



SC Higher Education Tuition Grants Commission

Providing Opportunity. Promoting Choice.

111 Executive Center Dr
Suite 242
Columbia, SC 29210
(803) 896-1120
info@sctuitiongrants.org

Katherine H. Harrison
Executive Director

FY 2023-2024 Budget Requests

Recurring Requests:

Tuition Grants (Overall Priority 1) - \$10,000,000 (Not requesting additional new funds)

- This is not a request to increase funds available for the Program over the total appropriated during the FY23 year. Rather, the agency is requesting that the General Assembly considers moving the recently sustained increase of \$10 million for the Tuition Grants Program from Lottery appropriations to recurring General Fund appropriations in FY24 and beyond. The Tuition Grant is funded by a combination of General Fund and Lottery revenues each year. General Fund allocations provide a more stable source of funding available at the beginning of each academic year, and provide the agency with the opportunity to better plan for future disbursements and eligibility under the Program.
- If appropriations are not available to sufficiently move all or part of the \$10 million from Lottery to General funds, the Commission requests the same total amount of funding as it received in FY23 through Lottery appropriations so students can continue receiving the maximum Tuition Grant available to them.

Authority to Spend Other Funds (Overall Priority 2) - \$10,000,000 (Not requesting additional new funds)

- The Higher Education Tuition Grants Commission is requesting an increase in "Authority to Spend" funds it receives annually through the Children's Educational Endowment Fund. The current Spending Authority is \$6,000,000. With the recent increases in need-based funding realized by the Commission on Higher Education in their administration of the Children's Educational Endowment Fund, the amount of funds allocated to the Tuition Grants Commission through this funding source has increased drastically. The Executive Budget Office has authorized a onetime interim increase in Authority to Spend these funds for the current fiscal year. Legislatively increasing the agency's Authority to Spend Other Funds by an additional \$10 million for FY24 and beyond, as requested, will allow these funds to be spent during the appropriate fiscal year instead of having to be carried forward. 100% of the funds received through the Children's Educational Endowment Fund are spent on need based tuition grants directly to eligible college students.
- The impact of adopting this request would be to allow the agency the authority to spend increases in appropriations received through the fund. The impact of not honoring the request is that the agency would be required to cap annual spending at its current Spending Authority and would be unable to disburse funds that have already been appropriated to the agency.

Non-Recurring Requests: None

Capital Requests: None

Proviso Requests: None

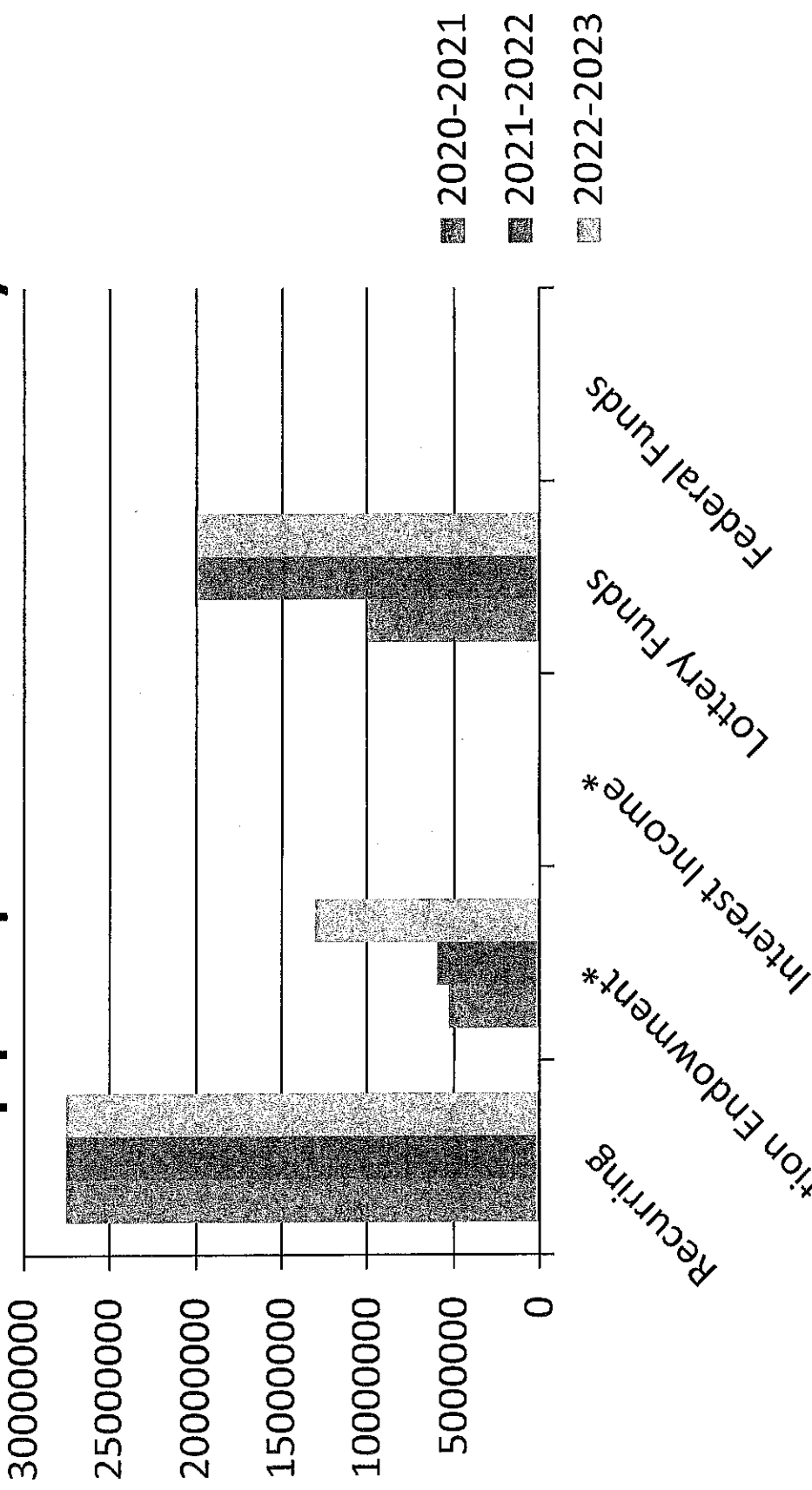
South Carolina Higher Education Tuition Grants Commission

Budget Request 2023-24

House Ways & Means

Higher Education Subcommittee

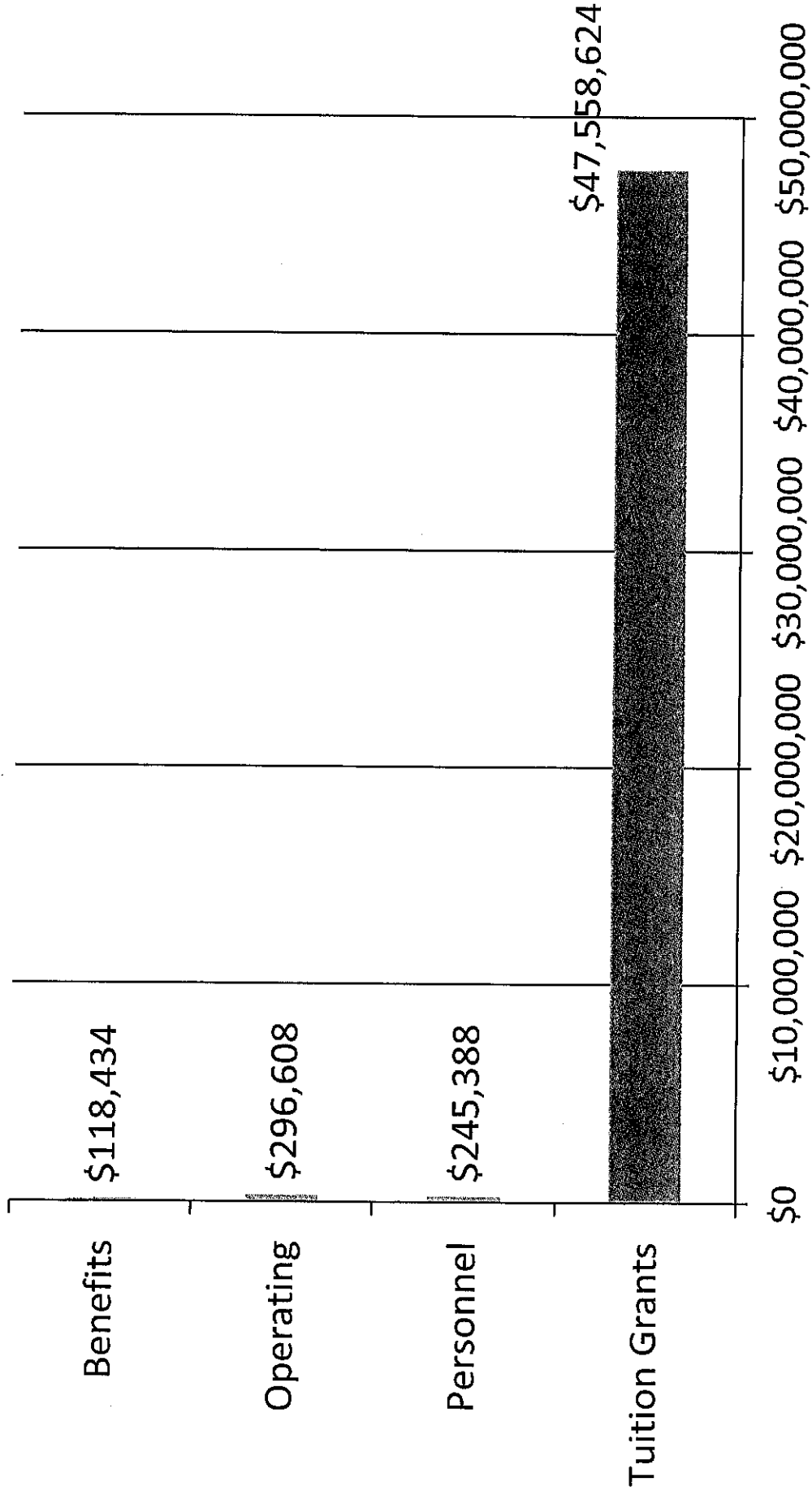
Tuition Grants 3-Year Appropriations History



* Authority to Spend limits apply

Current Funding

FY 22-23



FY 22-23 Updates

- Effective with the Fall 2022 Semester, Clinton College in Rock Hill is the 22nd independent institution, and 6th HBCU, whose students are eligible for funding through the Tuition Grants Program. The Commission disbursed Tuition Grants to 32 Clinton College students during the college's first semester of eligibility and estimates this number will increase going forward.
- The generous recent investment in need-based student aid by the Governor and the General Assembly has allowed the value of the Maximum Tuition Grant to increase from \$4,390 to \$4,500 for the 2022-2023 academic year, the largest maximum grant in Program history.
- In March 2022, the Commission voted to implement significant policy changes effective with the 2022-2023 academic year intended to expand eligibility to a greater number of students and increase the value of the Tuition Grant for adult learners and other non-traditional students. These changes are outlined on the next page.

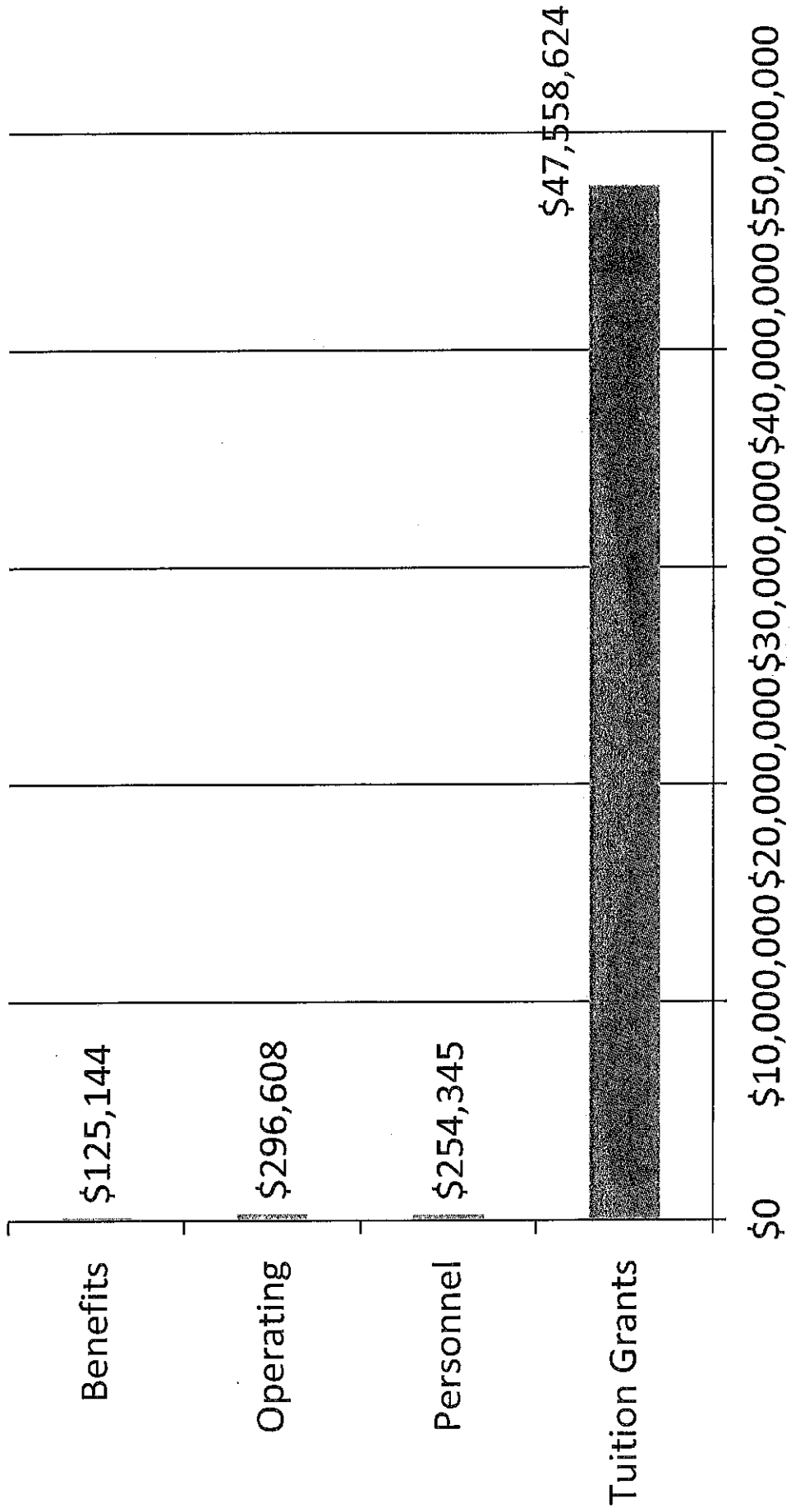
FY 22-23 Updates

Effective with the current (2022-2023) academic year, the following policy changes are in place and have expanded access/enhanced value to over 800 students:

- The Program's Satisfactory Academic Progress (SAP) policy is aligned to mirror the same SAP requirements already in place at each institution to determine a student's continuing eligibility for federal aid programs; this change eliminated an additional Tuition Grant-specific formula that previously created additional barriers to student persistence and success
- In certain instances, students now have an opportunity to receive a Tuition Grant for up to two additional semesters beyond the eight-semester limit, upon documentation from their institution that the student is on track to successfully complete all graduation requirements within the extended timeframe
- The value of the Tuition Grant has been increased for students enrolled in approved non-traditional curriculum models, by removing an existing pro-ration requirement and allowing these students to receive the same maximum grant amount, if eligible, as their counterparts enrolled in traditional day programs

Budget Request

FY 23-24



Recurring Appropriations Request

FY 23-24

- \$10,000,000: Student Grants (Move from non-recurring to recurring)
 - No new or additional funds being requested
 - Agency is requesting consideration of moving the recent increase of \$10 million from Lottery to General Fund, if possible, to provide a more stable source of funding and to provide the opportunity to better plan for future disbursements and eligibility changes allowing more students to benefit under the Program
 - If funds are unable to be moved from Lottery to General Fund, please continue level funding of \$20 million through Lottery appropriations to maintain the recent increase in need-based aid programs
- \$10,000,000: Authority to Spend Other Funds
 - No new or additional funds being requested
 - The Tuition Grants Commission is requesting an increase in its "Authority to Spend" funds received annually through the Children's Educational Endowment Fund. The current Spending Authority is \$6,000,000, although the amount of funds allocated for Tuition Grants has increased beyond that amount as a result of increased funding for need-based aid. An increase in Authority would allow the agency to disburse funds it already receives during the appropriate fiscal year.

Non-Recurring/Capital Request

FY 23-24

- No Non-Recurring Requests
- No Capital Requests

Other/Federal Fund Request

FY 23-24

- No Other/Federal Fund Requests, aside from the request to increase Authority to Spend funds the agency already receives through the Children's Education Endowment ("other" funds)

3% General Fund Reduction Analysis

FY 23-24

- \$846,220: Tuition Grants
 - A 3% reduction would effectively reduce the Tuition Grant amount by up to \$75 per student. In the most recently completed academic year, over 11,200 South Carolinians qualified for the Tuition Grant.

FTEs

- The Commission currently has:
- 5 authorized State FTEs, 1 vacant FTE
- 0 authorized Federal FTEs
- 0 authorized Other Funded FTEs
- 5 Total FTEs
- There are no requests for additional FTEs.

Additional Information

Eligible Colleges

All Based in South Carolina by Statute (59-113-50)

- ▶ Allen University
- ▶ Anderson University
- ▶ Benedict College
- ▶ Bob Jones University
- ▶ Charleston Southern University
- ▶ Claflin University
- ▶ Clinton College
- ▶ Coker University
- ▶ Columbia College
- ▶ Columbia International University
- ▶ Converse University
- ▶ Erskine College
- ▶ Furman University
- ▶ Limestone University
- ▶ Morris College
- ▶ Newberry College
- ▶ North Greenville University
- ▶ Presbyterian College
- ▶ Southern Wesleyan University
- ▶ Spartanburg Methodist College
- ▶ Voorhees University
- ▶ Wofford College

Five Year Grant History

- 2022-2023 – ~12,044 Recipients
Max. Grant - \$4,500; Average Grant ~\$4,450
- 2021-2022 – 11,262 Recipients
Max. Grant - \$4,390; Average Grant - \$3,952
- 2020-2021 – 12,202 Recipients
Max. Grant - \$3,600; Average Grant - \$3,258
- 2019-2020 – 12,847 Recipients
Max. Grant - \$3,500; Average Grant - \$3,177
- 2018-2019 – 13,534 Recipients
Max. Grant - \$3,300; Average Grant - \$2,995

Maximum Grant History

2022-2023 -- \$4,500
2021-2022 -- \$4,390
2020-2021 -- \$3,600
2019-2020 -- \$3,500
2018-2019 -- \$3,300
2017-2018 -- \$3,200
2016-2017 -- \$3,200
2015-2016 -- \$3,100
2014-2015 -- \$3,000
2013-2014 -- \$2,900
2012-2013 -- \$2,800
2011-2012 -- \$2,600
2010-2011 -- \$2,600
2009-2010 -- \$2,800
2008-2009 -- \$3,200

The Statutory Maximum Grant for the Tuition Grant may not exceed the average state appropriation for each FTE in the state-supported institutions of higher learning with four-year undergraduate degree programs in the previous year.

For the most recent academic year, the average state appropriation for these FTE students was \$5,032.

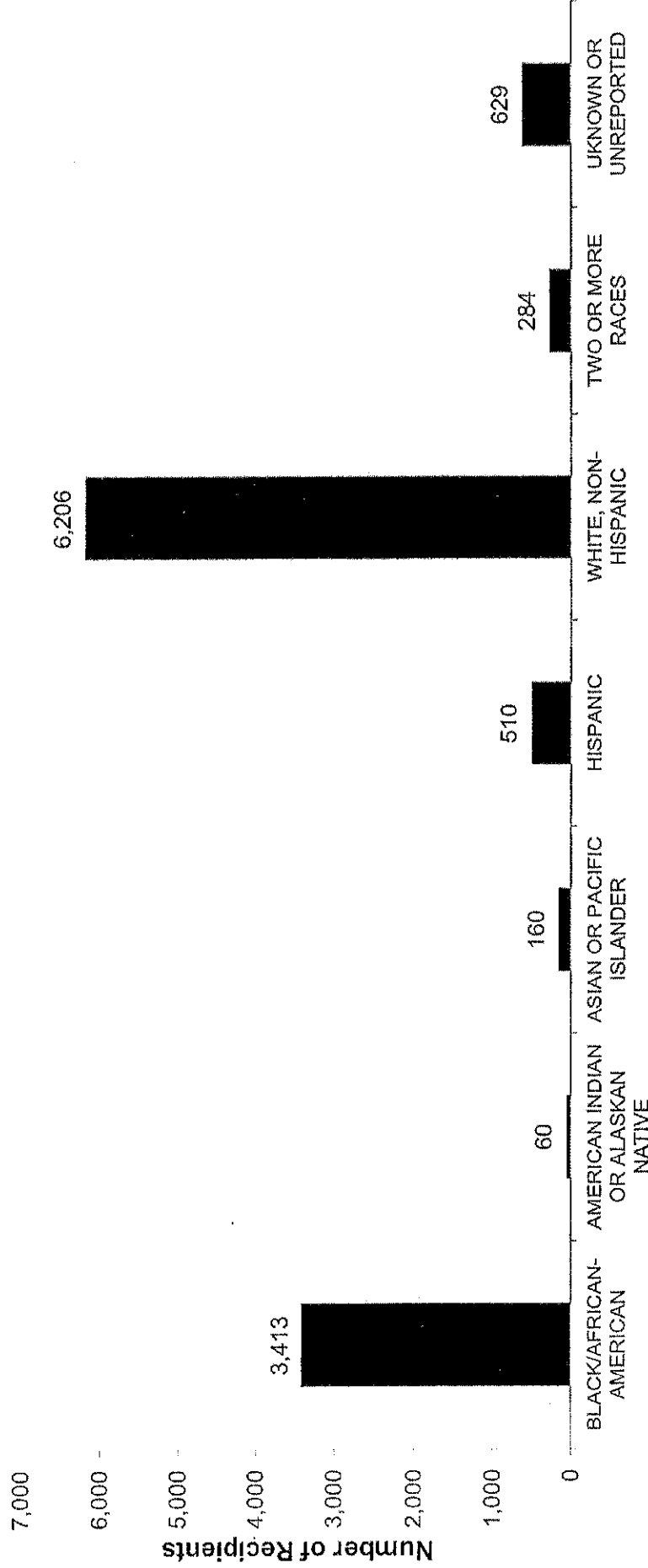
2021-2022 Recipients By College

<u>College Attended</u>	<u>Recipients</u>	<u>Tuition Grants</u>
• Allen University	173	\$694,422
• Anderson University	1,562	\$6,287,910
• Benedict College	417	\$1,702,031
• Bob Jones University	503	\$2,038,288
• Charleston Southern University	1,216	\$4,740,529
• Claflin University	869	\$3,579,916
• Coker University	440	\$1,547,062
• Columbia College	395	\$1,414,805
• Columbia International University	222	\$885,655
• Converse University	412	\$1,659,425
• Erskine College	298	\$1,216,665
• Furman University	377	\$1,538,069
• Limestone University	535	\$1,762,141
• Morris College	170	\$664,152
• Newberry College	613	\$2,517,278
• North Greenville University	843	\$3,390,575
• Presbyterian College	438	\$1,834,538
• Southern Wesleyan University	379	\$1,438,260
• Spartanburg Methodist College	609	\$2,257,692
• Voorhees College	94	\$373,075
• Wofford College	697	\$2,961,287

TOTALS: 11,262

\$44,503,775

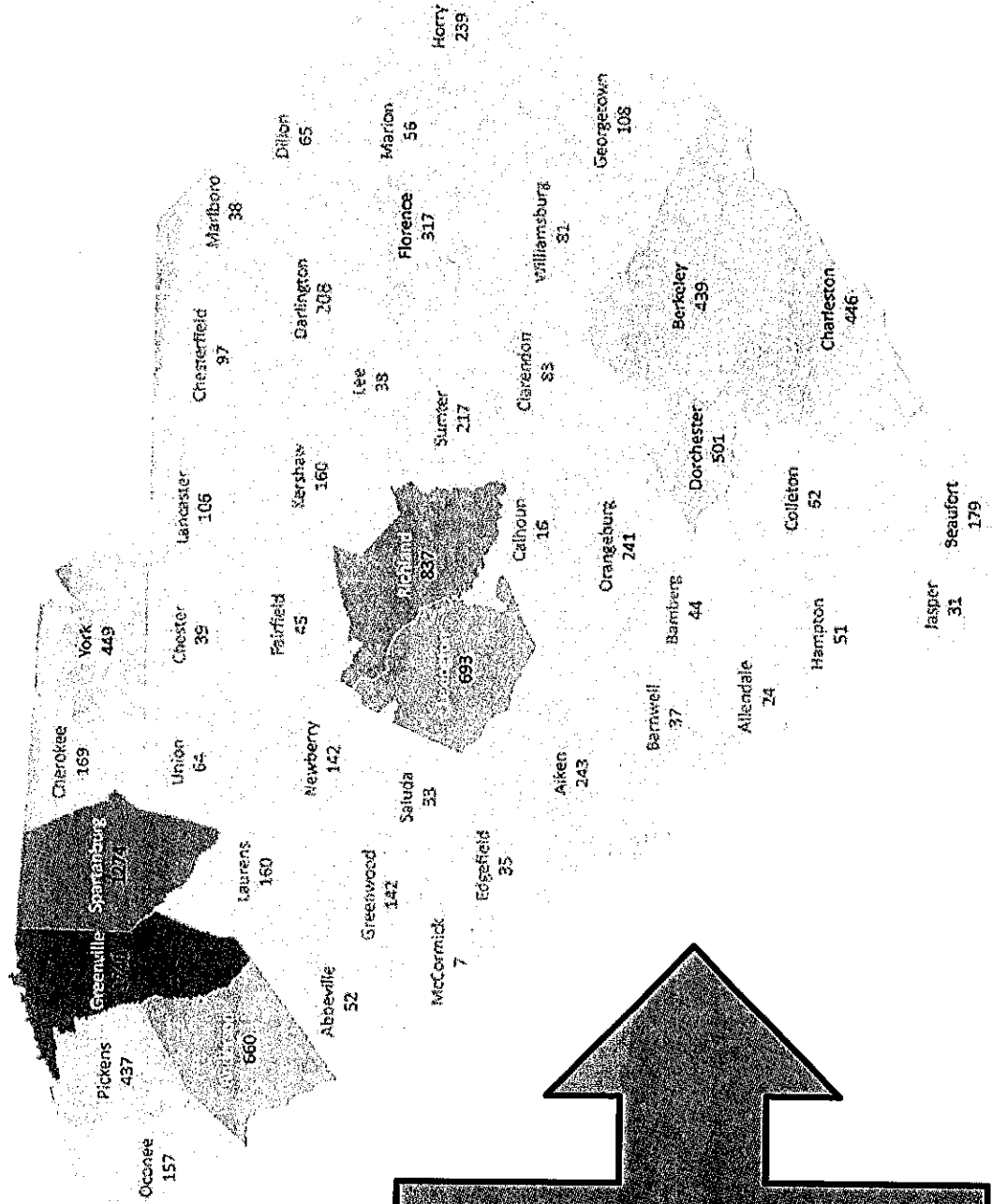
2021-2022 Student Demographics: Recipients by Ethnic Group



Ethnic Groups

Just under forty percent (39.81%) of South Carolina Tuition Grants recipients, whose racial status could be determined, were minority students. African American students represented thirty percent (30.31%) of all recipients.

2021-2022 Student Demographics: Recipients by County



On average, over 20% of SCIG recipients reside in one of the 17 counties making up the state's economically depressed area known as the "Cannon Corridor of Shame."

Cliflin University, Coker University, Morris College, and Voorhees University are in this area.

Additional Information

- The Tuition Grants program appropriation represents less than 5% of the state's overall higher education funding
- Independent colleges in South Carolina have a combined enrollment of nearly 36,000 students annually and graduate over 22% of the state's Bachelor's degree recipients
- Over 15% of South Carolina's full-time undergraduate students are enrolled at our state's independent colleges
- On average, tuition and fees at South Carolina's independent colleges has risen just 1.5% over the last three years; tuition and fees at South Carolina's independent colleges are approximately 30% less than the national average for private, non-profit colleges and universities.

South Carolina Tuition Grants

- The South Carolina Tuition Grants Program was created to help educate our South Carolina citizenry by making the cost of attending in-state independent colleges more affordable, thereby gaining maximum usage from all available educational facilities located in South Carolina. The Tuition Grants Program also helps preserve the dual system of education in South Carolina and saves the state tax dollars (estimated at over \$922 million since Program creation) by attracting South Carolina residents into the independent college sector, thereby saving the automatic state tax subsidy that goes to all students attending South Carolina's public colleges regardless of the financial need of the family.

South Carolina Tuition Grants

- SC Tuition Grants Program was established in 1970 with over 476,000 student grants awarded since then.
- In the current academic year, over 12,000 students, attending 22 eligible South Carolina independent colleges, are receiving a South Carolina Tuition Grant.
- By Statute, all recipients are South Carolina Residents.
- SC Tuition Grants are grants, not scholarships, requiring financial need to qualify although, by statute, a measure of academic merit is also required to qualify.
- Tuition Grants are awarded directly to eligible South Carolina students and can only be used to assist in paying their tuition. No funds are provided directly to colleges.