

**DATE:** January 28, 2010  
**SUBJECT:** 2009 Lottery Scholarship Annual Report  
**ACTION RECOMMENDED:** Information

---

**BACKGROUND INFORMATION:** Pursuant to T.C.A. § 49-4-903(b), the Tennessee Higher Education Commission is to annually report findings related to lottery scholarship programs to the Senate and House Education Committees at the beginning of each legislative session.

Staff will present an overview of the annual legislative report, which details the postsecondary outcomes of scholarship recipients from the program’s inception (Fall 2004) through Fall 2009, by select student demographic and academic characteristics. As in the past, this year’s report reinforces the importance of high school preparation and performance in renewing scholarship awards and collegiate success in general. This year’s report includes information, for the first time, on two important measures of postsecondary success -- graduation rates and the numbers of scholarship recipients earning degrees.

The report’s major sections are:

- Program overview and recipient demographics;
- Scholarship renewal, and post-loss enrollment behavior of students who forfeited the scholarship;
- College retention and graduation; and
- Student enrollment choices and institutional freshman class academic profiles since creation of the lottery scholarship.

Additionally, staff has prepared, under separate cover, the first report on the lottery-funded Wilder-Naifeh Technical Skills Grant Program. The Wilder-Naifeh program awards \$2,000 to any Tennessee resident enrolled in a certificate or diploma program at a Tennessee Technology Center (TTC). TTC annual tuition and fees currently stand at \$2,400. The study includes discussions of:

- Recipient demographics and programs of study;
- Program completion rates for recipients and non-recipients; and
- Student transfer rates from TTCs into Tennessee colleges and universities.