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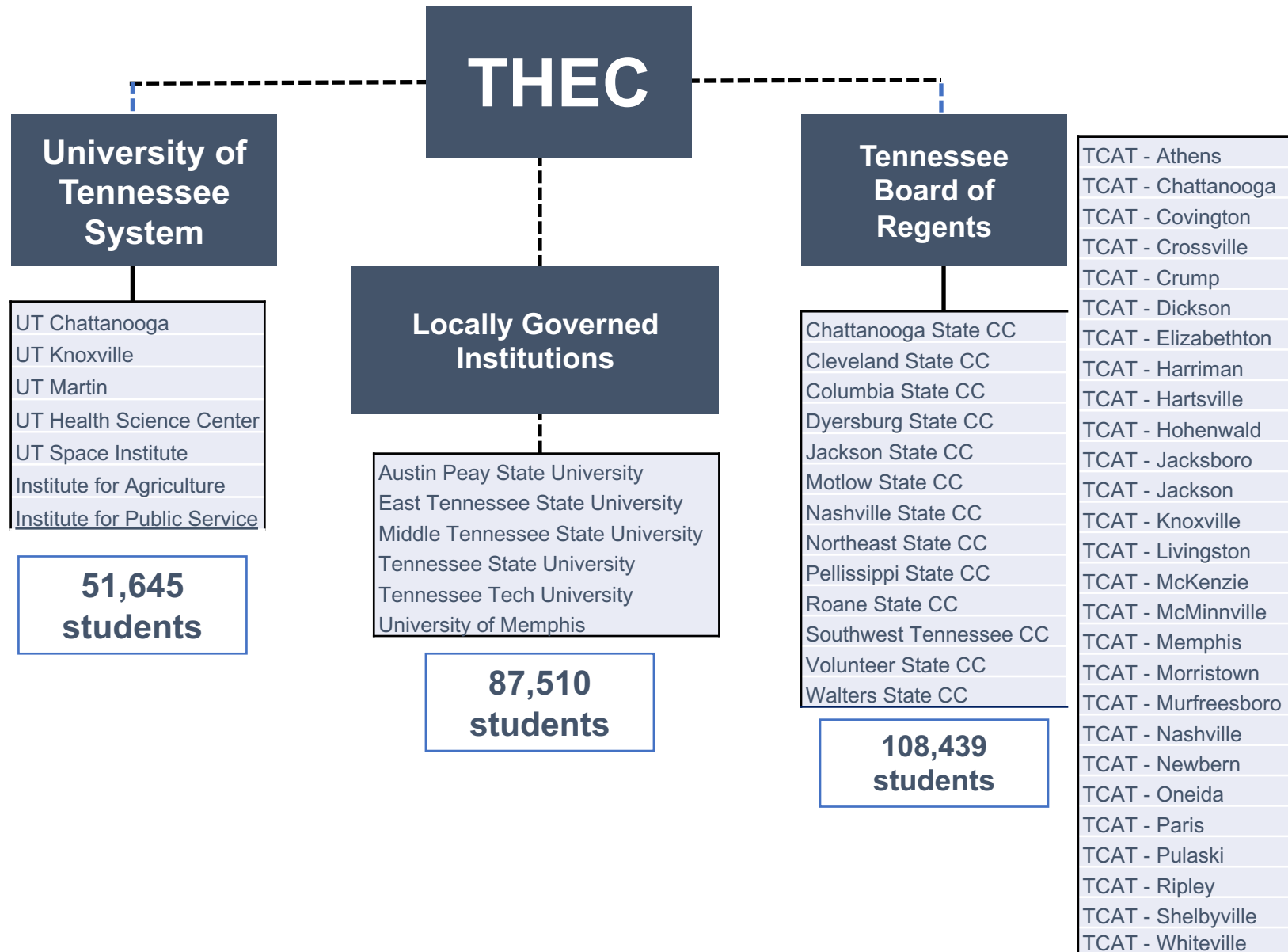
EAST TENNESSEE STATE  
UNIVERSITY

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*Mike Krause*  
*Bradley Arant Boult Cummings, LLP*



# TN Higher Ed Structure



# TN higher education is a massive enterprise

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## State Operating Support

\$2B total recurring state appropriations

\$200M capital outlay and maintenance

## Financial Aid

*Lottery Scholarship Programs*

\$356.3M to 132,560 students

*Need-based Aid*

\$106.4M to 62,267 students

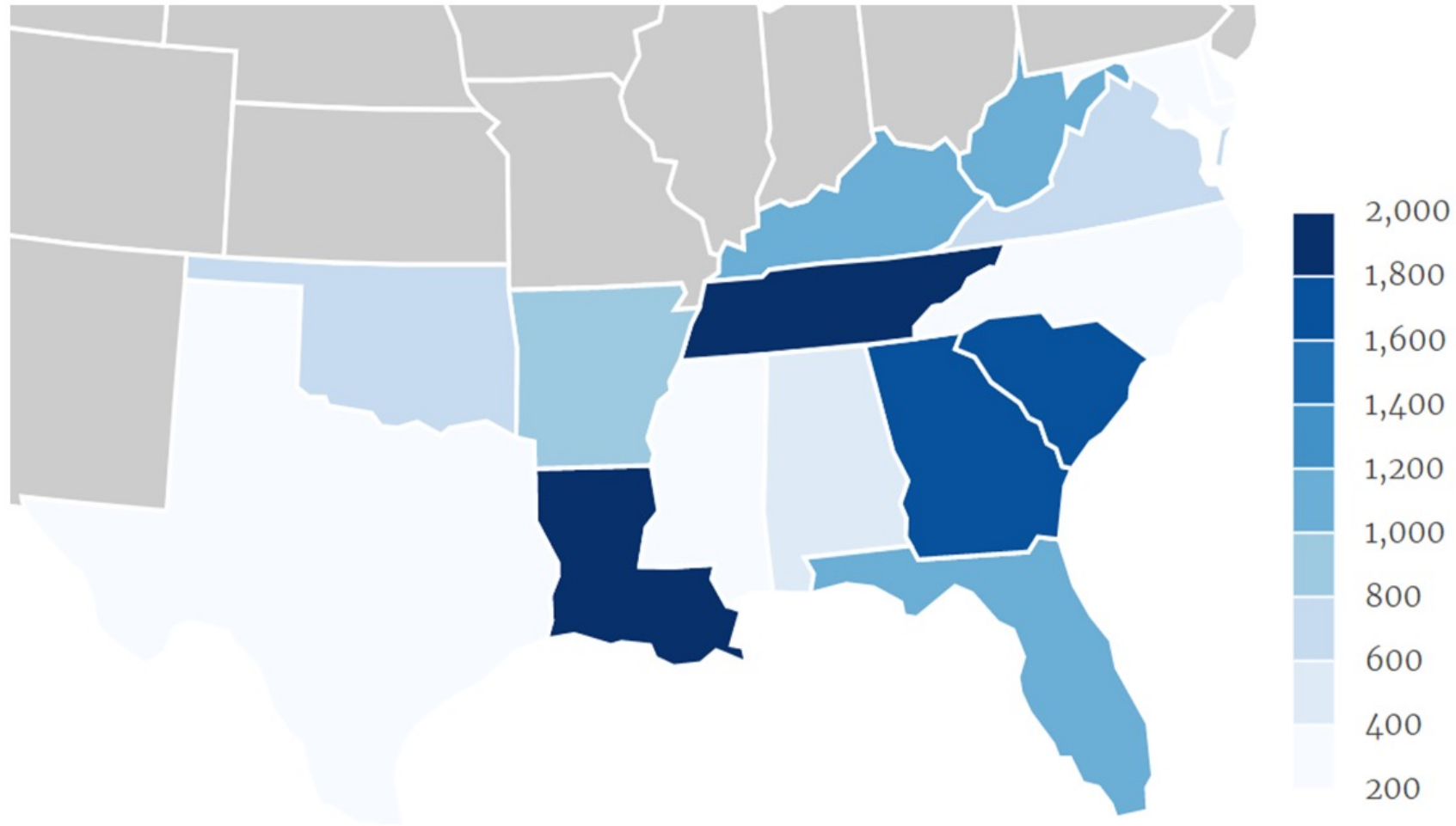
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## Infrastructure

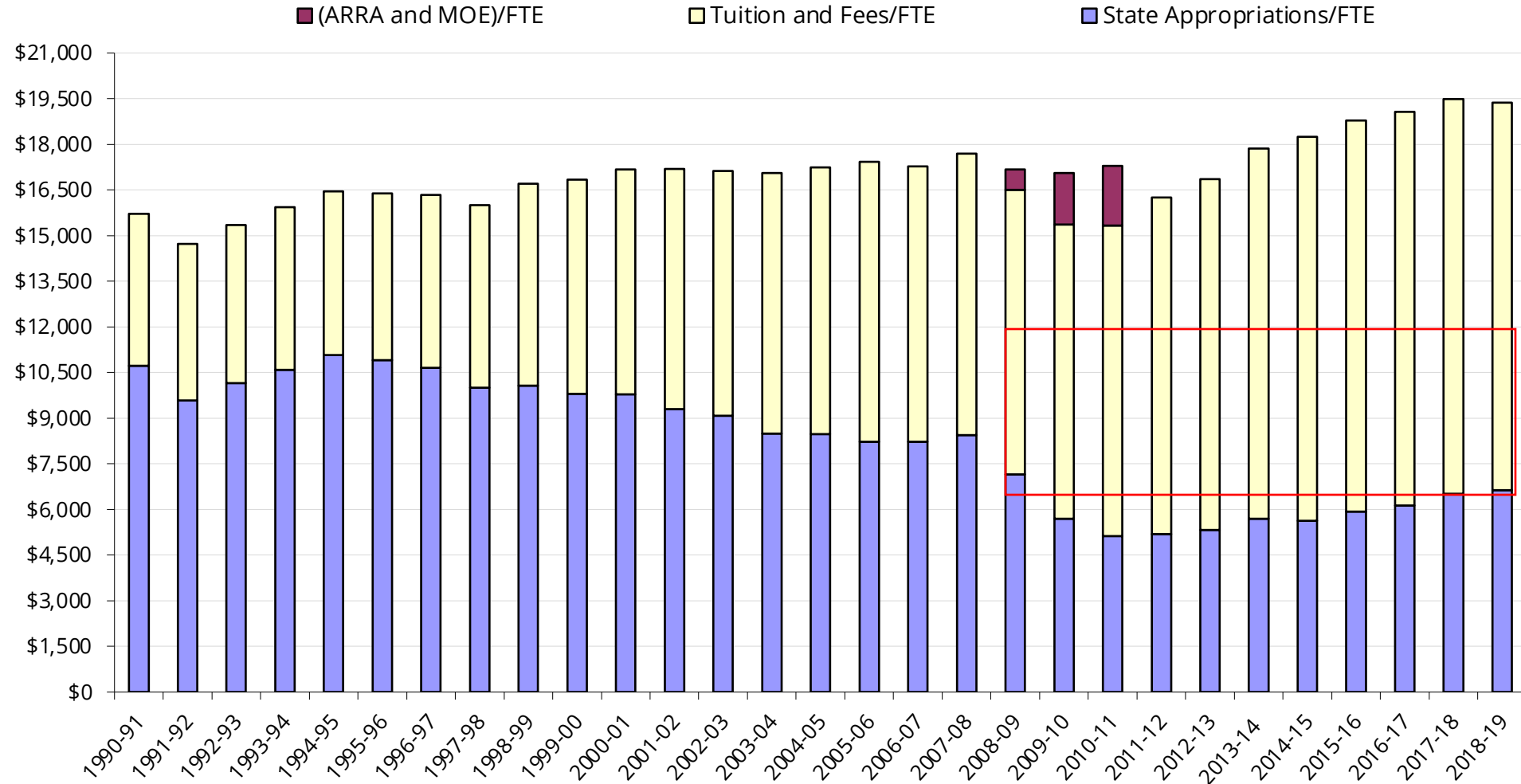
64.4M gross square feet of space



# Tennessee is a financial aid leader



# Higher ed funding in TN has never recovered from the Great Recession



# A decade of reform



## **Complete College Tennessee Act of 2010**

- Instituted nation's first 100% outcomes-based Funding model
- Established Tennessee Transfer Pathways
- Initial stages of unified community college operating structure



# Outcomes-based funding structure

Weights Based on Institutional Mission	UTM	APSU	TTU	UTC	MTSU	ETSU	TSU	UM	UTK
Student Progression: 30 Credit Hours	4.0%	3.0%	4.0%	4.0%	3.0%	6.0%	4.0%	3.0%	2.0%
Student Progression: 60 Credit Hours	6.0%	4.5%	6.0%	6.0%	4.5%	7.5%	6.0%	4.5%	4.0%
Student Progression: 90 Credit Hours	10.0%	7.5%	10.0%	10.0%	7.5%	9.0%	10.0%	7.5%	6.5%
Bachelors Degrees	30.0%	27.5%	25.0%	25.0%	22.5%	20.0%	22.5%	22.5%	20.0%
Masters Degrees	15.0%	20.0%	15.0%	10.0%	20.0%	15.0%	12.5%	10.0%	10.0%
Doctoral/Law Degrees	0.0%	0.0%	5.0%	5.0%	7.5%	15.0%	7.5%	15.0%	12.5%
Research/Grant Funding	5.0%	10.0%	10.0%	10.0%	10.0%	10.0%	15.0%	10.0%	12.5%
Degrees per 100 FTE	10.0%	17.5%	10.0%	15.0%	10.0%	7.5%	12.5%	10.0%	17.5%
Graduation Rate	20.0%	10.0%	15.0%	15.0%	15.0%	10.0%	10.0%	17.5%	15.0%
	100%	100%	100%	100%	100%	100%	100%	100%	100%

Bachelors degrees; little  
research/doctoral degrees

Extensive doctoral degrees  
and emphasis on research



# A decade of reform



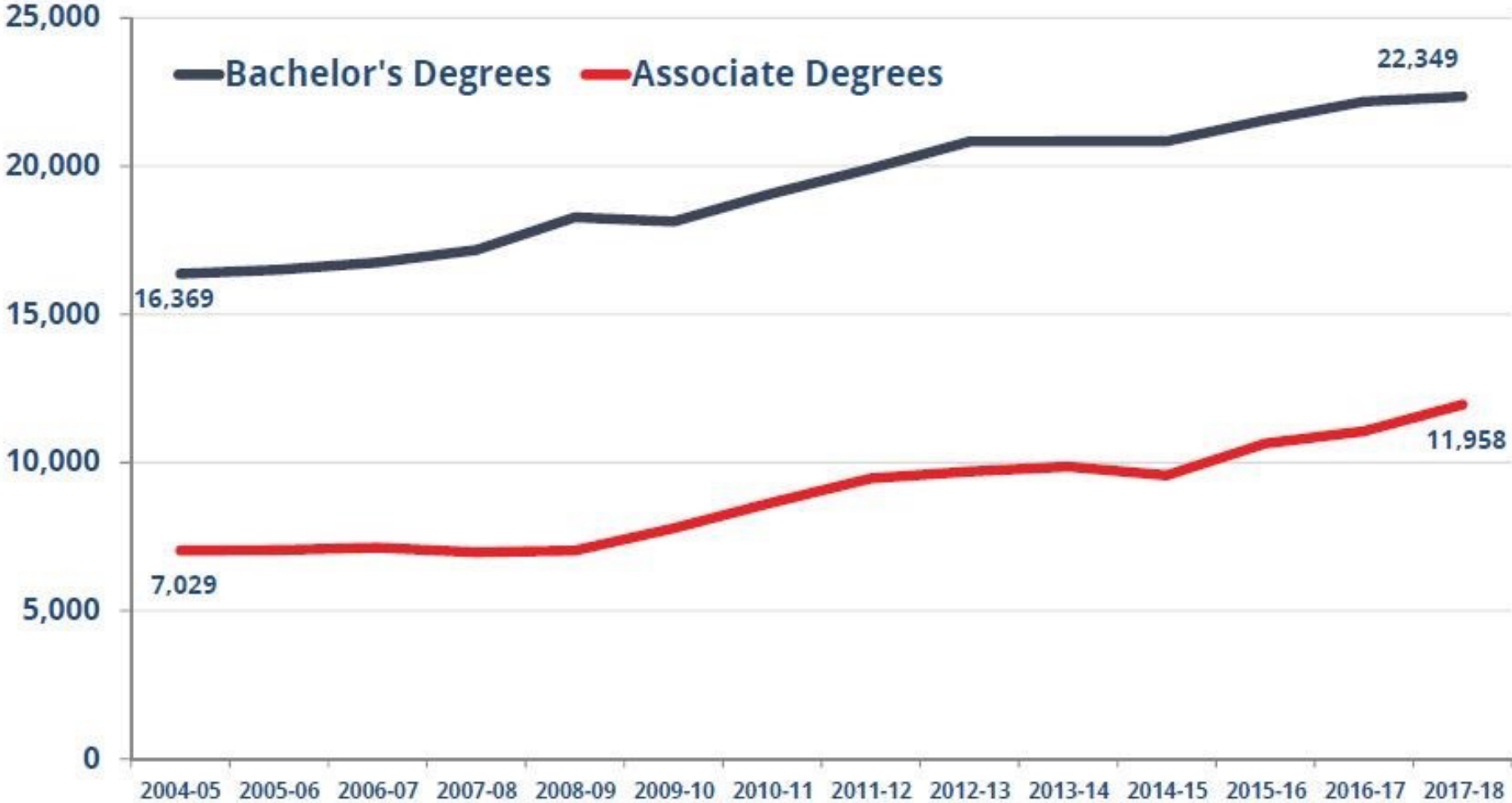
## The Drive to 55

- Set state attainment goal at 55% by 2025
- Created Tennessee Promise and Tennessee Reconnect
- Placed higher education at the center of state economic development policy





# Drive to 55: Undergraduate Degree Production



# A decade of reform



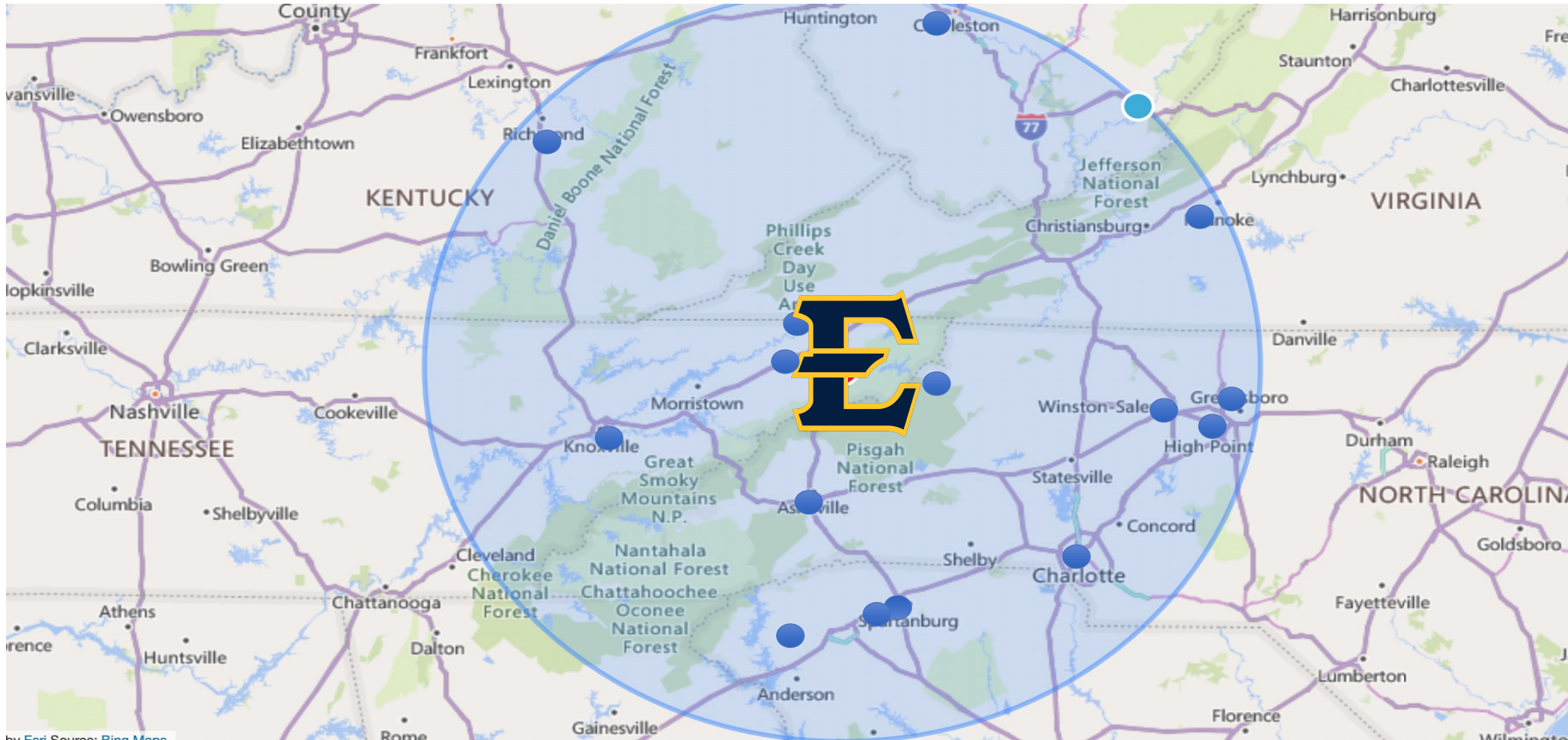
## The FOCUS Act

- Landmark higher education governance overhaul
- Created ETSU Board of Trustees
- Delegated substantial powers to Universities, while giving THEC significant coordinating authority



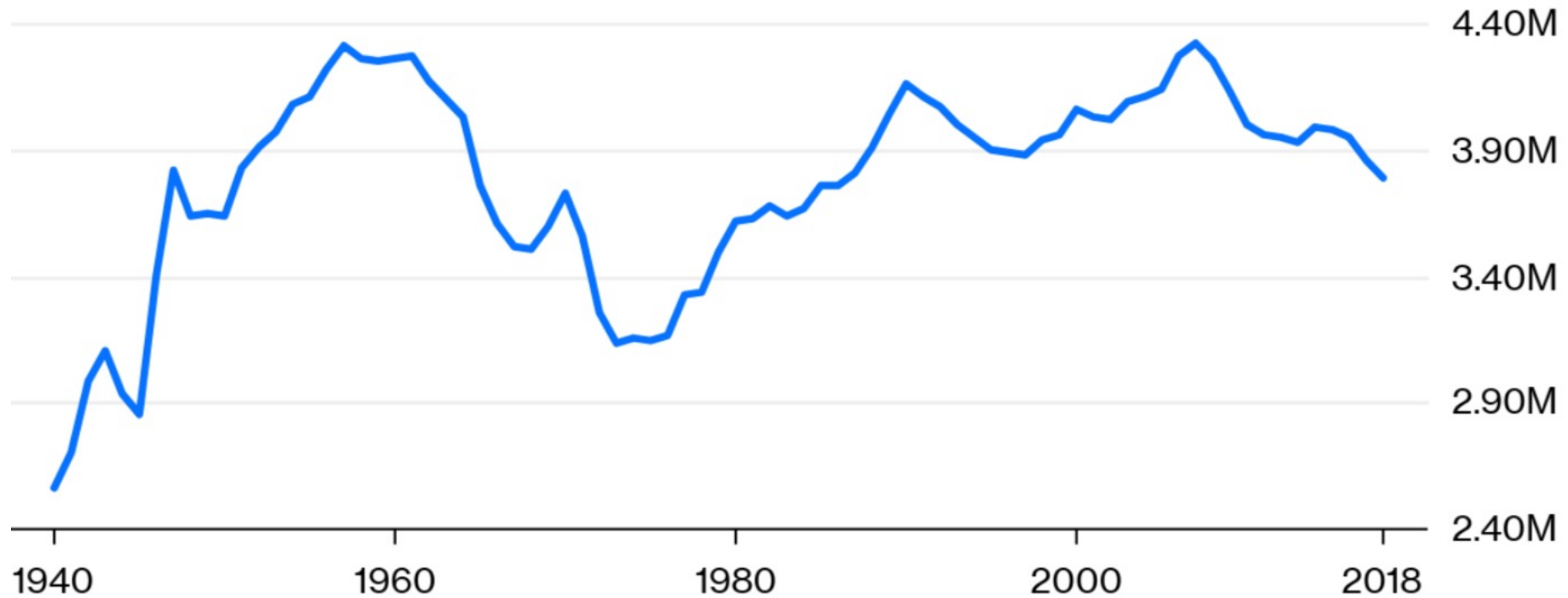
# Three challenges for state universities in Tennessee:

## 1) The higher education marketplace is crowded...



Three challenges for state universities in Tennessee:

**...and faces a diminishing pool of prospects.**



# Three challenges for state universities in Tennessee:

## 2) Online education is moving from complimentary to primary.

The screenshot shows the top navigation bar of the ASU website with links for Online degrees, Cost, Admission, Future Sun Devil, Newsroom, About, Apply Now, and Request Info. The main heading is "Online BSE in Electrical Engineering". Below this is a descriptive paragraph about the program. Three key statistics are highlighted in yellow circles: 7.5 Weeks per class, 40 Total classes, and 120 Total credit hours. At the bottom, there are tabs for Details, Courses, Careers, and Admissions.

From nanoscale electronic devices to the U.S. electric power grid, the Electrical Engineering degree program at ASU will prepare you for a career in areas including energy production and distribution, information processing and management, healthcare technology and delivery, global sustainable development, economic growth and security, and communications and data networking.

[Resident tuition](#) | [Non-resident tuition](#)

7.5	40	120
Weeks per class	Total classes	Total credit hours

[Details](#) [Courses](#) [Careers](#) [Admissions](#)

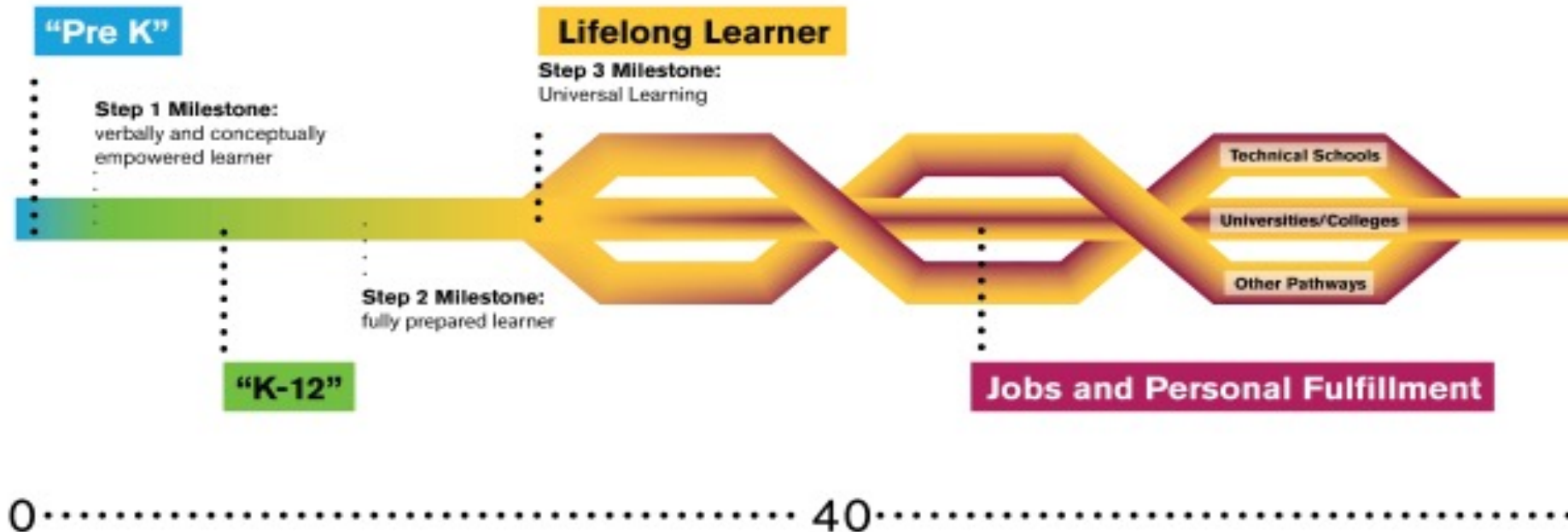
The program's award-winning faculty will guide you through fundamental



# Three challenges for state universities in Tennessee:

## 3) Higher Education is increasingly NOT viewed as a singular, early adulthood experience

### The New Design: ASU Universal Learning™



# Bradley



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