

# Securing Tennessee's Future

Contract Education: Increasing  
Tennessee's Return on Investment

# More College Graduates Needed

- More Tennesseans must reap the benefits of higher education if the state is to enhance its economic viability through an improved workforce and healthier citizenry (THEC Master Plan, 2005-2010, p. 11).

# Higher Education Benefits to Individuals

The College Board reports that compared to individuals with lower levels of education, those with a college education:

- Are more likely to have higher earning levels
- Are more likely to report better health
- Are less likely to be unemployed
- Have children who are better prepared for school

# Higher Education Benefits to Communities

## Communities with higher numbers of college-educated individuals:

- Have lower violent crime rates
- Have more civically engaged members (more likely to vote and volunteer)
- Collect more in tax revenue
- Are more able to fulfill the needs of the modern day workforce

Through contracts with private higher education institutions, Tennessee is able to better supply business and industry with trained employees.

However, contract education is currently underutilized.

# Contract Education Arrangements

Contract Education programs have been set up to increase access in three areas

- Unique Programs
- Critical Shortage Areas
- Minority Enrollment

# Contract Education Program Types

4 types of Contract Education Programs exist in Tennessee:

- SREB Regional Contract Program
- SREB Academic Common Market
- Doctoral Scholars Program
- Direct State Grants to Institutions

# State Benefits of Contract Education

- Tennessee saves money per student since the cost of subsidizing a student at a private school is considerably less than educating a student at a public campus
- Increased degree production in the State without capital costs associated with expanding campuses
- A strong, educated workforce supports a strong economy by attracting, improving and retaining employees

# Employer Benefits of Contract Education

- A ready supply of trained professionals
- Increasing the supply of individuals with advanced degrees makes the State an attractive place for doing business

# Student Benefits of Contract Education

- Additional financial aid
- Lower student costs expands the student's options to choose the institution that best fits their educational, career, and financial needs

# TICUA's Recommendations for the Contract Education Program

- Expand the contract education program to support all Tennessee residents currently enrolled in contract education programs
- Expand the contract education program to include more disciplines, including undergraduate majors
- Implement tuition equalization grants
- Couple the contract education program with the occupational outlook to ensure adequate supplies of professionals in areas of need in the State