

FUNDING CUTS AFFECT HOPE PROGRAM

POST-SECONDARY GRANTS AND SCHOLARSHIPS

The FY 2012 budget allocates \$650 million in total funding for programs that provide financial assistance for post-secondary education via the Georgia Student Finance Commission (GSFC). The majority of this funding, \$613 million, represents revenue generated by state lottery games and is directed toward three particular programs: the HOPE Grants Program, the HOPE Public Scholarship Program, and the HOPE Private Scholarship Program.

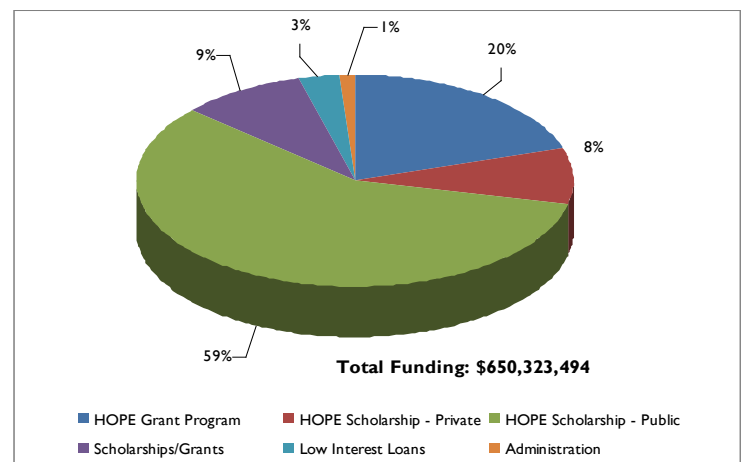
Significant cuts in funding for the three major HOPE programs are a result of changes to the lottery-funded HOPE program. Beginning in fall 2011 semester, changes to the HOPE program will include:

- HOPE awards will no longer guarantee full tuition coverage.
 - For the fall 2011 semester, HOPE awards will cover 90 percent of tuition rates for FY 2011.
- HOPE awards will no longer cover mandatory academic fees.

HOPE SCHOLARSHIP AND GRANT FUNDING CHANGES FOR 2011 TO FY 2012

	FY 2011 Original Budget	2012 Budget	FY 2011 - FY 2012 Change (\$)	FY 2011 - FY 2012 Change (%)
State General Funds	\$32,756,834	\$37,102,532	\$4,345,698	13.3%
<i>Lottery Funds:</i>				
Total Lottery Funds	\$772,635,605	\$612,738,239	-\$159,897,366	-20.7%
HOPE Scholarship - Public	\$474,575,353	\$377,666,709	-\$96,908,644	-20.4%
HOPE Scholarship - Private	\$59,332,133	\$54,501,104	-\$4,831,029	-8.1%
HOPE Grants	\$206,318,361	\$130,737,363	-\$75,580,998	-36.6%

POST-SECONDARY SCHOLARSHIP AND GRANTS FUNDING



- HOPE award recipients will no longer receive a book allowance
- HOPE scholarships will no longer cover remedial courses taken by students.
- Minimum 3.0 GPA requirement to remain eligible for HOPE scholarships and HOPE grants.

FY 2012 GSFC Budget Highlights

- \$156 million funding cut versus FY 2011 budget
- College Opportunity Grant program discontinued (\$15 million in FY 2011)
- New Low Interest Loan need-based program (\$20 million)