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12/3/98
Agenda Item 303.B

SOUTH CAROLINA COMMISSION ON HIGHER EDUCATION

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December 3, 1998

MEMORANDUM

To: Austin Gilbert, Chair, and Members
S.C. Commission on Higher Education

From: Frank Gilbert, Chair, Committee on Access and Equity and Student
Services

**Recommendation for Additional
State Need-Based Grants Funds**

The Commission on Higher Education on June 4, 1998 approved the establishment of an Ad Hoc Committee to study and make recommendations on the Access and Equity Program. Accordingly, the Ad Hoc Committee has been established and has begun its work. While the full report of the Ad Hoc Committee will be made upon completion of its work, the following preliminary information and recommendations are presented to ensure timely consideration by reviewing entities.

At its meeting on November 16, 1998, the Ad Hoc Committee examined the impact of State financial aid policies and funding levels, including the increase in college tuition and fees, the decline in available federal grant funds, and the substantial increase in student loans. Although enrollment in postsecondary education has been rising for all income groups, a student's chances of entering and completing college remain closely correlated with economic background and circumstance. The committee members expressed concern about the affordability of college for students from low and moderate income families and growth in student loan debt. Based on information from the South Carolina Student Loan Corporation for the 1998-99 academic year (by the end of October, 1998), \$105,370,528 in subsidized federal loans have been awarded to residents of South Carolina who are enrolled

in college. Federal subsidized loans are awarded based on need according to Title IV regulations.

The South Carolina Need-Based Grants Program was established in 1996 to provide additional financial assistance to South Carolina's neediest students and reduce student loan debt. The State Need-Based Grants Program for public institutions is campus-administered. A full-time student may receive up to \$2,500 per year and a part-time student may receive up to \$1,250 per year. However, the exact grant is determined by the institution at which the student is enrolled, less any other gift aid received. The Grant must be applied directly toward the cost of attendance at a S.C. institution. The average grant award at a four-year institution is \$1200 and \$900 at a two-year institution. Recipients are eligible for a maximum of eight full-time equivalent semesters toward a one-year program authorized by the Commission on Higher Education or SBTCE, an associate degree, a two-year program leading to a baccalaureate degree, or a baccalaureate degree.

The 1998 General Assembly appropriated \$17,260,722 for the State Need-Based Grants Program for FY 1997-98, and 13,492 students received need-based grants. However, for FY 1998-99, the funds for the SC Need-Based Grants Program decreased to \$14,760,000. There remains a high level of unmet need for students in the State. Additional funds are needed to increase amounts awarded to eligible students and to provide assistance for an additional 7,000 recipients in FY 1999-2000.

The 1997-98 Report for the State Need-Based Grants Program (**Attachment I**) includes the number of recipients and average awards for the fall and spring semesters. Also provided is information about the number of Need-Based Grant recipients by their county of residence.

Additional State funding for student financial aid is anticipated, and the Commission is being asked to provide leadership in suggesting where the greatest impact can be made if additional funds are approved by the General Assembly.

It is therefore recommended that funds for the SC Need-Based Grant Program be increased by \$10,000,000 for FY 1999-2000.

STATE NEED-BASED GRANTS PROGRAM
1997-98 End-of-the-Year Reconciliatory Report

	<i>Fall Semester</i>		<i>Spring Semester</i>	
	<i>Total Number of Recipients</i>	<i>Average Award *</i>	<i>Total Number of Recipients</i>	<i>Average Award *</i>
<i>Public Senior Institutions</i>				
The Citadel	112	\$926.23	108	\$960.54
Clemson University	1485	\$693.00	1109	\$681.00
Coastal Carolina University	394	\$1,004.00	361	\$1,004.00
College of Charleston	749	\$732.73	777	\$734.27
Francis Marion University	497	\$577.00	472	\$576.00
Lander University	305	\$695.00	307	\$696.00
MUSC	105	\$576.00	106	\$569.00
S.C. State University	481	\$1,000.00	456	\$1,000.00
USC-Aiken	271	\$627.00	259	\$626.00
USC-Columbia	1749	\$659.47	1749	\$573.03
USC-Spartanburg	273	\$787.00	270	\$825.00
Winthrop University	820	\$770.00	777	\$812.00
Subtotal	7241	\$753.95	6751	\$754.74
<i>Two-Year Regional Campuses</i>				
USC-Beaufort	101	\$339.00	103	\$332.00
USC-Lancaster	134	\$353.00	147	\$349.00
USC-Salkehatchie	105	\$362.00	104	\$359.00
USC-Sumter	172	\$356.00	174	\$352.00
USC-Union	27	\$194.00	29	\$436.00
Subtotal	539	\$320.80	557	\$365.60
<i>Technical Colleges</i>				
Aiken T.C.	143	\$552.00	110	\$717.00
Central Carolina T.C.	131	\$755.00	97	\$997.00
Chesterfield-Marlboro T.C.	82	\$461.00	30	\$392.00
Denmark T.C.	117	\$507.00	113	\$560.00
Florence-Darlington T.C.	277	\$530.00	291	\$543.00
Greenville T.C.	491	\$818.00	489	\$785.00
Horry-Georgetown T.C.	148	\$981.00	139	\$923.00
Midlands T.C.	881	\$464.00	756	\$577.00
Orangeburg-Calhoun T.C.	261	\$369.00	294	\$350.00
Piedmont T.C.	248	\$510.00	281	\$479.00
Spartanburg T.C.	143	\$922.00	157	\$917.00
T.C. of the Lowcountry	98	\$500.00	99	\$500.00
Tri-County T.C.	234	\$597.00	222	\$672.00
Trident T.C.	419	\$465.00	320	\$465.00
Williamsburg T.C.	139	\$200.00	144	\$200.31
York T.C.	245	\$625.00	259	\$625.00
Subtotal	4057	\$578.50	3801	\$606.39
GRAND TOTAL	11837	\$551.08	11109	\$575.58

* The average award is determined by each institution and the method used to compute the average award may vary.

1997-98 NEED-BASED GRANT RECIPIENTS BY COUNTY

