

# STATE SCHOLARSHIP & GRANT PROGRAMS

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Council of Presidents

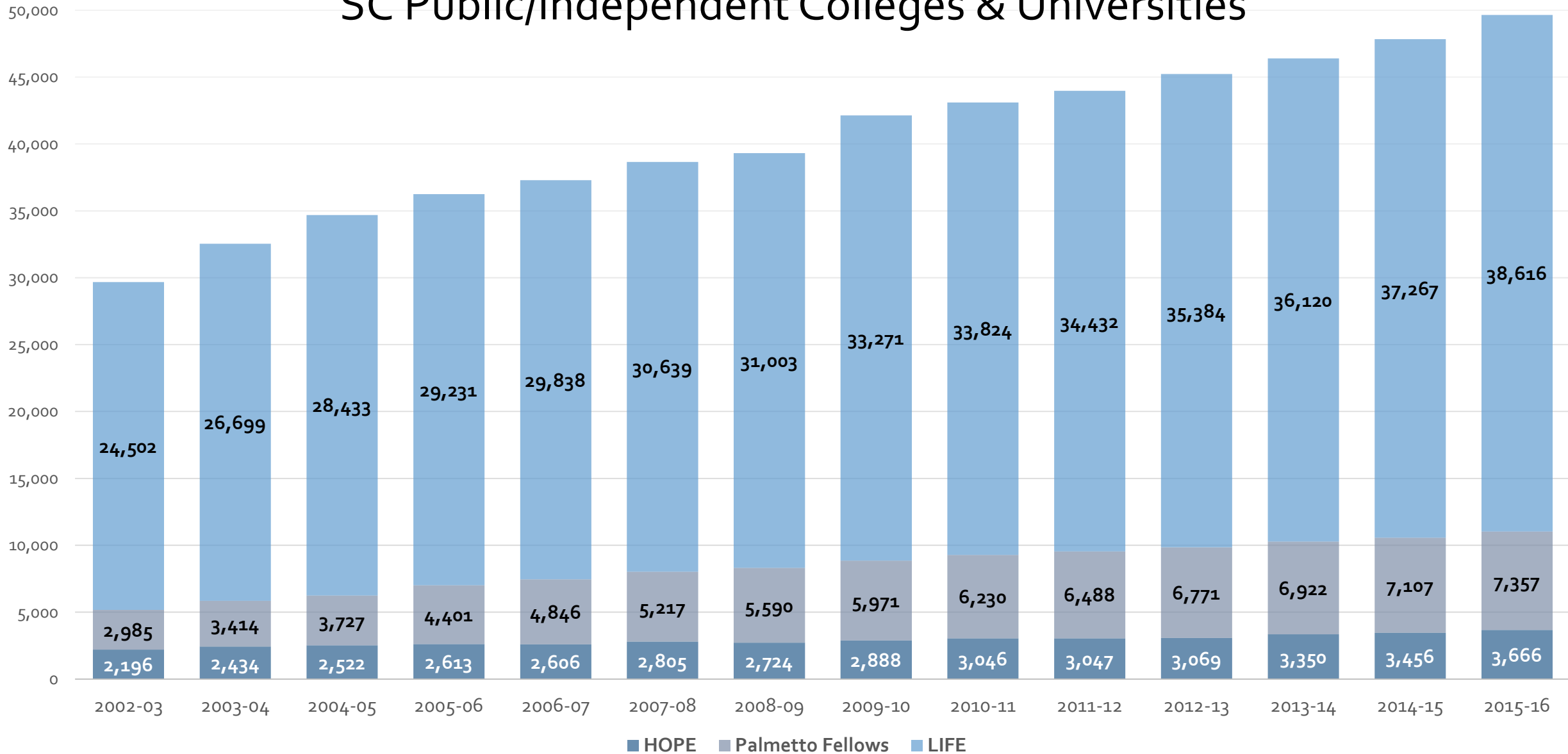
June 28, 2017

# **CURRENT SCHOLARSHIP & GRANT GROWTH AND SPENDING**

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# 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**

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# 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**

# 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:**

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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>
<b>LIFE/HOPE (4-year)</b>	38,140	40,158	38,484	38,496	38,509
<b>Palmetto Fellows</b>	6,965	7,295	9,058	9,126	9,196
<b>LIFE (2-year)</b>	27,190	30,739	31,016	31,203	31,400
<b>Total</b>	<b>72,295</b>	<b>78,192</b>	<b>78,558</b>	<b>78,825</b>	<b>79,105</b>
Additional students that may enter into the scholarship programs		<b>5,897</b>	<b>6,263</b>	<b>6,530</b>	<b>6,810</b>

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



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

# Financial Impact

	Year 1 (Class of 2017) NET NEW COSTS TO SYSTEM	Year 2 (Class of 2018) NET NEW COSTS TO SYSTEM	Year 3 (Class of 2019) NET NEW COSTS TO SYSTEM	Year 4 (Class of 2020) NET NEW COSTS TO SYSTEM	Total
2-Year LIFE	\$6,280,133	\$8,245,502	\$8,692,386	\$9,118,313	\$32,336,333
4-Year LIFE and HOPE	\$6,730,600	\$10,413,548	\$13,731,650	\$16,661,620	\$47,537,418
Palmetto Fellows	\$561,000	\$1,619,358	\$2,636,095	\$3,610,855	\$8,427,309
<b>GRAND TOTAL</b>	<b>\$13,571,733</b>	<b>\$20,278,408</b>	<b>\$25,060,131</b>	<b>\$29,390,789</b>	<b>\$88,301,060</b>

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# **OTHER ISSUES THAT MAY AFFECT SCHOLARSHIP & GRANT FUNDING**

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## 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

Table 15

# 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
<b>Grand Total</b>	<b>33,381</b>	<b>\$31,183,563</b>	<b>211,082</b>		<b>\$252,558,202</b>

\*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

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Scenarios offered in this presentations ARE NOT recommendations of CHE or CHE staff; these are models to further the dialogue.

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.

# 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. <b>1,216</b> 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% <del>10<sup>th</sup></del> , 11 <sup>th</sup> or 12 <sup>th</sup> grade; <i>and</i>
		<b>1200 → 1270 SAT or 27 ACT</b> ; <i>and</i>
		3.5 → 3.9 SC UGP
		<b>OR alternative Criteria</b>
		1400 → 1450 SAT or 32 ACT; <i>and</i>
		4.0 → 4.3 SC UGP
	<b>\$3.6 million</b>	<b>PF to LIFE (4-year) = 605 students (\$1 million)</b>
LIFE 4-year	Year 4 and beyond, approx. <b>3,919</b> 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>
		<b>1100 → 1150 SAT or 24 ACT</b> ; <i>and/or</i>
		3.0 → 3.5 SC UGP; <i>and/or</i>
		<b>LIFE (4-year) to HOPE = 0 students (\$0)</b>
		<b>LIFE (4-year) to no longer initially eligible = 574 students (\$2.9 million)</b>
SC HOPE		3.0 → 3.5 SC UGP
	<b>\$16.7 million</b>	<b>HOPE to no longer initially eligible = 3,293 students (\$9.2 million)</b>
LIFE 2-year	<b>Approx. 5,153 students</b>	3.0 → 3.5 SC UGP
	<b>\$9.1 million</b>	<b>LIFE (2-year) to LTAP = 2,552 students (\$7.2 million)</b>
Estimates for Scenario One	<b>\$29.4 million</b>	<b>\$20.3 million</b>
		<b>(\$9.1 million)</b>

# 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. <b>1,216</b> 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% <del>10<sup>th</sup></del> , 11 <sup>th</sup> or 12 <sup>th</sup> grade; <i>and</i>
		<b>1200 → 1300 SAT or 28 ACT</b> ; <i>and</i>
		3.5 → 3.9 SC UGP
		<b>OR alternative Criteria</b>
		1400 → 1450 SAT or 32 ACT; <i>and</i>
		4.0 → 4.3 SC UGP
	<b>\$3.6 million</b>	<b>PF to LIFE (4-year) = 2,153 students (\$3.7 million)</b>
LIFE 4-year	Year 4 and beyond, approx. <b>3,919</b> 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>
		<b>1100 → 1190 SAT or 25 ACT</b> ; <i>and/or</i>
		3.0 → 3.5 SC UGP; <i>and/or</i>
		<b>LIFE (4-year) to HOPE = 1,253 students (\$2.8 million)</b>
		<b>LIFE (4-year) to no longer initially eligible = 1,228 students (\$6.1 million)</b>
SC HOPE		3.0 → 3.5 SC UGP
	<b>\$16.7 million</b>	<b>HOPE to no longer initially eligible = 3,293 students ( \$9.2 million)</b>
LIFE 2-year	Approx. <b>5,153</b> students	3.0 → 3.5 SC UGP
	<b>\$9.1 million</b>	<b>LIFE (2-year) to LTAP = 2,552 students ( \$7.2 million)</b>
Estimates for Scenario Two	<b>\$29.4 million</b>	<b>\$29 million</b>
		<b>(\$400,000)</b>



# 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. <b>1,216</b> 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% <del>10<sup>th</sup></del> , 11 <sup>th</sup> or 12 <sup>th</sup> grade; <i>and</i>
		<b>1200 → 1330 SAT or 29 ACT</b> ; <i>and</i>
		3.5 → 3.9 SC UGP
		<b>OR alternative Criteria</b>
		1400 → 1450 SAT or 32 ACT; <i>and</i>
		4.0 → 4.3 SC UGP
	<b>\$3.6 million</b>	<b>PF to LIFE (4-year) = 3,374 students (\$5.7 million)</b>
LIFE 4-year	Year 4 and beyond, approx. <b>3,919</b> 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>
		<b>1100 → 1230 SAT or 26 ACT</b> ; <i>and/or</i>
		3.0 → 3.5 SC UGP; <i>and/or</i>
		<b>LIFE (4-year) to HOPE = 2,653 students (\$5.8 million)</b>
		<b>LIFE (4-year) to no longer initially eligible = 1,940 students (\$9.7 million)</b>
SC HOPE		3.0 → 3.5 SC UGP
	<b>\$16.7 million</b>	<b>HOPE to no longer initially eligible = 3,293 students (\$9.2 million)</b>
LIFE 2-year	<b>Approx. 5,153 students</b>	3.0 → 3.5 SC UGP
	<b>\$9.1 million</b>	<b>LIFE (2-year) to LTAP = 2,552 students (\$7.2 million)</b>
Estimates for Scenario Three	<b>\$29.4 million</b>	<b>\$37.7 million</b>
		<b>\$8.3 million</b>

# 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. <b>1,216</b> 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% <del>10<sup>th</sup></del> , 11 <sup>th</sup> or 12 <sup>th</sup> grade; <i>and</i>
		<b>1200 → 1370 SAT or 30 ACT</b> ; <i>and</i>
		3.5 → 3.9 SC UGP
		<b>OR alternative Criteria</b>
		1400 → 1450 SAT or 32 ACT; <i>and</i>
		4.0 → 4.3 SC UGP
	<b>\$3.6 million</b>	<b>PF to LIFE (4-year) = 4,634 students (\$7.9 million)</b>
LIFE 4-year	Year 4 and beyond, approx. <b>3,919</b> 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>
		<b>1100 → 1270 SAT or 27 ACT</b> ; <i>and/or</i>
		3.0 → 3.5 SC UGP; <i>and/or</i>
		<b>LIFE (4-year) to HOPE = 3,625 students (\$8.0 million)</b>
		<b>LIFE (4-year) to no longer initially eligible = 2,473 students (\$12.4 million)</b>
SC HOPE		3.0 → 3.5 SC UGP
	<b>\$16.7 million</b>	<b>HOPE to no longer initially eligible = 3,293 students (\$9.2 million)</b>
LIFE 2-year	Approx. <b>5,153</b> students	3.0 → 3.5 SC UGP
	<b>\$9.1 million</b>	<b>LIFE (2-year) to LTAP = 2,552 students (\$7.2 million)</b>
Estimates for Scenario Four	<b>\$29.4 million</b>	<b>\$44.6 million</b>
		<b>\$15.2 million</b>

# Award Percentage Reduction

## • **5.0%-\$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

## • **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

## • **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

## • **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

## • **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

## • **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 3<sup>rd</sup> and 4<sup>th</sup> year only;

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

# QUESTIONS?

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