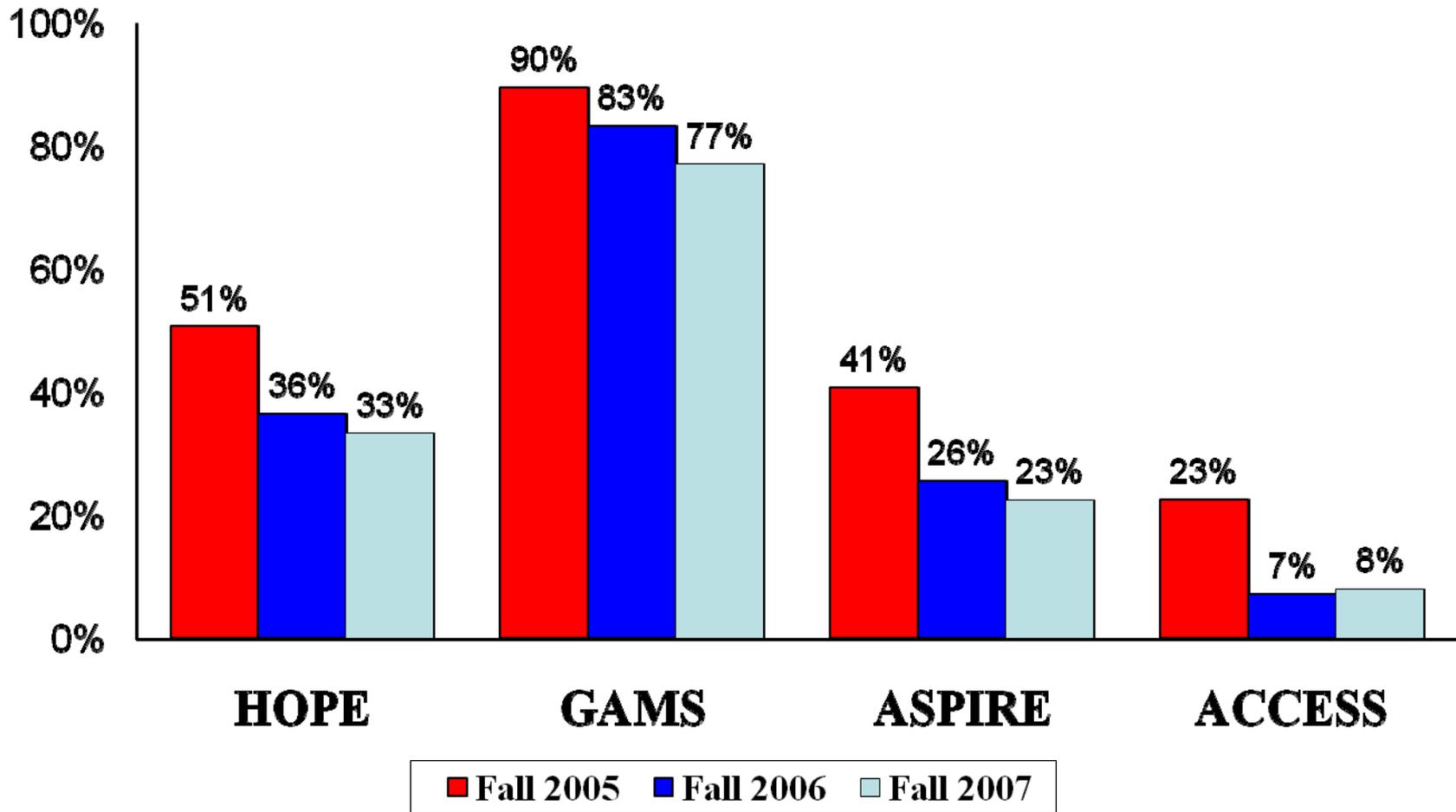
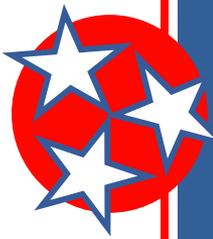
* HOPE, GAMS, ASPIRE, and Access awards



Fall 2004 First-time Freshmen Cumulative Scholarship Retention Rates (All Award Types)



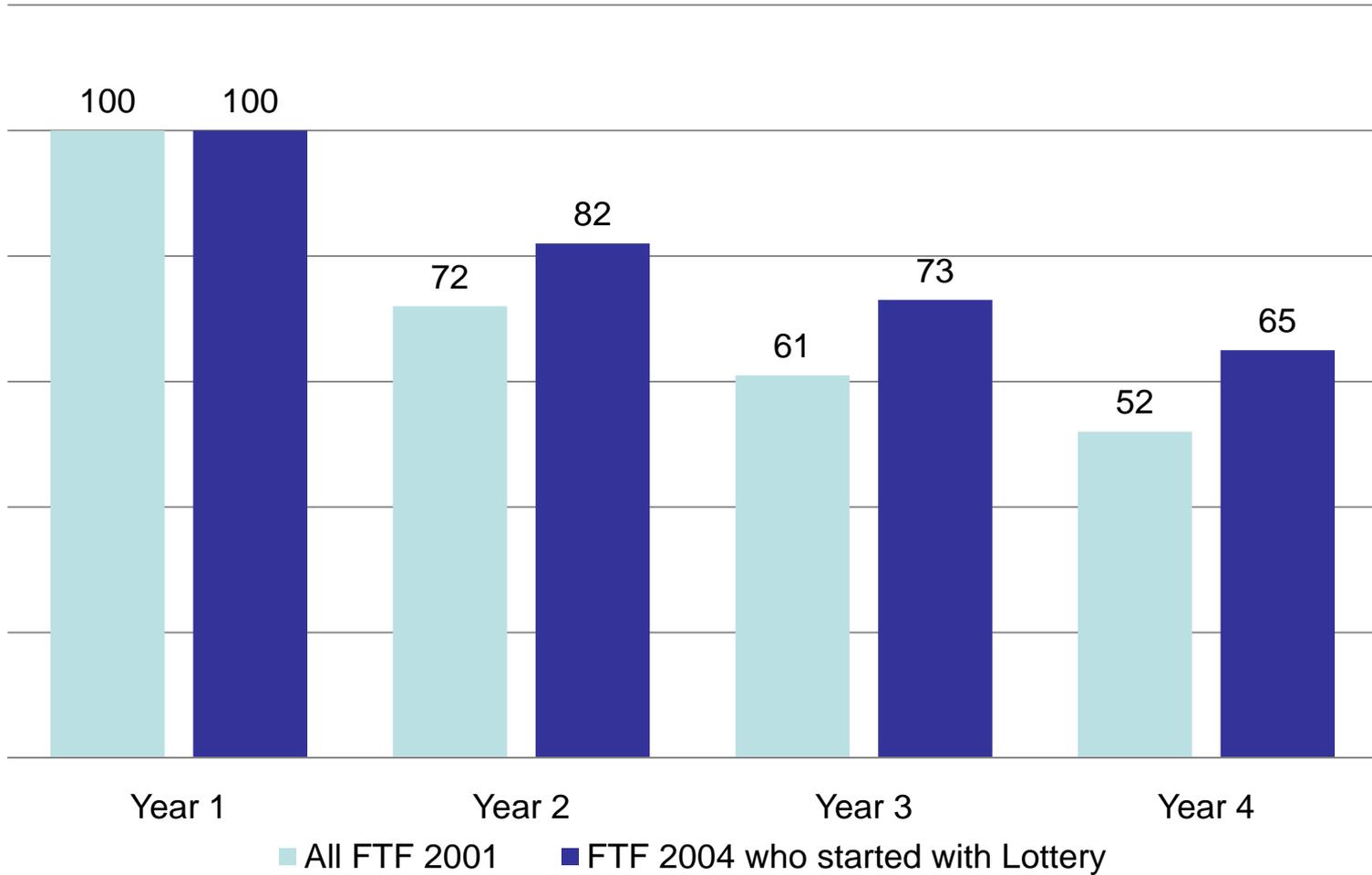
Fall 2004 First-time Freshmen Cumulative Scholarship Retention Rates by Award Type





College Retention*

Fall 2004 Lottery Students v. All Students



* Public institutions only; HOPE, GAMS, ASPIRE, and Access awards

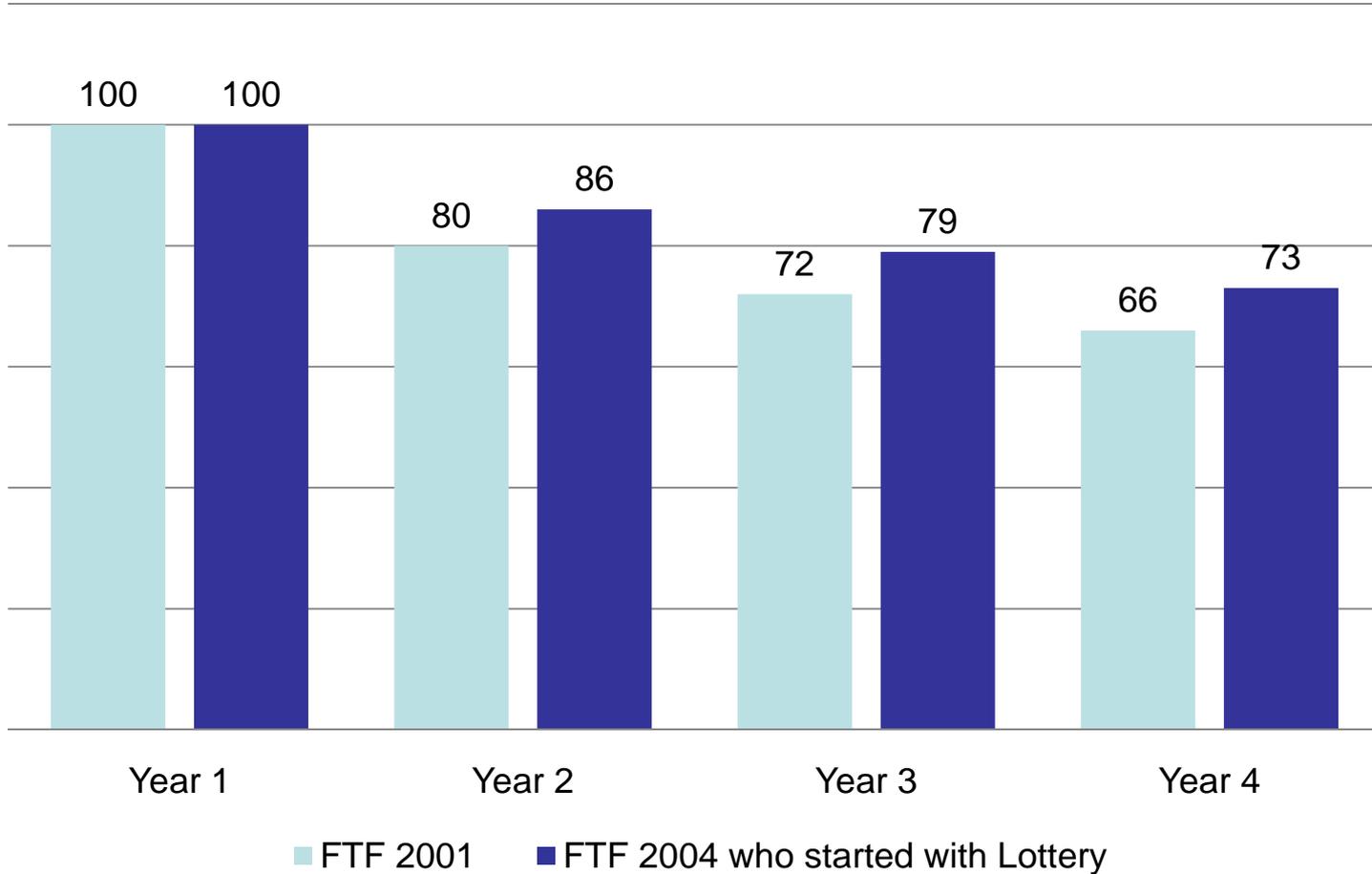




College Retention

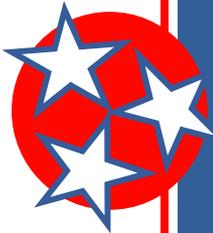
Fall 2004 Lottery v. Non-lottery Students

Public 4 Year

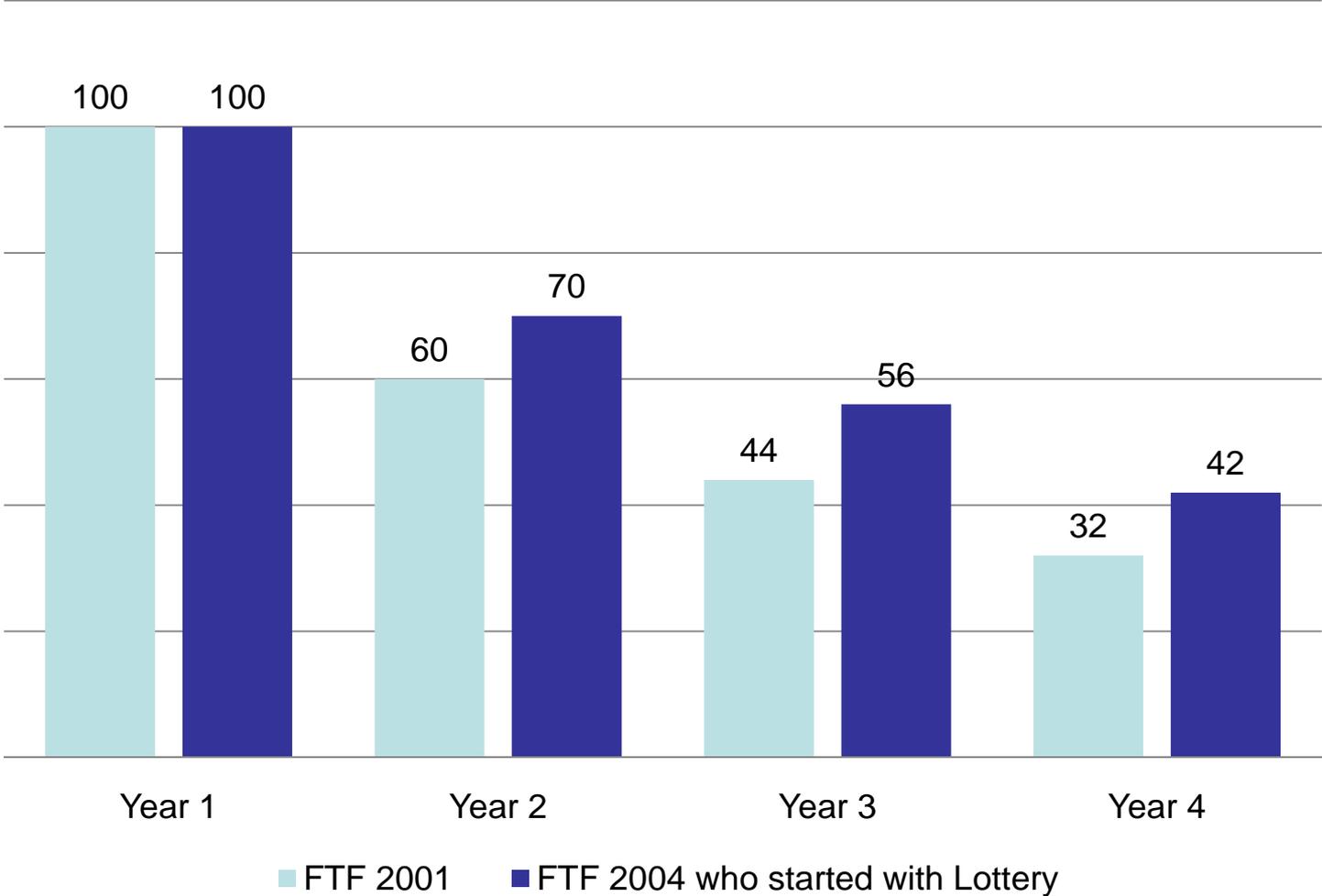


College Retention

Fall 2004 Lottery v. Non-lottery Students

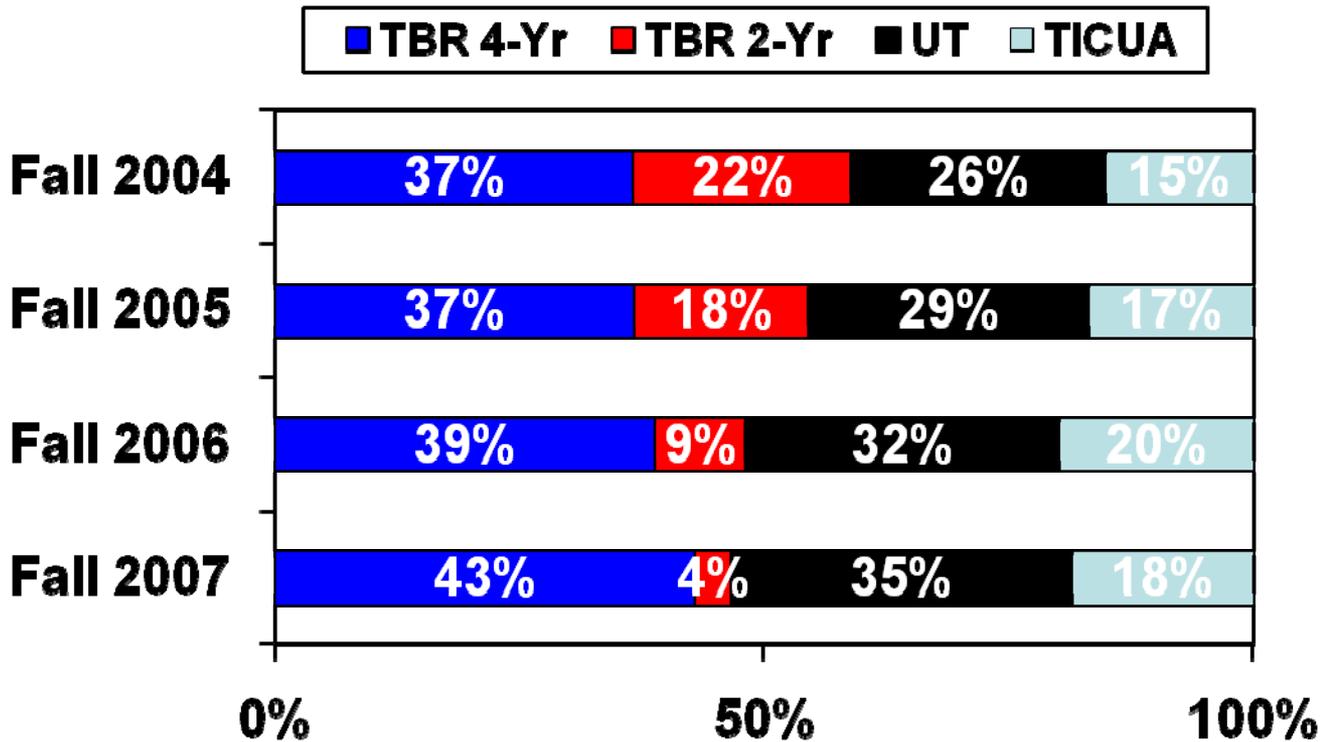


Public 2 Year



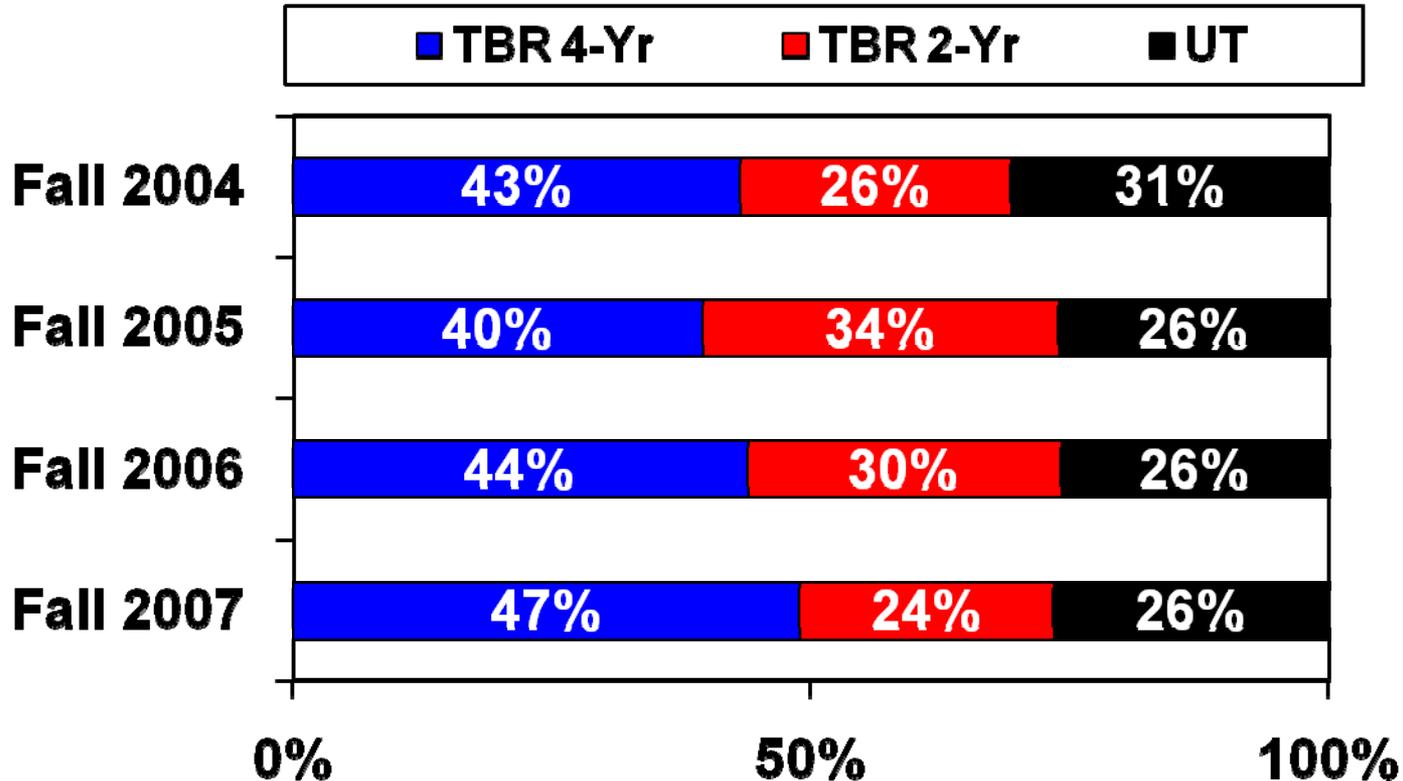


Fall 2004 TELS First-Time Freshmen: Began at a Public Institution, Retained Scholarship, and Remained Enrolled

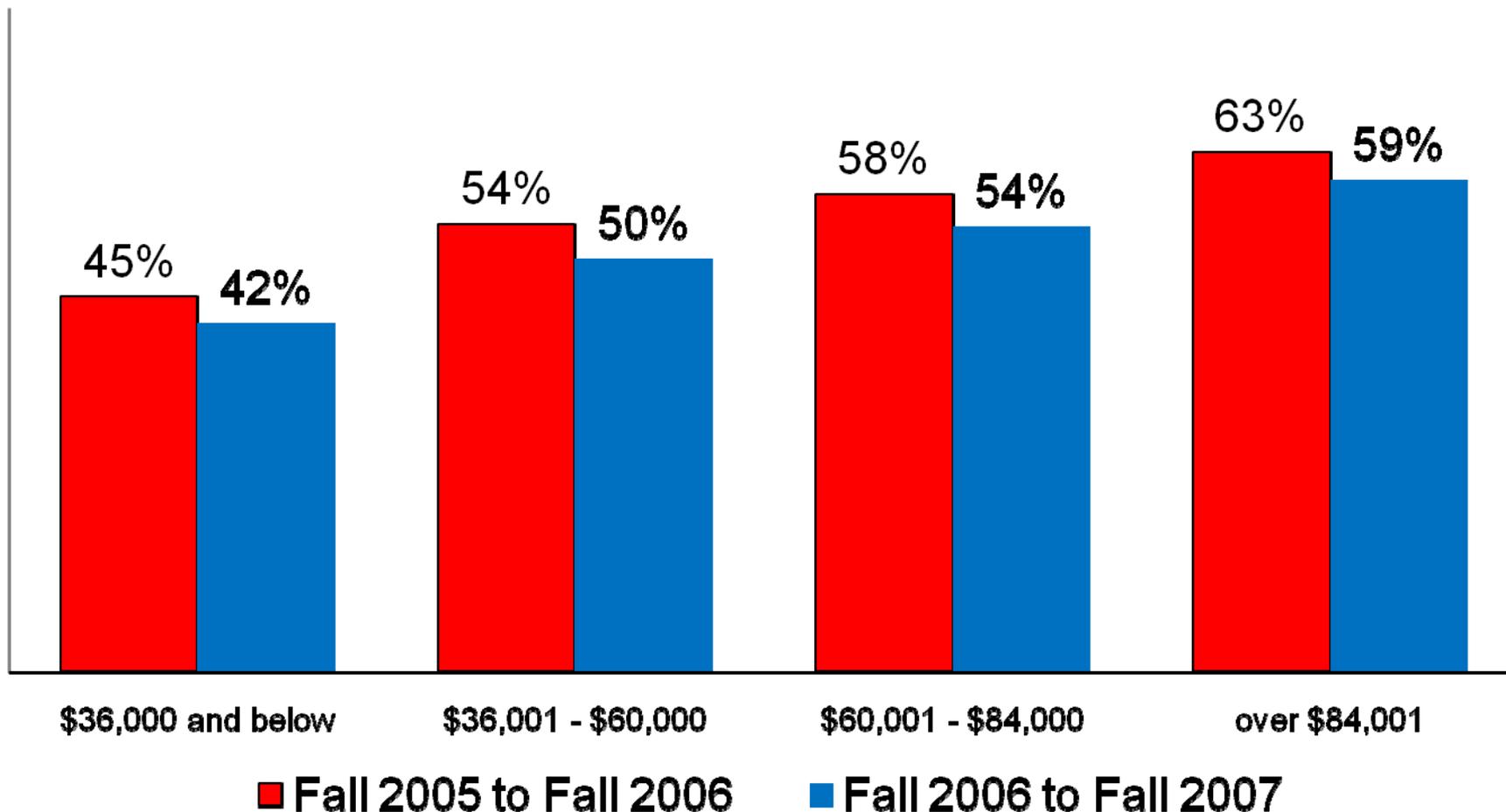




Fall 2004 TELS First-Time Freshmen: Began at a Public Institution, Lost Scholarship, but Remained Enrolled

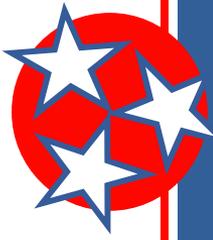


First-time Freshmen Scholarship Retention Rates by Family Income*

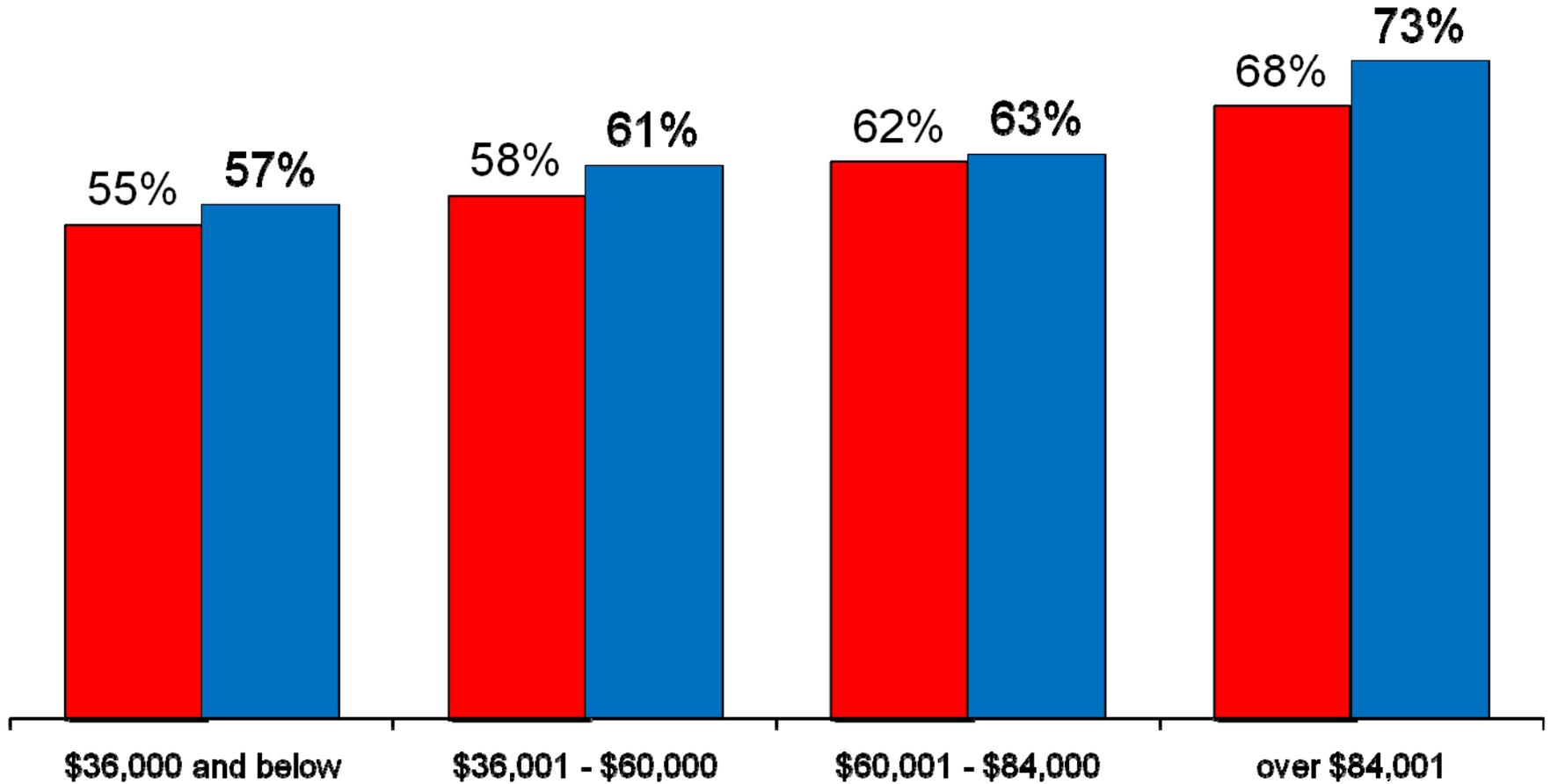


* HOPE, GAMS, ASPIRE, and Access awards; excludes students whose income data was not reported





First-Time Freshmen: Who Lost Scholarship But Remained Enrolled in Year 2, by Family Income*



* Public institutions only; HOPE, GAMS, ASPIRE, and Access awards; excludes students whose income data was not reported

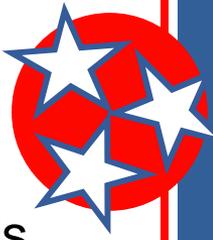


Part 1 Summary

- Program now fully populated; Fall 2007 represents the 3rd year with consistent academic criteria for eligibility and retention.
- Freshman-to-sophomore year scholarship retention rates were consistently at 50% across the first three freshman cohorts.
- Students meeting both the ACT and high school GPA qualification standards are more likely to retain scholarships than students who met one or the other.
- Half of the inaugural (Fall 2004) freshman cohort kept their award after one year in college; 36% after two years; 32% percent after three years. These rates are lower for Aspire and Access, much higher for GAMS.
- 82% of those Fall 2004 first-time freshmen returned for their second year of college, either with or without the scholarship; 73% after two years; 65% after three years.

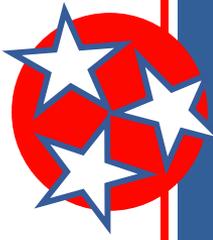


Part 1 Summary



- Among TELS forfeiters, 64% stayed in school anyway, though this varied by sector, family income, and the level of high school academic preparation.
- Students who forfeit the scholarship but stay enrolled are more likely to migrate to a community college.
- Students who keep the scholarship and stay enrolled transfer to four year institutions after two years.



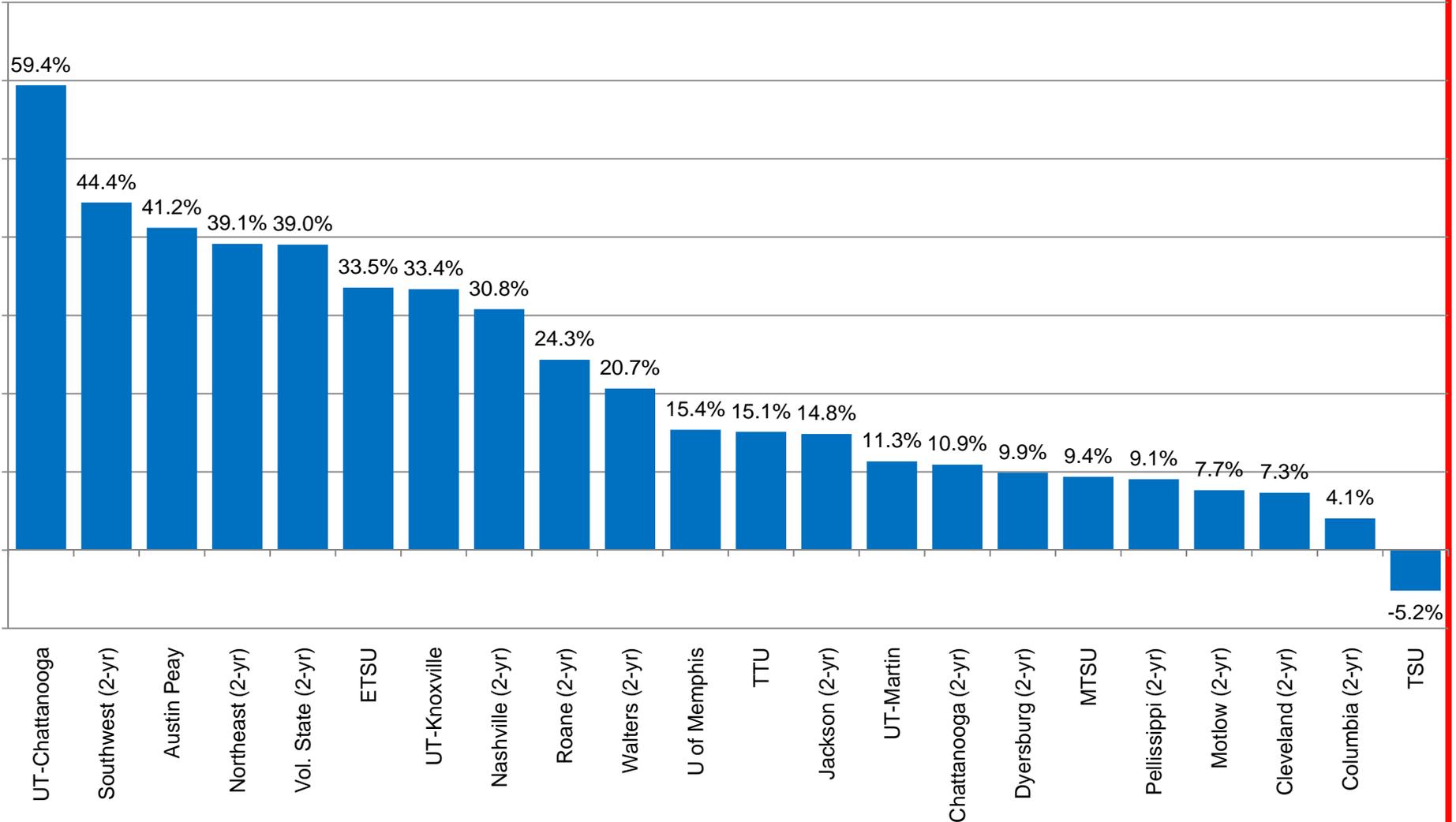
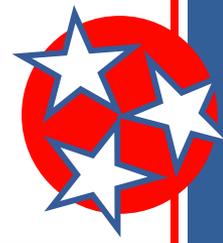


Best and Brightest:

An examination of student
enrollment patterns since the lottery
scholarship



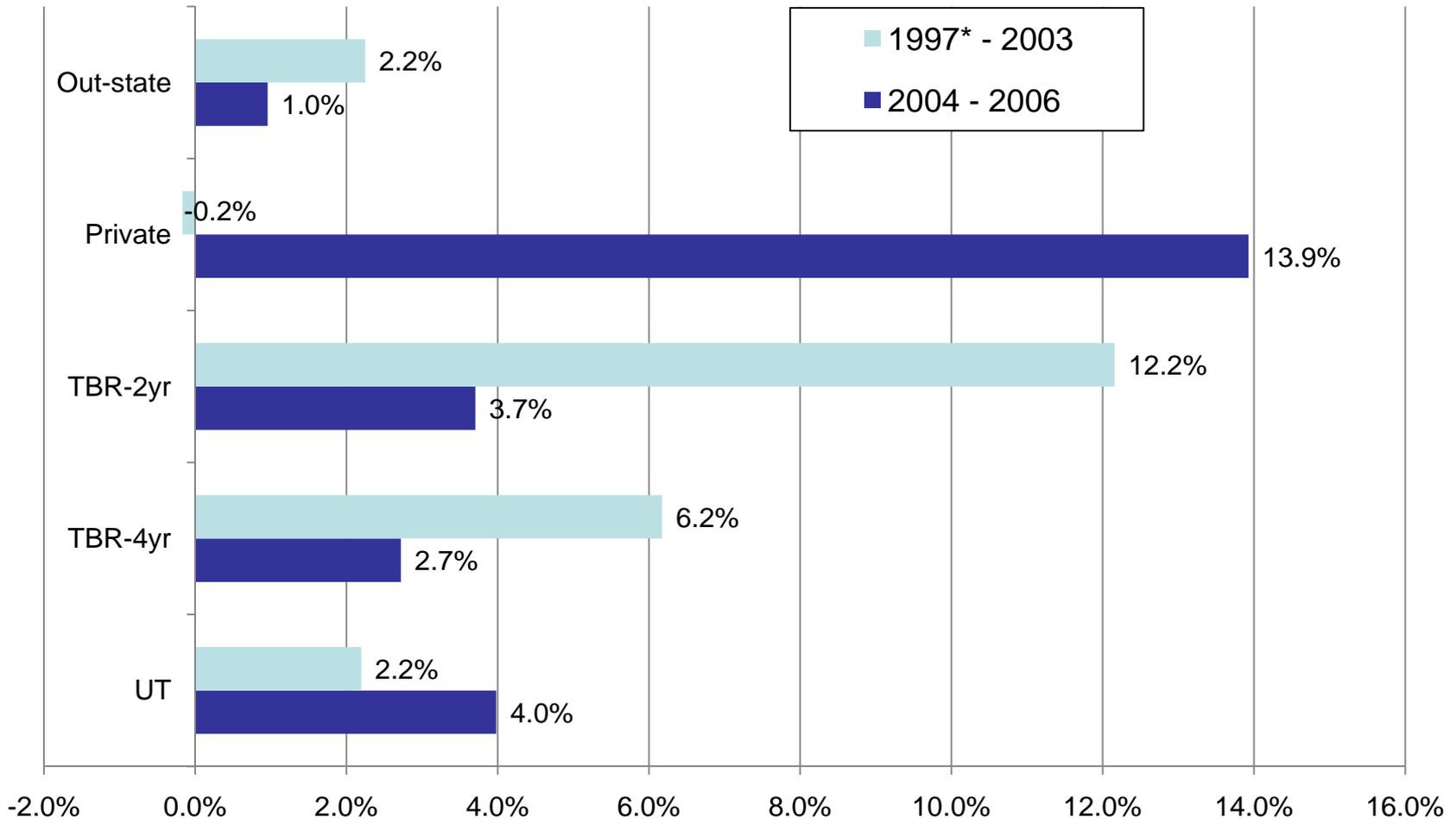
Growth Rate of Tennessee Resident Freshmen Fall 2002 - Fall 2006



Source: IPEDS Residence and Migration Survey



Compound Annual Growth Rates in Tennessee Resident First-time Freshman Enrollment: Pre- and Post-Lottery Scholarship



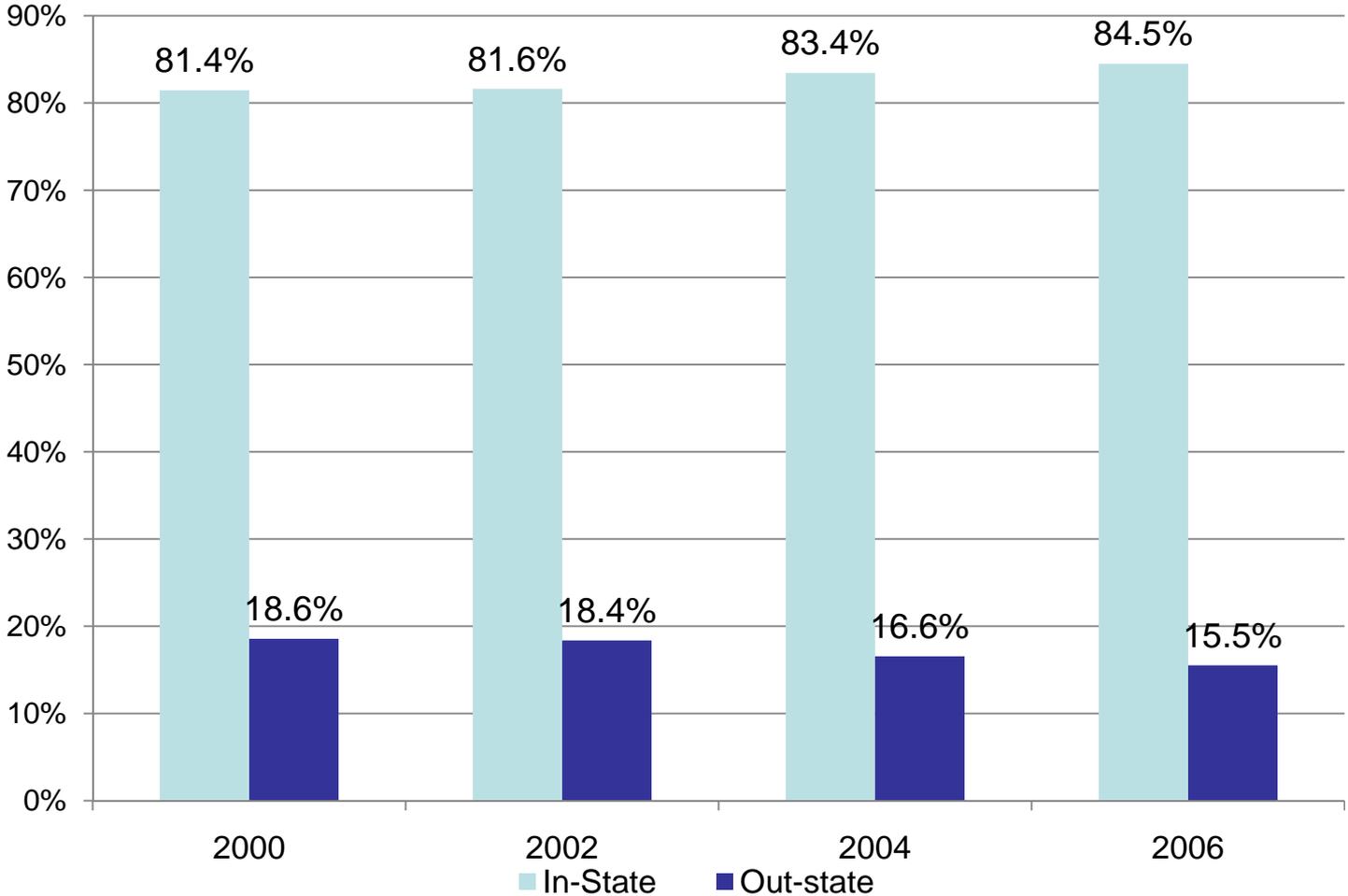
*For private and out-state, the growth rate is based on 1998-2003 due to unavailability of 1997 data.

Sources: IPEDS, THEC **33**





Destination of Recent Tennessee High School Graduates Fall 2000 - Fall 2006



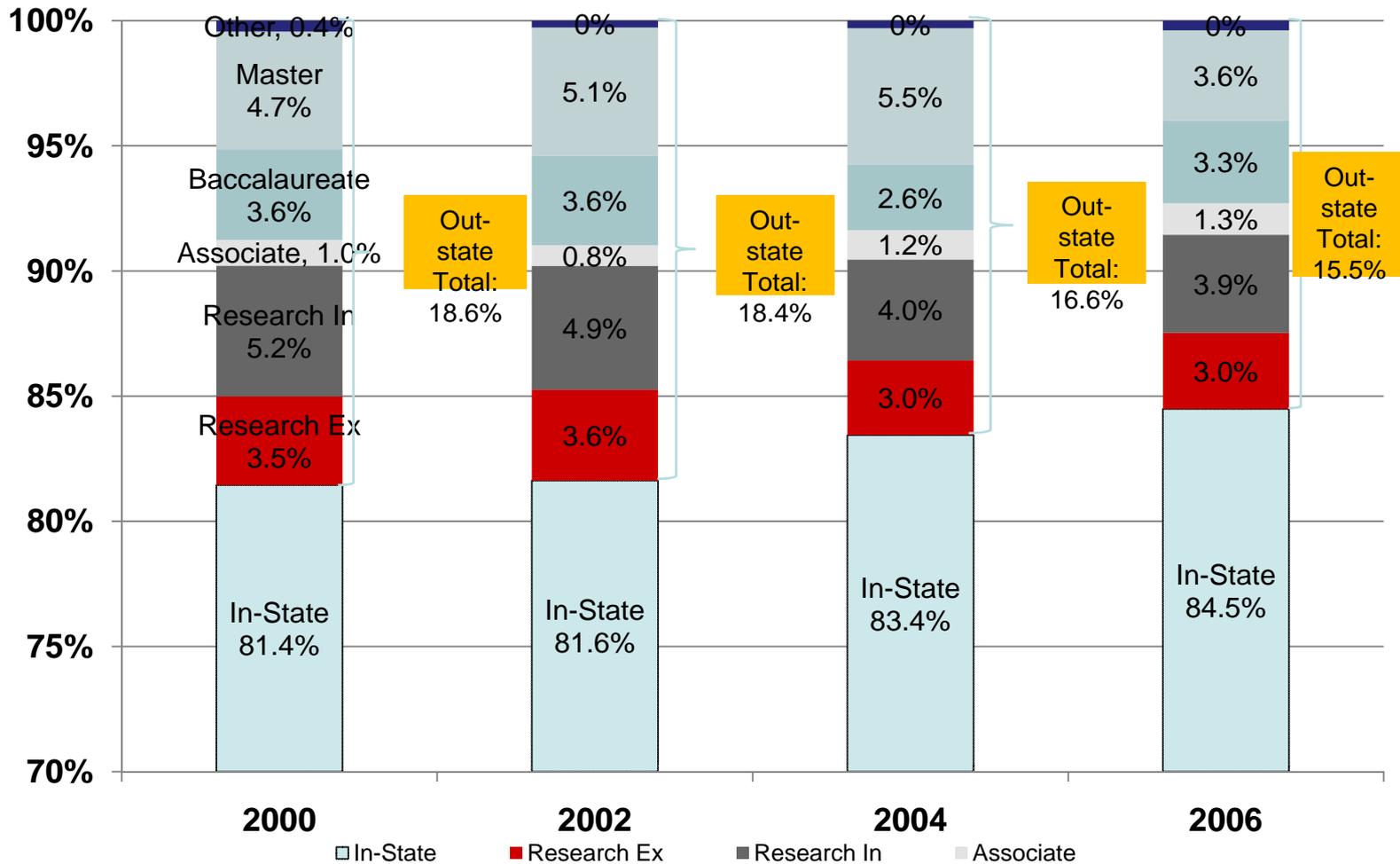
*First-time enrolling freshmen who graduated from high school during past 12 months

Source: IPEDS Residence and Migration Survey





Destination of Recent Tennessee HS Graduates¹ by Type of Institutions² Fall 2000 - Fall 2006



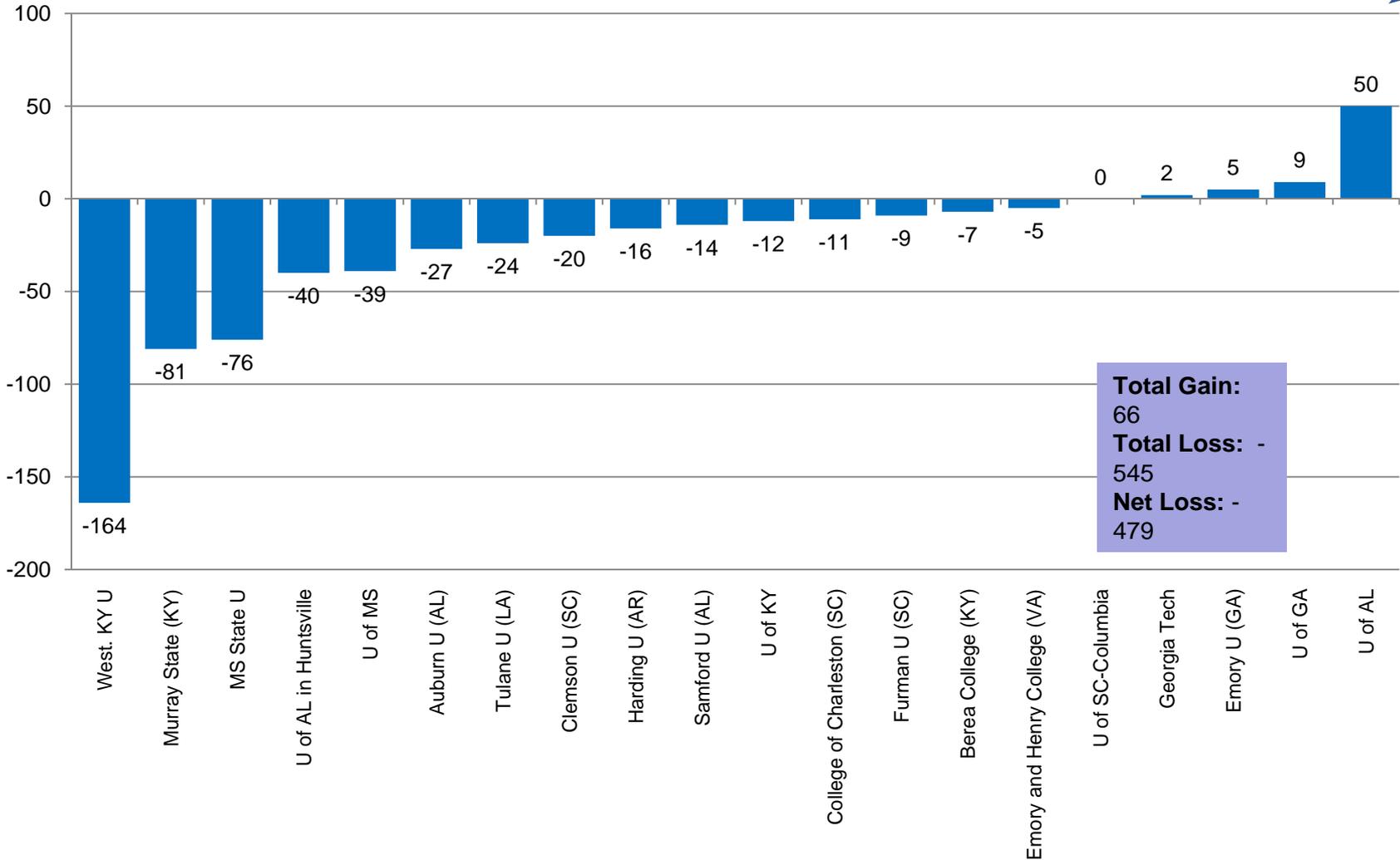
Notes: 1) First-time enrolling freshmen who graduated from high school during past 12 months; 2) 2005 Carnegie Classification (Basic)

Source: IPEDS Residence and Migration Survey





Top 20 Institutions Enrolling the Most Tennesseans in Fall 2002: Change in Tennessee Resident Freshmen from 2002 to 2006

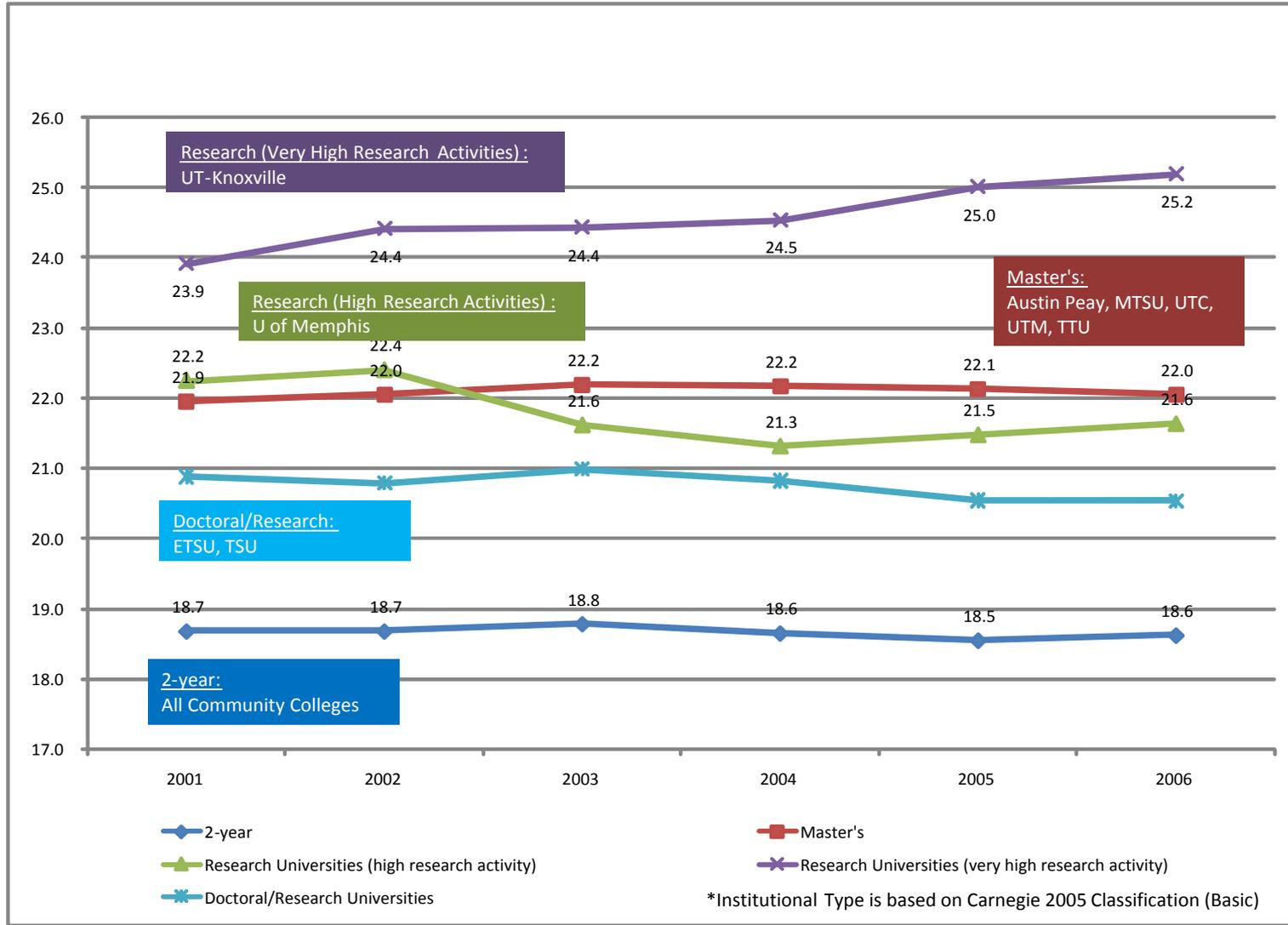


Note: First-time freshmen who graduated from Tennessee high school during past 12 months Source: IPEDS Residence and Migration Survey





Average ACT Composite Score of Tennessee Resident Freshmen by Type of Institutions: 2001 - 2006





Part 2 Summary

- Since the scholarship, the annual rate of growth in enrollment among Tennessee resident freshmen has accelerated at independent institutions and UT campuses while decelerating at TBR universities, community colleges, and out of state institutions.
- Among recent Tennessee high school graduates who enroll in college, the percentage choosing Tennessee institutions has increased from 82% before the lottery scholarship to 85% currently. Out of state Research Intensive and Master's Level institutions have lost the greatest share of this population.
- ACT profile of entering freshman class has improved at UT Knoxville, the state's lone Research Extensive institution, but not at other types of public institutions.

