



Master Plan Update

Statutory Committee Meeting

TENNESSEE HIGHER EDUCATION COMMISSION | May 21, 2025

Plan of Action

Collect Information and Perspectives

- Background & Context Setting
- Identify Key Stakeholders
- Priorities Survey
- Pre-Calls with ESG

Collaborate and Consensus Build

- Five Topical Working Groups
- Meeting Briefings
- Listening Tours with ESG
- Focus Groups with ESG
- THEC-led Focus Groups

Create and Iterate

- Drafting
- Review & Revise
- Presentation and Dissemination



TENNESSEE HIGHER EDUCATION MASTER PLAN 2025 - 2035



State Investment and Affordability



Promote the value of higher education and honor state investments.



Clarify the role of the State in institutional financial health.



Identify strategies to promote state investment in higher education.



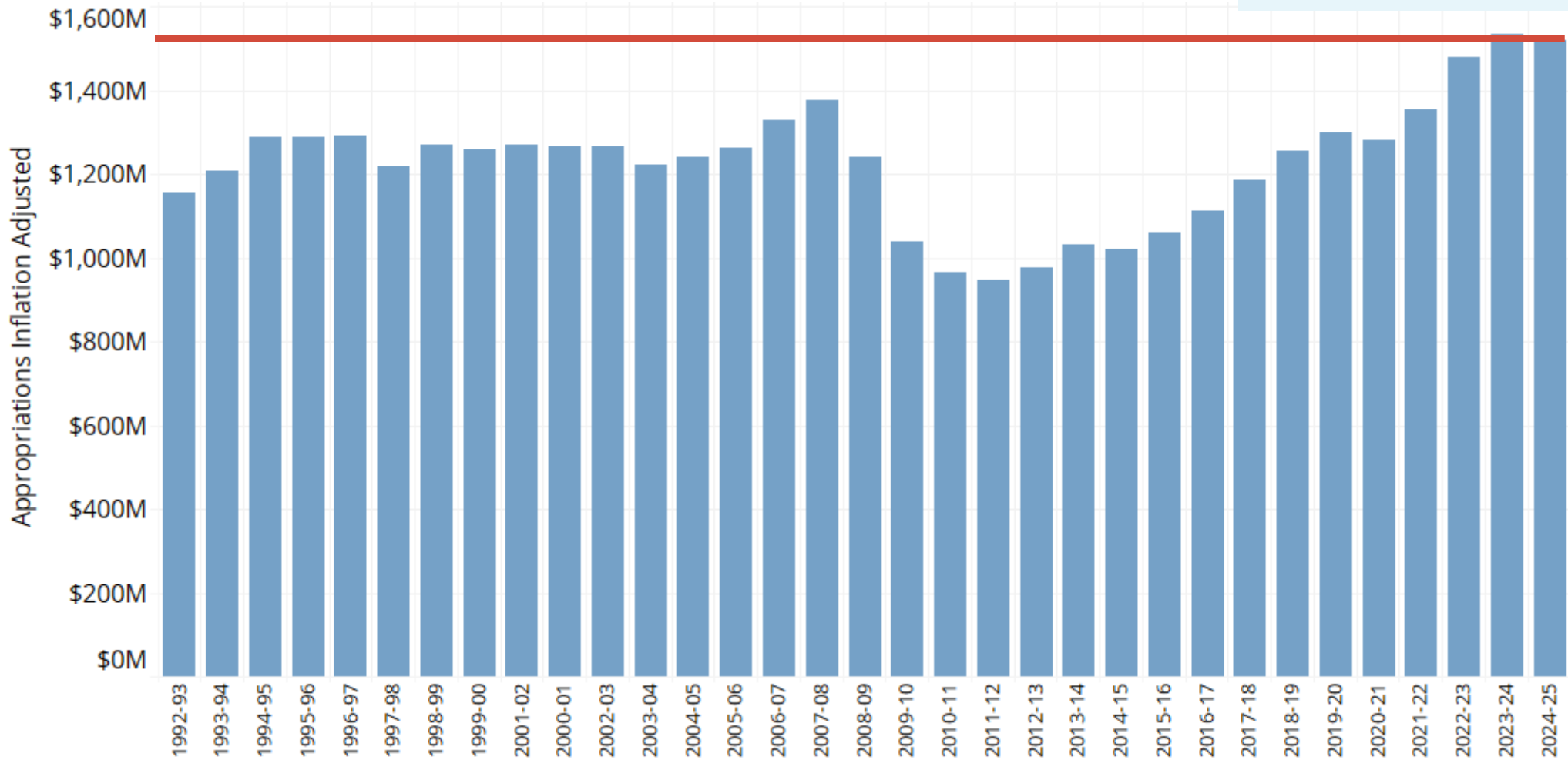
Identify strategies to promote student affordability.



State Appropriations at Highest Level in Decades

State Appropriations (Inflation Adjusted), Community Colleges and Universities

2025 State Appropriations:
\$1.52 billion

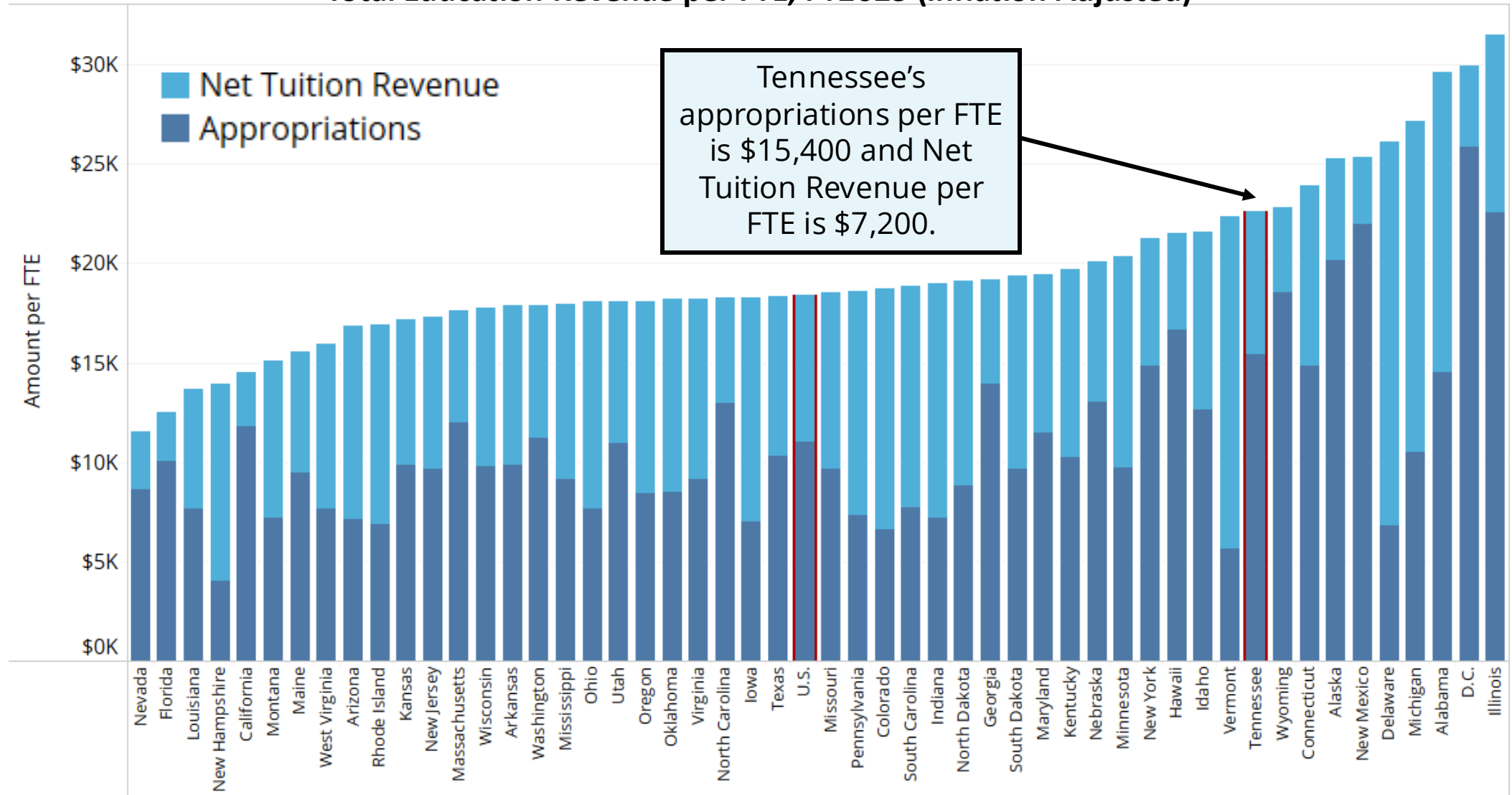


Note:
Data displayed only include Outcome-Based Funding Formula units. Dollar amounts are inflation adjusted with the Core Consumer Price Index (Core CPI).



Tennessee Students Bear a Lower Cost

Total Education Revenue per FTE, FY2023 (Inflation Adjusted)



Source: State
Higher
Education
Executive
Officers
Association.
SHEF Report
FY2023.



State Investment and Affordability

- I. Tennessee is in a strong position in terms of state investment through appropriations and financial aid. There is a lot to be proud of, and the state should **maintain its momentum**.
- II. **Use data** to understand **financial health and sustainability** for the enterprise. Define roles and responsibilities for financial health.
- III. Recognize and build on **cost efficiencies** that maintain quality and align with state goals.
- IV. **Reduce complexities** in aid programs and funding generally. Address affordability gaps in the financial aid suite.
- V. Need greater **advising** for students and expansion of **financial literacy**.
- VI. THEC should **streamline** systems and **advocate** to support institutions meeting state goals.



Defining the North Star Goal



Establish a shared, data-informed understanding of Tennessee's current higher education landscape



Work towards defining a clear, measurable North Star goal that reflects postsecondary value, workforce readiness, and economic mobility



Ensure alignment with state agencies, institutional missions, workforce trends, and student success priorities



Brainstorm benchmarks and indicators to measure progress toward the goal



National Approaches to Postsecondary Value

College Scorecard

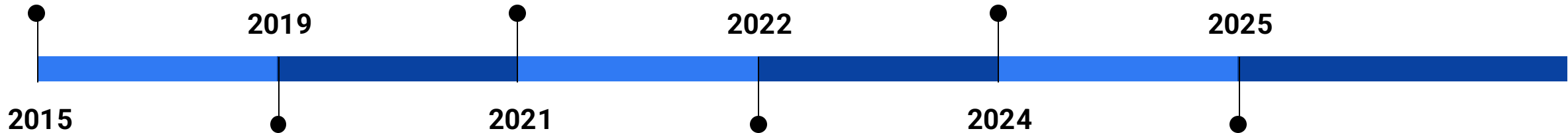
Reliable data on factors important to students, including data on graduate earnings and debt upon graduation.

Postsecondary Value Commission

Framework for postsecondary value speaking to individual and societal value.

Strada State Opportunity Index

Focus on the percentage of students in each state with a positive return on investment.



Georgetown CEW

Ranking colleges and universities by ROI, revealing long-term financial outcomes of different types of institutions.

Third Way Economic Mobility Index

Uses a price to earnings premium calculation to rank institutions.

Lumina Foundation Goal

By 2040, 75 percent of adults in the U.S. labor force will have college degrees or other credentials of value leading to economic prosperity.

Defining Value in Tennessee



The field is dictating that value must be **proved**, not just **assumed**.



CO, NC, and TX are all examples of **economic metrics** to measure value.



Value can be measured in terms of **time, money, resources**, or other factors.



How should Tennessee define value?

Building a Talent Strong Texas: Measuring Progress Toward 2030 Goals

Attainment of
Postsecondary
Credentials

60%

of Texans **ages 25-34**
with a degree, certificate, or
other postsecondary
credential of value

60%

of Texans **ages 35-64**
with a degree, certificate,
or other postsecondary
credential of value

Postsecondary
Credentials
of Value

550k

students completing
postsecondary **credentials of
value** each year

95%

of graduates with
**no debt or manageable
undergraduate debt** in
relation to potential earnings

Research,
Development &
Innovation

\$1bn

in additional annual
private and federal **research &
development expenditures**

7,500

research doctorates awarded
annually by
Texas institutions of
higher education

Defining the North Star Goal

- I. All Tennesseans attain **credentials of value**. Higher education is tied to both personal fulfillment and workforce needs.
- II. Anchor to a system that promotes **economic prosperity**, leads to an independently **thriving citizenry**, and develops **lifelong learners**.
- III. **Encourage innovation** and recognize that we need to be **adaptable** in a dynamic environment.
- IV. **Strengthen pathways** to, between, and through higher education to support student success. **Promote multiple paths** to student success.
- V. Revitalize the State's coordination efforts to **improve communication and alignment**. Leverage data to strengthen the enterprise.



Communications

- Monthly Updates via Email
- Off-Cycle Feedback Opportunities
 - Listening Tour with ESG
- Working Session at THEC Summer Commission Meeting
- Statutory Committee Meeting #3 – **August 18th at 1:30pm**
- Release at October Trustee Event



Discussion and Next Steps

