

STATE SCHOLARSHIP & GRANT PROGRAMS

Committee on Access and Equity & Student Services

SC Commission on Higher Education

Informational Workshop – May 23rd

Agenda

- Introductions
- Current eligibility requirements for each Scholarship and Grant program
- Timing and qualification impacts of the grading scale changes
- Financial impact per each Scholarship and Grant program that will need to be addressed by the projected shortfalls
- Projection for the widened inclusion without changes to our formulae
- Scenarios that may address the financial shortfalls for each program
- Possible changes in legislation
- Questions

Disclaimer

Scenarios offered in this presentations **ARE NOT recommendations** of CHE or CHE Staff; they are simply suggestions to help offset the fiscal impact of the South Carolina 10-point grade scale and SAT redesign.

Scenarios were generated using available data regarding past and present cohorts. Due to the variety of independent variables, scenarios in this presentation should be considered as *estimates*. Should implementation occur, actual values may be different.

CURRENT ELIGIBILITY REQUIREMENTS FOR EACH SCHOLARSHIP AND GRANT PROGRAM

State Programs

- SC HOPE
- LIFE Scholarship
- Palmetto Fellows Scholarship
- SC Need-Based Grant
- Lottery Tuition Assistance

SC HOPE

- 4-year institutions only
 - 3.0 SC UGP

LIFE Scholarship

- 2-year institutions
 - 3.0 SC UGP
- 4-year institutions
 - 2 out of 3:
 - 3.0 SC UGP;
 - 1100 SAT or 24 ACT;
 - Top 30% of graduating class

Palmetto Fellows Scholarship

- Top 6% of 10th, 11th, or 12th grade; *and*
 - 1200 SAT or 27 ACT; *and*
 - 3.5 SC UGP

- Or Alternative Criteria
 - 1400 SAT or 32 ACT; *and*
 - 4.0 SC UGP

Enhancements

- Approved by General Assembly in 2007
 - Student must declare an eligible STEM Major;
 - Student must have 14 credit hours of math/science by the end of their first academic year;
 - Student can receive enhancement of \$2,500 for their 2nd, 3rd, and 4th academic year

SC Need-based Grant

- Complete the FAFSA
 - Awarded based on 'need' using Title IV regulations

Lottery Tuition Assistance

- 2-year institutions only
 - Including USC 2-year regionals & Spartanburg Methodist College
- Complete the FAFSA (*or FAFSA Waiver*)
 - Must be enrolled in at least 6 credit hours;
 - Awarded \$95 per credit hour (spring 2017) towards one diploma, certificate, or associates degree within a five year period

*Can be used for high school students in Dual Enrollment courses

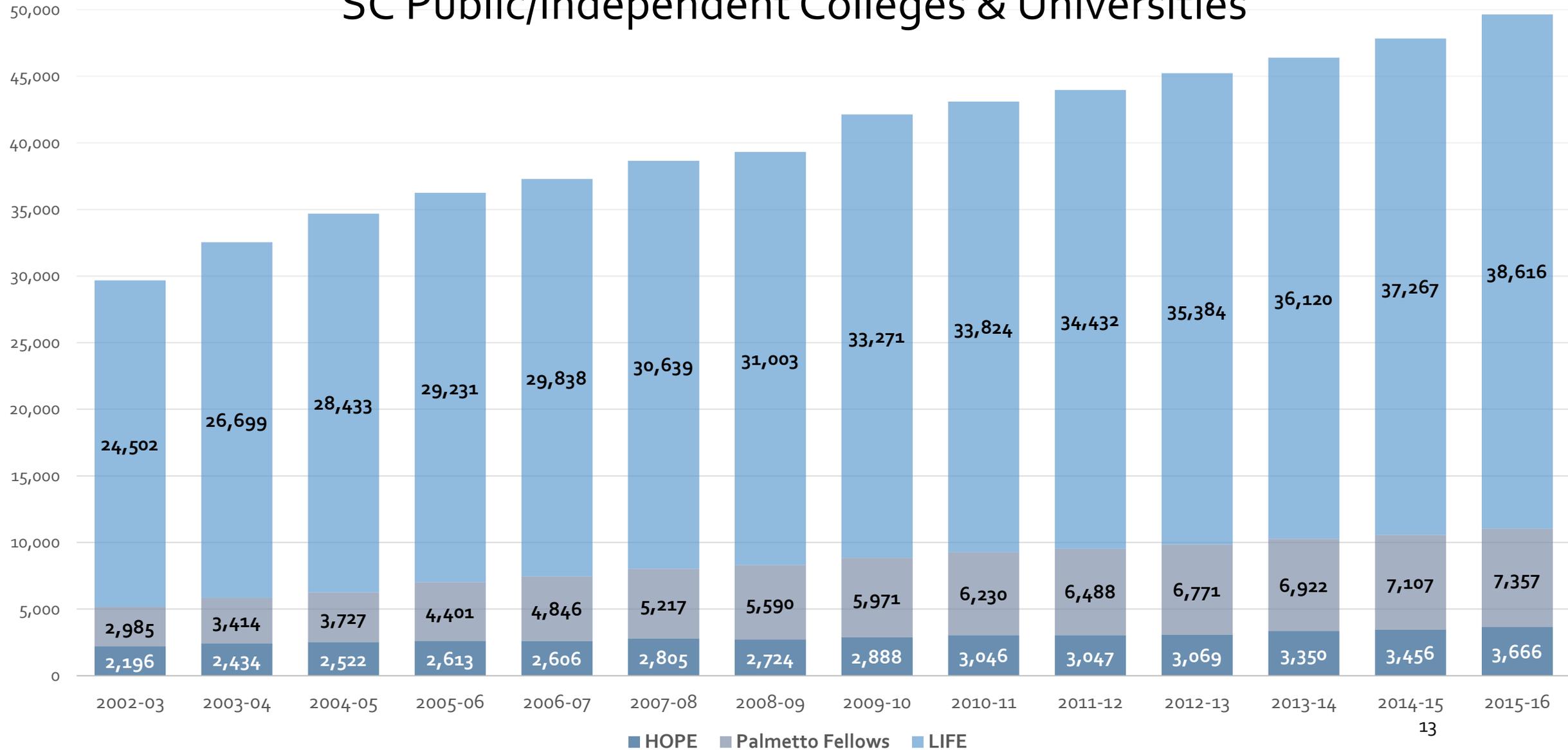
Retention of Scholarships

	Continued Eligibility Requirements	Year 1 to Year 2	Year 2 to Year 3	Year 3 to Year 4
Palmetto Fellows	30 annual credit hours; <i>and</i> 3.0 home institutional GPA	89.0%	92.0%	91.8%
LIFE 2-year USC /Independent	Average of 30/60/90 credit hours; <i>and</i> 3.0 LIFE GPA	30.8%		
LIFE 2-year Technical Colleges		22.2%		
LIFE 4-year		51.4%	86.7%	83.8%
HOPE to LIFE		24.6%		

*2013-2014 cohort

Summary of Scholarship Recipients

SC Public/Independent Colleges & Universities



Summary of Scholarship Expenditures

SC Public/Independent Colleges & Universities

	LIFE	Palmetto Fellows	HOPE	TOTAL
2002-03	\$106,542,918	\$19,090,029	\$5,392,161	\$131,025,108
2003-04	\$119,202,646	\$21,895,408	\$5,994,319	\$147,092,373
2004-05	\$127,152,542	\$24,121,633	\$6,045,918	\$157,320,093
2005-06	\$130,922,591	\$28,408,604	\$6,260,001	\$165,591,196
2006-07	\$134,337,002	\$31,410,350	\$6,297,076	\$172,044,428
2007-08	\$147,929,941	\$40,478,125	\$7,120,045	\$195,528,111
2008-09	\$150,595,333	\$44,035,892	\$7,037,260	\$201,668,485
2009-10	\$160,982,991	\$46,777,362	\$7,440,767	\$215,201,120
2010-11	\$164,444,694	\$48,937,333	\$7,751,656	\$221,133,683
2011-12	\$169,627,201	\$51,581,741	\$7,799,012	\$229,007,954
2012-13	\$175,664,083	\$53,947,701	\$7,893,909	\$237,505,693
2013-14	\$180,304,128	\$55,457,787	\$8,626,730	\$244,388,645
2014-15	\$186,439,553	\$57,281,704	\$8,908,908	\$252,630,165
2015-16	\$193,201,331	\$58,944,397	\$9,435,787	\$261,581,515
Average Annual Growth Rate	4.7%	9.1%	4.4%	5.3%

← Enhancement began here

TIMING AND QUALIFICATION IMPACTS OF THE GRADING SCALE CHANGES

Change to the Uniform Grading Policy

In spring 2016 the State Board of Education (SBE) adopted an updated Uniform Grading Policy, moving from a seven-point scale to a ten-point scale.

Report on Recommendations Related to the Uniform Grading Policy Ten-Point Scale

To the Governor, the Chairman of the Senate Education Committee, the Chairman of the House Education and Public Works Committee, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee

Pursuant to Proviso 3.6 of the 2016-17 Appropriations Act

January 6, 2017

**STATE OF SOUTH CAROLINA
DEPARTMENT OF EDUCATION**

**MOLLY M. SPEARMAN
STATE SUPERINTENDENT OF EDUCATION**



IN COOPERATION WITH
THE COMMISSION ON HIGHER EDUCATION

MOVING FROM THE 7-POINT SCALE TO THE 10-POINT SCALE

7- Point Grading Scale

Prior to Fall 2016

South Carolina Uniform Grading Scale Conversions				
Numerical Average	Letter Grade	College Prep	Honors	AP/IB/ Dual Credit
100	A	4.875	5.375	5.875
99	A	4.750	5.250	5.750
98	A	4.625	5.125	5.625
97	A	4.500	5.000	5.500
96	A	4.375	4.875	5.375
95	A	4.250	4.750	5.250
94	A	4.125	4.625	5.125
93	A	4.000	4.500	5.000
92	B	3.875	4.375	4.875
91	B	3.750	4.250	4.750
90	B	3.625	4.125	4.625
89	B	3.500	4.000	4.500
88	B	3.375	3.875	4.375
87	B	3.250	3.750	4.250
86	B	3.125	3.625	4.125
85	B	3.000	3.500	4.000
84	C	2.875	3.375	3.875
83	C	2.750	3.250	3.750
82	C	2.625	3.125	3.625
81	C	2.500	3.000	3.500
80	C	2.375	2.875	3.375
79	C	2.250	2.750	3.250
78	C	2.125	2.625	3.125
77	C	2.000	2.500	3.000
76	D	1.875	2.375	2.875
75	D	1.750	2.250	2.750
74	D	1.625	2.125	2.625
73	D	1.500	2.000	2.500
72	D	1.375	1.875	2.375
71	D	1.250	1.750	2.250
70	D	1.125	1.625	2.125
69	F	1.000	1.500	2.000
68	F	0.875	1.375	1.875
67	F	0.750	1.250	1.750
66	F	0.625	1.125	1.625
65	F	0.500	1.000	1.500
64	F	0.375	0.875	1.375
63	F	0.250	0.750	1.250
62	F	0.125	0.625	1.125
0-61	F	0.000	0.000	0.000
61	FA	0.000	0.000	0.000
61	WF	0.000	0.000	0.000
—	WP	0.000	0.000	0.000

Current Palmetto Fellows *Alternative* GPA requirement

Current Palmetto Fellows GPA requirement

Current LIFE GPA requirement

10 Point Grading Scale

Starting Fall 2016

South Carolina Uniform Grading Scale Conversions				
Numerical Average	Letter Grade	College Prep Weighting	Honors Weighting	AP/IB/Dual Credit Weighting
100	A	5.000	5.500	6.000
99	A	4.900	5.400	5.900
98	A	4.800	5.300	5.800
97	A	4.700	5.200	5.700
96	A	4.600	5.100	5.600
95	A	4.500	5.000	5.500
94	A	4.400	4.900	5.400
93	A	4.300	4.800	5.300
92	A	4.200	4.700	5.200
91	A	4.100	4.600	5.100
90	A	4.000	4.500	5.000
89	B	3.900	4.400	4.900
88	B	3.800	4.300	4.800
87	B	3.700	4.200	4.700
86	B	3.600	4.100	4.600
85	B	3.500	4.000	4.500
84	B	3.400	3.900	4.400
83	B	3.300	3.800	4.300
82	B	3.200	3.700	4.200
81	B	3.100	3.600	4.100
80	B	3.000	3.500	4.000
79	C	2.900	3.400	3.900
78	C	2.800	3.300	3.800
77	C	2.700	3.200	3.700
76	C	2.600	3.100	3.600
75	C	2.500	3.000	3.500
74	C	2.400	2.900	3.400
73	C	2.300	2.800	3.300
72	C	2.200	2.700	3.200
71	C	2.100	2.600	3.100
70	C	2.000	2.500	3.000
69	D	1.900	2.400	2.900
68	D	1.800	2.300	2.800
67	D	1.700	2.200	2.700
66	D	1.600	2.100	2.600
65	D	1.500	2.000	2.500
64	D	1.400	1.900	2.400
63	D	1.300	1.800	2.300
62	D	1.200	1.700	2.200
61	D	1.100	1.600	2.100
60	D	1.000	1.500	2.000
59	F	0.900	1.400	1.900
58	F	0.800	1.300	1.800
57	F	0.700	1.200	1.700
56	F	0.600	1.100	1.600
55	F	0.500	1.000	1.500
54	F	0.400	0.900	1.400
53	F	0.300	0.800	1.300
52	F	0.200	0.700	1.200
51	F	0.100	0.600	1.100

3.00 GPA on the 10-point scale is equivalent to a **2.375** GPA on the 7-point scale

Cause and Effect

SC DOE's Grade Point Change and its impact on the State's Merit Based Scholarships

Essentially provides lower merit requirements for state scholarships:

When fully phased-in by Year 4, a **Current:**

2.3 GPA becomes → 3.0 GPA

3.0 GPA becomes → 3.5 GPA

3.5 GPA becomes → 3.9 GPA

4.0 GPA becomes → 4.3 GPA

Timing & Impact

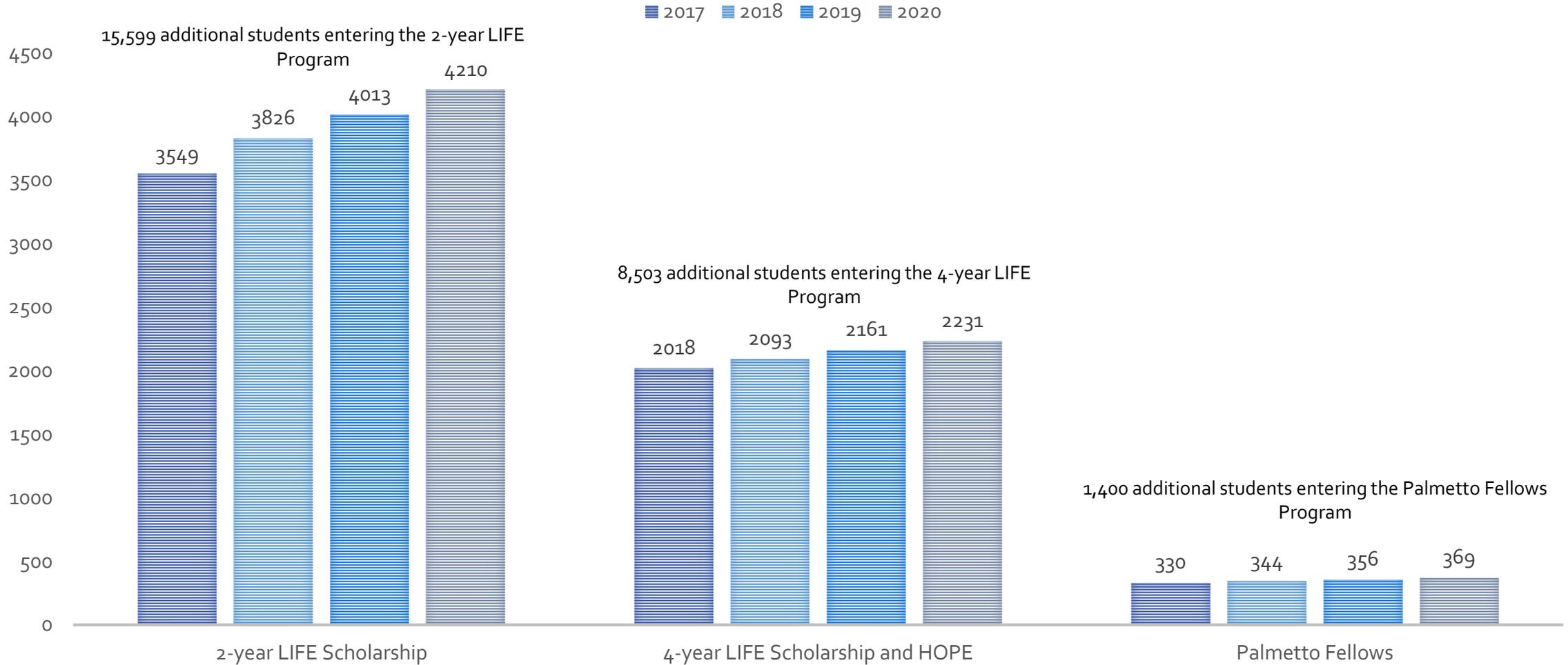
	Fall 2014 Actual (7-point scale)	Class of 2017 <i>3 years 7-point 1 year 10-point</i>	Class of 2018 <i>2 years 7-point 2 years 10-point</i>	Class of 2019 <i>1 year 7-point 3 years 10-point</i>	Class of 2020 <i>4 years 10-point</i>
LIFE/HOPE (4-year)	38,140	40,158	38,484	38,496	38,509
Palmetto Fellows	6,965	7,295	9,058	9,126	9,196
LIFE (2-year)	27,190	30,739	31,016	31,203	31,400
Total	72,295	78,192	78,558	78,825	79,105
Additional students that may enter into the scholarship programs		5,897	6,263	6,530	6,810

Over the next 4 years, **25,500** additional students entering into the scholarship programs.

If no changes are made – full implementation of 10 point scale

Scholarship Program Breakdown

SC Public/Independent Colleges & Universities



**FINANCIAL IMPACT PER EACH
SCHOLARSHIP AND GRANT PROGRAM
THAT WILL NEED TO BE ADDRESSED
BY THE PROJECTED SHORTFALLS**

Cost Estimates based on College Freshmen Data and Using SDE Data for Equivalencies

- For the state-funded merit-based scholarships, a cost impact will result because of differences in the 7-point UGP and changes to the 10-point UGP.
- Data show cost estimates for Year 1 based on the phased-in UGP GPA and for the cumulative costs over four years.
- The Year 1 estimates do not consider any changes in enrollment or enrollment patterns as a result of possible awards earned.
- That is, the estimate is for the 2014 cohort as enrolled and approximates the additional awards that may have been earned if the students' grades were calculated for the UGP on the phased-in UGP GPA scale.

Financial Impact

2-Year LIFE

	Year 1 (Class of 2017)		Year 2 (Class of 2018)		Year 3 (Class of 2019)		Year 4 (Class of 2020)		Total	
TOTAL GROSS COSTS	#	Cost	#	Cost	#	Cost	#	Cost	#	Cost
entering class 1	3,549	\$14,797,733	834	3,475,987	-	-	-	\$0	4,383	\$18,273,720
entering class 2			3,826	15,952,698	899	3,747,289	-	\$0	4,725	\$19,699,987
entering class 3					4,013	16,734,381	943	\$3,930,906	4,956	\$20,665,287
entering class 4							4,210	\$17,554,365	4,210	\$17,554,365
SUBTOTAL	3,549	\$14,797,733	4,660	\$19,428,686	4,912	\$20,481,669	-	\$21,485,271	18,274	\$76,193,359
TOTAL COST SAVINGS FROM REDUCED LTA		-\$8,517,600		-\$11,183,184		-\$11,789,283		-\$12,366,958		-\$43,857,026

NET NEW COSTS TO SYSTEM \$6,280,133 \$8,245,502 \$8,692,386 \$9,118,313 \$32,336,333

4-Year LIFE and HOPE

	Year 1 (Class of 2017)		Year 2 (Class of 2018)		Year 3 (Class of 2019)		Year 4 (Class of 2020)		Total	
TOTAL GROSS COSTS	#	Cost	#	Cost	#	Cost	#	Cost	#	Cost
entering class 1	2018	\$6,730,600	628	\$3,450,948	544	\$2,991,972	456	2,507,272	3,646.79	\$15,680,792
entering class 2			2,093	\$6,962,600	649	\$3,567,057	563	3,092,639	3,304.96	\$13,622,296
entering class 3					2,161	\$7,172,621	668	3,672,153	2,829.19	\$10,844,774
entering class 4							2,231	7,389,556	2,231.19	\$7,389,556
SUBTOTAL	2,018	\$6,730,600	2,721	\$10,413,548	3,355	\$13,731,650	3,919	16,661,620	12,012	\$47,537,418
TOTAL COST SAVINGS		\$0		\$0		\$0		\$0		\$0

NET NEW COSTS TO SYSTEM \$6,730,600 \$10,413,548 \$13,731,650 \$16,661,620 \$47,537,418

Financial Impact

Palmetto Fellows	Year 1 (Class of 2017)		Year 2 (Class of 2018)		Year 3 (Class of 2019)		Year 4 (Class of 2020)		Total	
	#	Cost	#	Cost	#	Cost	#	Cost	#	Cost
TOTAL GROSS COSTS										
entering class 1	330	\$2,211,000	294	\$2,503,058	270	\$2,302,814	248	\$2,113,983	1,142	\$9,130,855
entering class 2			344	\$2,304,800	306	\$2,609,249	282	\$2,400,509	932	\$7,314,557
entering class 3					356	\$2,387,773	317	\$2,703,182	674	\$5,090,954
entering class 4							369	\$2,473,733	369	\$2,473,733
SUBTOTAL	330	\$2,211,000	638	\$4,807,858	933	\$7,299,835	1,216	\$9,691,406	3,117	\$24,010,099

TOTAL COST SAVINGS FROM REDUCED LIFE	-\$1,650,000	-\$3,188,500	-\$4,663,740	-\$6,080,550	-\$15,582,790
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NET NEW COSTS TO SYSTEM	\$561,000	\$1,619,358	\$2,636,095	\$3,610,855	\$8,427,309
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GRAND TOTALS

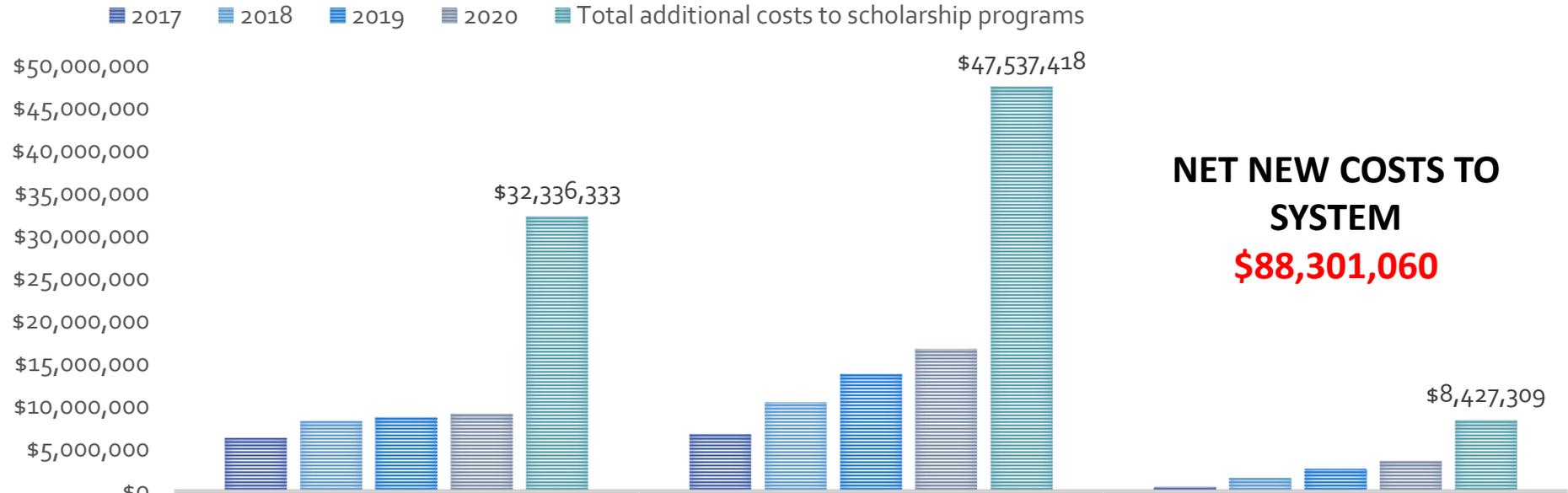
TOTAL GROSS COSTS					
entering class 1	\$23,739,333	\$9,429,994	\$5,294,785	\$4,621,255	\$43,085,367
entering class 2	\$0	\$25,220,098	\$9,923,595	\$5,493,147	\$40,636,840
entering class 3	\$0	\$0	\$26,294,775	\$10,306,240	\$36,601,015
entering class 4	\$0	\$0	\$0	\$27,417,654	\$27,417,654
SUBTOTAL	\$23,739,333	\$34,650,092	\$41,513,155	\$47,838,297	\$147,740,877

TOTAL COST SAVINGS FROM ALL	-\$10,167,600	-\$14,371,684	-\$16,453,023	-\$18,447,509	-\$59,439,816
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NET NEW COSTS TO SYSTEM	\$13,571,733	\$20,278,408	\$25,060,131	\$29,390,789	\$88,301,060
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We are here

If no changes are made – full implementation of 10 point scale Scholarship Program Breakdown SC Public/Independent Colleges & Universities



	2-year LIFE Scholarship	4-year LIFE Scholarship and HOPE	Palmetto Fellows
2017	\$6,280,133	\$6,730,600	\$561,000
2018	\$8,245,502	\$10,413,548	\$1,619,358
2019	\$8,692,386	\$13,731,650	\$2,636,095
2020	\$9,118,313	\$16,661,620	\$3,610,855
Total additional costs to scholarship programs	\$32,336,333	\$47,537,418	\$8,427,309

* Total additional costs takes into consideration of student moving from one scholarship category to the next.

THE PROJECTION FOR THE WIDENED INCLUSION WITHOUT CHANGES TO OUR FORMULAE

The 'No Change' scenario

Projection

After full implementation of 10-point grading scale:

**using current requirements*

⇒ Palmetto Fellows: 1,400 additional students → **\$8,427,309**

⇒ 2 year LIFE: 15,559 additional students → **\$32,336,333**

⇒ 4 year LIFE & HOPE: 8,503 additional students → **\$47,537,418**

Total Cost: \$88,301,060

OTHER ISSUES THAT MAY AFFECT SCHOLARSHIP & GRANT FUNDING

Old SAT to New SAT Concordance Table (1600 Scale)

Old SAT Total Score (400-1600)	New SAT Total Score (400-1600)
1100	1170
1110	1180
1120	1190
1130	1200
1140	1210
1150	1220
1160	1230
1170	1240
1180	1250
1190	1260
1200	1270
1210	1280
1220	1290
1230	1300
1240	1310
1250	1310
1260	1320
1270	1330
1280	1340
1290	1350
1300	1360
1310	1370
1320	1380
1330	1390
1340	1400
1350	1410
1360	1420
1370	1420
1380	1430
1390	1440
1400	1450

1200 on the OLD SAT is now a 1270 on the NEW SAT.

32 is the current ACT score requirement for Alternative Criteria for the Palmetto Fellows Scholarship

27 is the current ACT score requirement for the Palmetto Fellows Scholarship

24 is the current ACT score requirement for the LIFE Scholarship

ACT to New SAT Concordance Table

ACT Composite Score	New SAT Total (400-1600)
33	1480
32	1470
32	1460
32	1450
32	1440
31	1430
31	1420
31	1410
30	1400
30	1390
30	1380
30	1370
29	1360
29	1350
29	1340
29	1330
28	1320
28	1310
28	1300
27	1290
27	1280
27	1270
26	1260
26	1250
26	1240
26	1230
25	1220
25	1210
25	1200
25	1190
24	1180
24	1170
24	1160
24	1150

The NEW SAT equivalent range has a slight variation depending on the conversion from ACT to SAT or SAT to ACT.

New SAT to ACT Concordance Table

New SAT Total (400-1600)	ACT Composite Score
1600	36
1590	35
1580	35
1570	35
1560	35
1550	34
1540	34
1530	34
1520	34
1510	33
1500	33
1490	33
1480	32
1470	32
1460	32
1450	32
1440	31
1430	31
1420	31
1410	30
1400	30
1390	30
1380	29
1370	29
1360	29
1350	29
1340	28
1330	28
1320	28
1310	28
1300	27
1290	27
1280	27
1270	26
1260	26
1250	26
1240	26
1230	25
1220	25
1210	25
1200	25
1190	24
1180	24
1170	24
1160	24

3¹

Table 15

Table 7

Lottery Tuition Assistance and Dual Enrollment

High School Students Receiving
LTA Awards Academic Years*
2011-12 to 2015-16

Academic Year	Number of high school Students**	Award Amount	Total students receiving LTAP funding	% of high school students	Total Award Amount
2011-2012	5,523	\$4,349,912	42,496	12.99%	\$43,875,111
2012-2013	5,594	\$5,370,457	43,524	12.85%	\$53,311,236
2013-2014	5,602	\$5,382,734	41,949	13.35%	\$51,505,057
2014-2015	7,654	\$7,553,321	41,585	18.40%	\$50,644,330
2015-2016	9,008	\$8,527,139	41,528	21.69%	\$53,222,468
Grand Total	33,381	\$31,183,563	211,082		\$252,558,202

*Academic Year is defined below for one year. The remainder years follow the same definition.

- 2011-12 Fall 2011, Spring 2012, Summer 2012

**Number of Students reported is unduplicated for the Academic Year

POSSIBLE SCENARIOS THAT MAY ADDRESS THE FINANCIAL SHORTFALLS FOR EACH PROGRAM

Scenarios offered in this presentations ARE NOT recommendations of CHE or CHE Staff; they are simply suggestions to help offset the fiscal impact of the South Carolina 10-point grade scale and SAT Redesign.

The Process

- Developed Scholarship Advisory Committee
 - Representation from CHE Staff, research institutions, comprehensive & independent colleges, and technical colleges.
 - **Step 1)** Staff discuss possible options → conversations with Scholarship Advisory Committee and legislative staff
 - **Step 2)** Bring recommendations to the Committee on Access & Equity and Student Services for approval;
 - **Step 3)** Bring to full Commission for approval;
 - **Step 4)** Present recommendations to General Assembly;
 - **Step 5)** Educate constituents: college staff, high school staff, students & parents

Scenario One

	After full implementation of 10-point grading scale Annual cost to system without change	Financial Impact of Scenario One with modifications to initial eligibility criteria
Palmetto Fellows	Year 4 and beyond, approx. 1,216 students will enter into the Palmetto Fellows program who would otherwise may not have been eligible prior to the 10-point scale.	Rank in the top 6% 10th , 11 th or 12 th grade; <i>and</i>
		1200 → 1270 SAT or 27 ACT ; <i>and</i>
		3.5 → 3.9 SC UGP
		OR alternative Criteria
		1400 → 1450 SAT or 32 ACT; <i>and</i>
		4.0 → 4.3 SC UGP
	\$3.6 million	PF to LIFE (4-year) = 605 students (\$1 million)
LIFE 4-year	Year 4 and beyond, approx. 3,919 students will enter into the LIFE and/or SC HOPE program who would otherwise may not have been eligible prior to the 10-point scale.	Rank in the top 30% of graduating class; <i>and/or</i>
		1100 → 1150 SAT or 24 ACT ; <i>and/or</i>
		3.0 → 3.5 SC UGP; <i>and/or</i>
		LIFE (4-year) to HOPE = 0 students (\$0)
		LIFE (4-year) to no longer initially eligible = 574 students (\$2.9 million)
SC HOPE		3.0 → 3.5 SC UGP
	\$16.7 million	HOPE to no longer initially eligible = 3,293 students (\$9.2 million)
LIFE 2-year	Approx. 5,153 students	3.0 → 3.5 SC UGP
	\$9.1 million	LIFE (2-year) to LTAP = 2,552 students (\$7.2 million)
Estimates for Scenario One	\$29.4 million	\$20.3 million
		(\$9.1 million)

Scenario Two

	After full implementation of 10-point grading scale Annual cost to system without change	Financial Impact of Scenario Two with modifications to initial eligibility criteria
Palmetto Fellows	Year 4 and beyond, approx. 1,216 students will enter into the Palmetto Fellows program who would otherwise may not have been eligible prior to the 10-point scale.	Rank in the top 6% 10th , 11 th or 12 th grade; <i>and</i>
		1200 → 1300 SAT or 28 ACT ; <i>and</i>
		3.5 → 3.9 SC UGP
		OR alternative Criteria
		1400 → 1450 SAT or 32 ACT; <i>and</i>
		4.0 → 4.3 SC UGP
	\$3.6 million	PF to LIFE (4-year) = 2,153 students (\$3.7 million)
LIFE 4-year	Year 4 and beyond, approx. 3,919 students will enter into the LIFE and/or SC HOPE program who would otherwise may not have been eligible prior to the 10-point scale.	Rank in the top 30% of graduating class; <i>and/or</i>
		1100 → 1190 SAT or 25 ACT ; <i>and/or</i>
		3.0 → 3.5 SC UGP; <i>and/or</i>
		LIFE (4-year) to HOPE = 1,253 students (\$2.8 million)
		LIFE (4-year) to no longer initially eligible = 1,228 students (\$6.1 million)
SC HOPE		3.0 → 3.5 SC UGP
	\$16.7 million	HOPE to no longer initially eligible = 3,293 students (\$9.2 million)
LIFE 2-year	Approx. 5,153 students	3.0 → 3.5 SC UGP
	\$9.1 million	LIFE (2-year) to LTAP = 2,552 students (\$7.2 million)
Estimates for Scenario Two	\$29.4 million	\$29 million
		(\$400,000)

Scenario Three

	After full implementation of 10-point grading scale Annual cost to system without change	Financial Impact of Scenario Three with modifications to initial eligibility criteria
Palmetto Fellows	Year 4 and beyond, approx. 1,216 students will enter into the Palmetto Fellows program who would otherwise may not have been eligible prior to the 10-point scale.	Rank in the top 6% 10th , 11 th or 12 th grade; <i>and</i>
		1200 → 1330 SAT or 29 ACT ; <i>and</i>
		3.5 → 3.9 SC UGP
		OR alternative Criteria
		1400 → 1450 SAT or 32 ACT; <i>and</i>
		4.0 → 4.3 SC UGP
	\$3.6 million	PF to LIFE (4-year) = 3,374 students (\$5.7 million)
LIFE 4-year	Year 4 and beyond, approx. 3,919 students will enter into the LIFE and/or SC HOPE program who would otherwise may not have been eligible prior to the 10-point scale.	Rank in the top 30% of graduating class; <i>and/or</i>
		1100 → 1230 SAT or 26 ACT ; <i>and/or</i>
		3.0 → 3.5 SC UGP; <i>and/or</i>
		LIFE (4-year) to HOPE = 2,653 students (\$5.8 million)
		LIFE (4-year) to no longer initially eligible = 1,940 students (\$9.7 million)
SC HOPE		3.0 → 3.5 SC UGP
	\$16.7 million	HOPE to no longer initially eligible = 3,293 students (\$9.2 million)
LIFE 2-year	Approx. 5,153 students	3.0 → 3.5 SC UGP
	\$9.1 million	LIFE (2-year) to LTAP = 2,552 students (\$7.2 million)
Estimates for Scenario Three	\$29.4 million	\$37.7 million
		\$8.3 million

Scenario Four

	After full implementation of 10-point grading scale Annual cost to system without change	Financial Impact of Scenario Four with modifications to initial eligibility criteria
Palmetto Fellows	Year 4 and beyond, approx. 1,216 students will enter into the Palmetto Fellows program who would otherwise may not have been eligible prior to the 10-point scale.	Rank in the top 6% 10th , 11 th or 12 th grade; <i>and</i>
		1200 → 1370 SAT or 30 ACT ; <i>and</i>
		3.5 → 3.9 SC UGP
		OR alternative Criteria
		1400 → 1450 SAT or 32 ACT; <i>and</i>
		4.0 → 4.3 SC UGP
	\$3.6 million	PF to LIFE (4-year) = 4,634 students (\$7.9 million)
LIFE 4-year	Year 4 and beyond, approx. 3,919 students will enter into the LIFE and/or SC HOPE program who would otherwise may not have been eligible prior to the 10-point scale.	Rank in the top 30% of graduating class; <i>and/or</i>
		1100 → 1270 SAT or 27 ACT ; <i>and/or</i>
		3.0 → 3.5 SC UGP; <i>and/or</i>
		LIFE (4-year) to HOPE = 3,625 students (\$8.0 million)
		LIFE (4-year) to no longer initially eligible = 2,473 students (\$12.4 million)
SC HOPE		3.0 → 3.5 SC UGP
	\$16.7 million	HOPE to no longer initially eligible = 3,293 students (\$9.2 million)
LIFE 2-year	Approx. 5,153 students	3.0 → 3.5 SC UGP
	\$9.1 million	LIFE (2-year) to LTAP = 2,552 students (\$7.2 million)
Estimates for Scenario Four	\$29.4 million	\$44.6 million
		\$15.2 million

Award Percentage Reduction

• **5%-\$15.3 million**

- Palmetto Fellows: \$335/\$375 (\$6,365/\$7,125)
- LIFE: \$250 (\$4,750)
- HOPE: \$140 (\$2,660)
- LTAP: \$60 (\$1,140) or \$95 per credit hour

• **5.5%-\$16.8 million**

- Palmetto Fellows: \$369/\$413 (\$6,331/\$7,087)
- LIFE: \$275 (\$4,725)
- HOPE: \$154 (\$2,646)
- LTAP: \$66 (\$1,134) or \$94.5 per credit hour

• **6.0%-\$18.4 million**

- Palmetto Fellows: \$402/\$450 (\$6,298/\$7,050)
- LIFE: \$300 (\$4,700)
- HOPE: \$168 (\$2,632)
- LTAP: \$72 (\$1,128) or \$94 per credit hour

• **6.5%-\$19.9 million**

- Palmetto Fellows: \$436/\$488 (\$6,264/\$7,012)
- LIFE: \$325 (\$4,675)
- HOPE: \$182 (\$2,618)
- LTAP: \$78 (\$1,122) or \$93.5 per credit hour

• **7.0%-\$21.4 million**

- Palmetto Fellows: \$469/\$525 (\$6,231/\$6,975)
- LIFE: \$350 (\$4,650)
- HOPE: \$196 (\$2,604)
- LTAP: \$84 (\$1,116) or \$93 per credit hour

Award Percentage Reduction

• **7.5%-\$22.9 million**

- Palmetto Fellows: \$503/\$563 (\$6,197/\$6,937)
- LIFE: \$375 (\$4,625)
- HOPE: \$210 (\$2,590)
- LTAP: \$90 (\$1,110) or \$92.5 per credit hour

• **8.0%-\$24.5 million**

- Palmetto Fellows: \$536/\$600 (\$6,164/\$6,900)
- LIFE: \$400 (\$4,600)
- HOPE: \$224 (\$2,576)
- LTAP: \$96 (\$1,104) or \$92 per credit hour

• **8.5%-\$26.0 million**

- Palmetto Fellows: \$570/\$638 (\$6,130/\$6,862)
- LIFE: \$425 (\$4,575)
- HOPE: \$238 (\$2,562)
- LTAP: \$102 (\$1,098) or \$91.5 per credit hour

• **9.0%-\$27.5 million**

- Palmetto Fellows: \$603/\$675 (\$6,097/\$6,825)
- LIFE: \$450 (\$4,550)
- HOPE: \$252 (\$2,548)
- LTAP: \$108 (\$1,092) or \$91 per credit hour

• **9.5%-\$29.1 million**

- Palmetto Fellows: \$637/\$713 (\$6,063/\$6,787)
- LIFE: \$475 (\$4,525)
- HOPE: \$266 (\$2,534)
- LTAP: \$114 (\$1,086) or \$90.5 per credit hour

• **10%-\$30.6 million**

- Palmetto Fellows: \$670/\$750 (\$6,030/\$6,750)
- LIFE: \$500 (\$4,500)
- HOPE: \$280 (\$2,520)
- LTAP: \$120 (\$1,080) or \$90 per credit hour

Possible options: Enhancements

LIFE/Palmetto Fellow STEM students can use enhancement for 3rd and 4th year only; *(New)*

Term	Palmetto Fellows	LIFE
Fall 2015/Spring 2016	696 students would no longer be eligible for the enhancement during 2 nd year	1,992 students would no longer be eligible for the enhancement during 2 nd year
Savings	\$1,740,000	\$4,980,000
TOTAL	\$6,720,000	

Possible options: Scholarship GPA

Like the current LIFE Scholarship GPA, all scholarships (HOPE, LIFE, & Palmetto Fellows) move to a new 'Scholarship GPA'.

This cumulative GPA calculation will include credit hours and grades earned at all eligible institutions based on a 4.0 scale. The new Scholarship GPA must not include attempted credit hours earned for continuing education courses, non-degree credit courses for an associate's degree or higher and remedial/developmental courses.

Possible options: Lottery Tuition Assistance

- Find alternative funding source for dual enrollment students

Continued eligibility

- SAP based on federal standards (Title IV); (*New*)
- Awarded up to completion of 1st certificate, diploma and or Associates degree - must wait 3 years thereafter (*New*)

Possible options: Palmetto Fellows

Continued Eligibility

- Move to Scholarship GPA; *(New)*
- Average of 30/60/90 credit hours each academic year; *(New)*
- 3.2 State Scholarship GPA for continuation of PFS; *(New)*
- IB, AP, and dual enrollment credit hours can be used to meet 30/60/90 requirement; *(New)*
- LIFE & Palmetto Fellows
 - Proration of award for the last semester in which the student graduates *(New)*

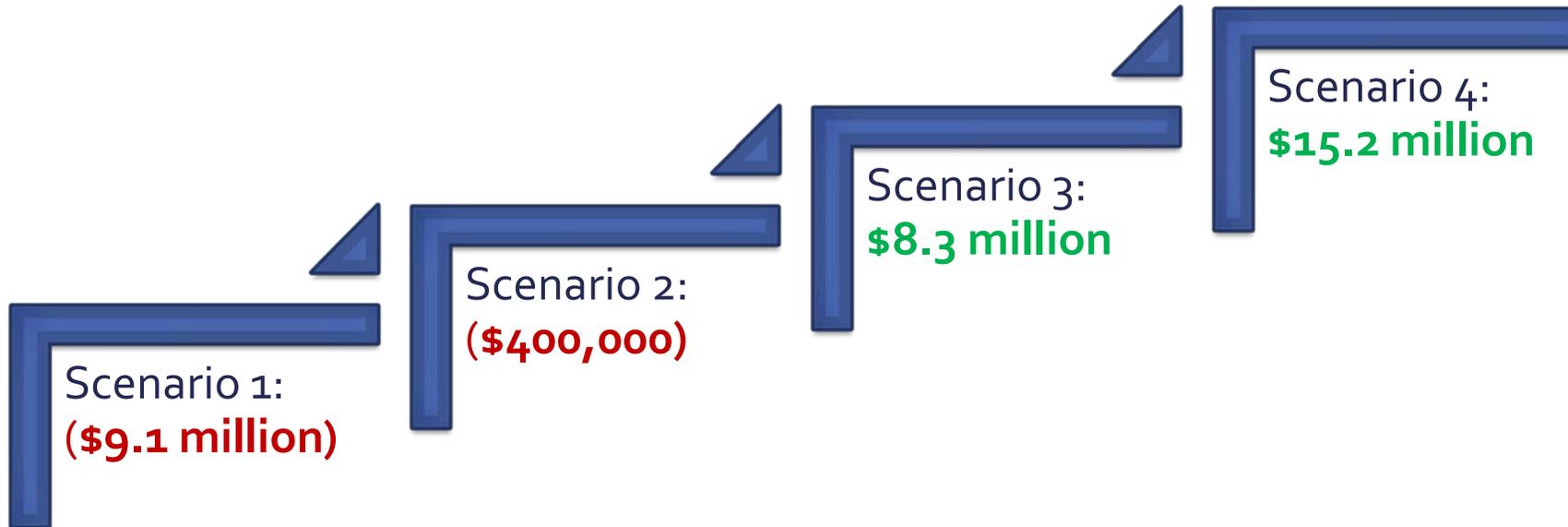
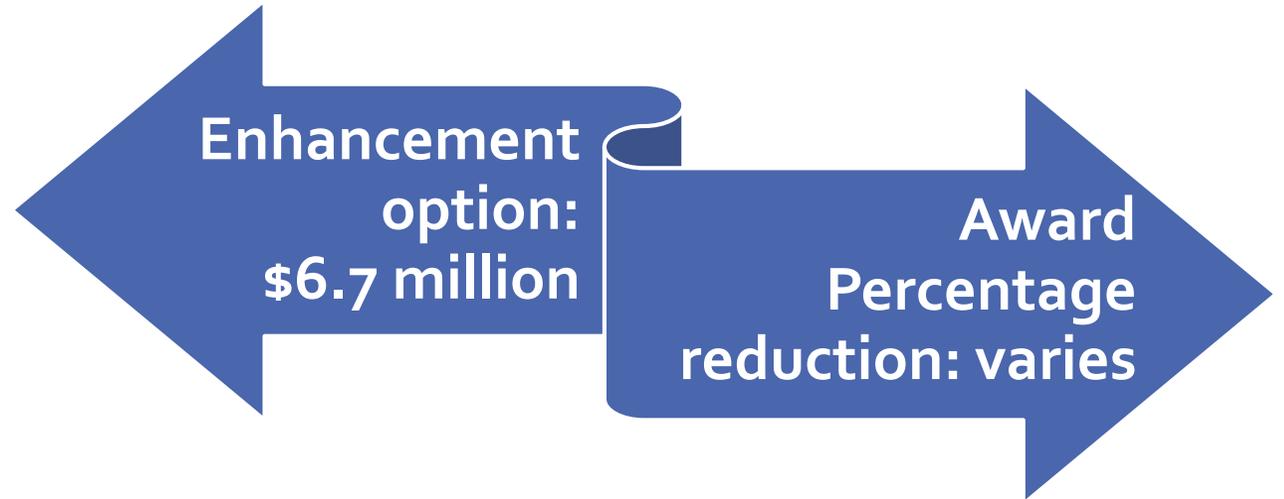
Possible options: SC Need-Based Grant

Award to eligible institutions based on new methodology only:

- Funding will go to institutions who have the neediest students based on number of Pell Grant recipients enrolled. (*New*)

Summary/Discussion

With no changes to the scholarship programs, after full implementation of the 10-point grading scale, the State will have to pay an *additional* **\$29.4** million dollars per year.



QUESTIONS?
