

Strategic Issues:

- In 1996, the University of Georgia system raised admission standards throughout its 34 institutions. Students would be admitted based on an index that included test scores, GPAs in college prep courses, and additional year of high school math.
- Also in 1996, the public four-year institutions in the state eliminated remedial courses, leaving two-year institutions the responsibility for preparing those under-prepared for the four-year institutions.
- In 1996, the federal HOPE Scholarship tax credit was named after the state HOPE scholarship in Georgia.
- Postsecondary institutions in the state were the focus of two major legal challenges. In 1999, the University of Georgia was sued for its affirmative action policies, a challenge that the University ultimately lost. In 1997, Black and White students sued the University system for its perceived segregation practice of supporting historically Black colleges and universities.

Summary

- *Critical Challenge:* Georgia's high school graduation rate was below the national rate in 1992 and continued to decline through the decade. However, college enrollment rates improved slightly and were modestly higher than the national rates in 1998 and 2000.
- *System Issues:* Need-based aid was extremely low in the 1990s. The decline in high school graduation rates corresponded with the rise in merit aid. Need-based grant aid encouraged high school graduation rates, while non-need (merit) grants had a negative and significant association with this outcome in the national study.
- *Opportunity:* Better coordination of need-based grant aid with public sector tuition would have yielded an estimated additional 17,000 high school graduates during the 1990s, as well as enabling an additional 46,000 low-income, college-qualified students to enroll in college.

Access Indicators*High School Graduation Rates* (Table 10.1)

Compared to the national averages for the decade, the high school graduation rates for Georgia were substantially lower, and in fact, declined for the first eight years of the decade. The high school graduation rate dropped from 64% in 1992 to 51% in 1998. There was a slight rebound to 52% in 2000, but this was 15 percentage points lower than the national average.

College Enrollment Rates (Table 10.1)

On the other hand, Georgia's college enrollment rates increased slightly throughout the decade. In 1992, 55% of high school graduates enrolled in postsecondary institutions, and this percentage increased to 56% in 1996. In both 1998 and 2000, 60% of high school graduates sought a postsecondary education. In 2000, the state

college enrollment rate was four percentage points higher than the national average.

State Demographics*State Demographics* (Table 10.2)

Poverty rates in Georgia decreased throughout the decade. In 1992, Georgia had its highest poverty rate of 18%, but the percentage decreased nearly every period afterwards. Throughout the decade, Georgia's poverty rate was higher than the national average, although in 2000 it surpassed the national average by a scant four-tenths of a percentage point. Although Hispanics were growing as a proportion of state residents, the state's largest minority was African Americans, who make up 29% of the state's population.

System Composition (Table 10.3)

Approximately half of Georgia's college students are enrolled in public four-year institutions. This heavy reliance on four-year institutions was above the national average by at least seven percentage points at each time point in the decade. Two-year institutions and private institutions each enroll approximately one-quarter of the students in Georgia's postsecondary institutions. Georgia's investment in K-12 education steadily increased over the decade, but remained below the national average.

Financial Indicators

Financial Capacity (Table 10.4)

Although it remained consistently below the national average during the 1990s, the state tax rate ranged from a high of 7% in 1994 and a low of 6% in 1998. In 2000, the tax rate was half a percentage point below the national average.

Educational Revenue (Table 10.5)

With the exception of 2000, local and state appropriations to the public system generally increased throughout the decade. In 1992, the public system received \$7,103 in appropriations, and this amount increased to \$9,762 in 1998. Compared to the national average across the decade, Georgia institutions received higher amounts of appropriations. Although they decreased to \$9,430 in 2000, Georgia state appropriations remained \$1,935 higher than the national average.

Tuition and Fees (Table 10.6)

As was the trend among most states, tuition and fees in Georgia increased throughout the decade. In 1992, institutions charged students \$1,861 in tuition and fees. In 1996, this amount jumped to \$2,007, only to increase again in 2000 to \$2,162. Despite these increases, the tuition and fees in Georgia have historically been lower than the rest of the country. In 2000, tuition in Georgia was \$567 less than the national average.

Need-based Grants (Table 10.6)

Need-based grants in Georgia tapered to an average of \$0 per FTE in 2000 from a high of \$42 per FTE in 1992. In 1996, the average need-based grant was only \$13 per FTE, and by 1998, it had fallen to \$3 per FTE. The average need-based grant in Georgia was at least \$302 less than the national average at every two-year interval.

Non-need Grants (Table 10.6)

The non-need based grant program was heavily funded, and the average grant increased from \$165 per FTE to \$1,386 per FTE over the decade. The largest increases occurred in 1994 and 1996. Although the average non-need grant in Georgia exceeded the national average all at points during the decade, by 2000 the differential reached \$1,272. Georgia's HOPE Scholarship Program is the fundamental component of the state's non-need grant program.

Projections

Coordinated System of Grants (Table 10.7)

Had Georgia increased its need-based grant aid, given tuition charges, 1,700 more students would have graduated from high school, an increase of two percentage points. Of the state's high school graduates, 4,600 more students would have attended postsecondary institutions in the state.

Federal Grant Program Prospectus (Table 10.7)

In addition, had the federal government provided incentives for Georgia to provide adequate grant aid equaling one-quarter of the tuition on top of current state aid, 1,800 more high school students would have graduated, an increase of two percentage points. An additional 4,800 high school graduates would have enrolled in postsecondary institutions, an increase of six percentage points from current college continuation rate.