

2025



# EXECUTIVE SUMMARY

of the

## SC HIGHER EDUCATION TUITION GRANTS COMMISSION STUDY

# FINDINGS

During the study of the South Carolina Tuition Grants Commission (Commission), the Education and Cultural Affairs Subcommittee (Subcommittee) of the House Legislative Oversight Committee (Committee) adopts 15 findings.

Findings note information a member of the public or General Assembly may seek to know or on which they may desire to act.

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## FINDING 1

The South Carolina Higher Education Tuition Grants Commission's purpose is to help offset the cost of attending a state independent college or university.<sup>1</sup>

## FINDING 2

The Commission currently has four FTE's but has an authorization total of five FTE's. Since the early 2000s the agency has maintained four FTE's, with a fifth authorized FTE position vacant since 2001.<sup>2</sup>

## FINDING 3

The Commission is governed by eight representatives of the 21 qualifying independent colleges and universities. These representatives serve terms of three years, with membership of the commission rotating among the participating institutions. In addition, one ex officio member serves on the Commission: the chief executive officer of the State Commission on Higher Education or his designee.<sup>3</sup>

## FINDING 4

Since its founding in 1970, the Commission has had four agency directors. With the exception of the second director, each director has been promoted from within the agency.<sup>4</sup>

## FINDING 5

The Commission currently has 21 participating independent colleges and universities. To qualify, a college must be a non-profit, independent institution with its main campus and headquarters in South Carolina, and be either SACS-accredited or a bachelor's-level school chartered before 1962.<sup>5</sup>

## FINDING 6

The value of the tuition grant has declined as the average tuition and fees of the independent colleges and universities have increased. In the 1973-1974 academic year, the grant covered approximately 81% of tuition and fees.<sup>6</sup> By the 2023-2024 academic year, that percentage dropped to 16.06%.<sup>7</sup>

## FINDING 7

The Commission has three primary funding sources: General Fund appropriations; South Carolina State Education Lottery allocations; and Children's Endowment Fund allocations.<sup>9</sup> Funding from these sources totaled \$62.2 million in FY 2024.<sup>10</sup>

## FINDING 8

The Commission adopted a strategic plan in 2020, which aims to maintain program integrity, expand its impact, advocate for recipients, modernize processes, and ensure top-level data security.<sup>11</sup>

## FINDING 9

The Commission has key partnerships with federal and state entities, which ensures students in South Carolina have adequate access to grants. Counterparts include, the U.S. Department of Education's Federal Student Aid Office, the South Carolina Commission on Higher Education, the South Carolina Department of Education, and high schools across the state.<sup>12</sup>

## FINDING 10

The award amounts for the state's merit-based scholarship programs (i.e., Palmetto Fellows Scholarship<sup>13</sup>; LIFE Scholarship; and HOPE Scholarship), are established by statute and have not been changed in approximately 20 years. Although not administered by the Commission, stagnant scholarship awards directly affect Tuition Grant recipients at independent colleges.

## FINDING 11

Since the 1994-1995 academic year, the Free Application for Federal Student Aid (FAFSA) has been used as the official application for students applying for grants through the South Carolina Higher Education Tuition Grants Commission. Any South Carolina resident that completes a FAFSA form, and lists at least one of the participating colleges and universities, is automatically reviewed for eligibility for Tuition Grants.<sup>14</sup>

#### **FINDING 12**

Grant award recipients represent all forty-six counties within the State.<sup>15</sup>

#### **FINDING 13**

Agency staff spend over 40 hours annually assisting with or hosting financial aid sessions.<sup>16</sup>

#### **FINDING 14**

The Commission markets its grant program through the following methods: (1) sharing digital flyers with high schools and supporting events organized by the Commission on Higher Education; and (2) by providing program information at the South Carolina Association of Student Financial Aid Administrators (SCASFAA<sup>17</sup>) Annual Conference<sup>18</sup>, program updates to high school counselors by participating in workshops hosted by Carolinas Association of Collegiate Registrars and Admissions Officers (CACRAO<sup>19</sup>) and South Carolina Independent School Association (SCISA<sup>20</sup>).

#### **FINDING 15**

As part of the state's annual budget process, each agency must identify a 3% General Fund reduction in case strategic budget cuts are required. For the Commission, a 3% reduction in FY25-26 amounts to \$847,570.

# Recommendations

During the study of the South Carolina Tuition Grants Commission (Commission), the Education and Cultural Affairs Subcommittee (Subcommittee) of the House Legislative Oversight Committee (Committee) adopts 8 recommendations.

With any study, the Committee recognizes these recommendations (e.g., continue, curtail, improve areas potentially, and/or eliminate agency programs, etc.) will not satisfy everyone nor address every issue or potential area of improvement at the agency. Recommendations are based on the agency's self-analysis requested by the Committee, discussions with agency personnel during multiple meetings, and analysis of the information obtained by the Committee. This information, including, but not limited to, the Initial Request for Information, Accountability Report, Restructuring Report, and videos of meetings with agency personnel, is available on the Committee's website.

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## RECOMMENDATION 1

The Committee recommends that the General Assembly consider establishing a study committee to evaluate the feasibility and effectiveness of developing a comprehensive longitudinal data system to collect, store, and track information on South Carolina students during and after their progression through the K-12 system.

## RECOMMENDATION 2

The Committee recommends the General Assembly consider implementing a legislative mandate requiring all South Carolina high school seniors to complete a Free Application for Federal Student Aid (FAFSA).

## RECOMMENDATION 3

The Committee recommends the General Assembly consider increasing the state's merit-based scholarship award amounts to account for historical increases in tuition and include an indexing metric to adjust for future inflation (e.g., Higher Education Price Index (HEPI), etc.).

## RECOMMENDATION 4

The Committee recommends the agency develop a strategic marketing plan to inform non-traditional students (e.g., adult learners, GED recipients, working professionals, and re-entry students) of the Tuition Grants program.<sup>21</sup>

## RECOMMENDATION 5

The Committee recommends the agency review and update the agency strategic plan initiatives every 3-5 years, or as agency leadership deems necessary within that time frame.

## Modernization of Laws

### RECOMMENDATION 6

The Committee recommends that the General Assembly amend S.C. Code Sections 59-143-10 and 59-143-30 to clarify the allocation of Higher Education Scholarship Grant funds to the Commission on Higher Education and the South Carolina Tuition Grants Commission.

### RECOMMENDATION 7

The Committee recommends the General Assembly consider amending the S.C. Code Section 59-113-20<sup>22</sup>, by deleting Subsection (f) and to permit students in good standing with a participating institution, and meeting all other requirements, to qualify for a tuition grant award.

### RECOMMENDATION 8

The Committee recommends the General Assembly consider amending S.C. Code Section 59-113-50, to update the definition of an independent institution of higher learning, specific to the independent institution being defined as must having been chartered before 1962.<sup>23</sup>

# ENDNOTES

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<sup>1</sup> <https://sctuitiongrants.org/about-us/>

<sup>2</sup> Feb 27, 2025 Video Presentation (00:13:47- 00:13:58).

<sup>3</sup> [Section 59-113-10.Higher Education Tuition Grant Commission](#)

<sup>4</sup> [Meeting Packet ONLINE 5.6.2025.pdf](#) (Pg, 36)

<sup>5</sup> [Meeting Packet ONLINE 5.6.2025.pdf](#) (Pg, 42)

<sup>6</sup> [Meeting Packet ONLINE 5.6.2025.pdf](#) (Pg, 53)

<sup>7</sup> [SCHETGC ANNUAL REPORT 2324.pdf](#) (Pg, 7)

<sup>9</sup> [Meeting Packet ONLINE 5.6.2025.pdf](#) (Pg, 61)

<sup>10</sup> [SCHETGC ANNUAL REPORT 2324.pdf](#) (Pg, 6)

<sup>11</sup> [South Carolina](#)

<sup>12</sup> [Meeting Packet ONLINE 5.6.2025.pdf](#) (Pg, 40)

<sup>13</sup> [Code of Laws - Title 59 - Chapter 104 - Initiatives For Research And Academic Excellence](#)  
SC Code Section 59-104-20

<sup>14</sup> [Meeting Packet ONLINE 5.6.2025.pdf](#) (Pg, 91)

<sup>15</sup> [Meeting Packet ONLINE 5.6.2025.pdf](#) (Pg, 48)

<sup>16</sup> [Meeting Packet ONLINE 5.6.2025.pdf](#) (Pg, 105)

<sup>17</sup> [South Carolina Association of Student Financial Aid Administrators - SCASFSA Detailed History](#)

<sup>18</sup> [Meeting Packet ONLINE 5.6.2025.pdf](#) (Pg, 107)

<sup>19</sup> [South Carolina](#)

<sup>20</sup> [Home - South Carolina Independent School Association \(SCISA\)](#)

<sup>21</sup> [FY23 Accountability Report Final.pdf](#) (Pg, 4)

<sup>22</sup> [Code of Laws - Title 59 - Chapter 113 - Tuition Grants](#)

<sup>23</sup> Feb 27, 2025 Video Presentation at (00:39:15- 00:40:29)