

Living with Hope

**Impacts of the HOPE Scholarship on Students and
Higher Education Institutions**



Gary T. Henry

Andrew Young School of Policy Studies

Georgia State University

Research Director,

Council for School Performance

Georgia's HOPE Scholarship

- Began in 1993
- Funded by the Georgia Lottery (General Fund for education exceeded inflation and revenue growth)
- Total funding \$658 M through FY98
- Eligibility (400k students to date have benefited)
 - ❖ Georgia High School graduate (64k per year)
 - ❖ Earn a 3.0 or better for high school credits (38k or 59.5 %) toward college prep diploma (Grades provide feedback for 4 years; no test)
 - ❖ Attend public (19.5k) or private (18k) college or university in GA
- Benefits: Tuition, Fees, and Books for Public Institution

Possible Policy Outcomes of HOPE

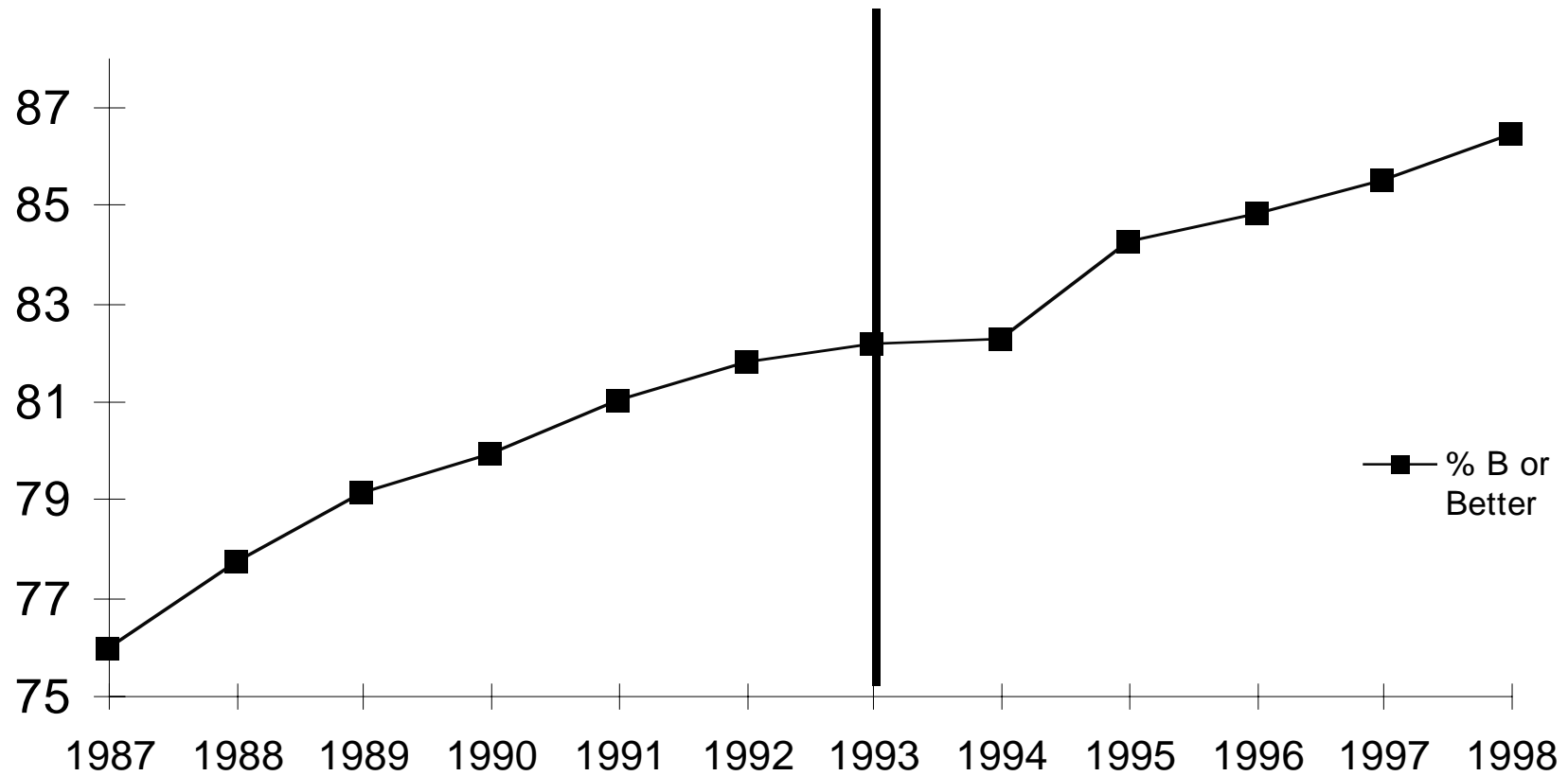
➤ Positive:

- ❖ Improve performance in high school
- ❖ Improve college performance and persistence
- ❖ Higher-achieving students stay in-state for college

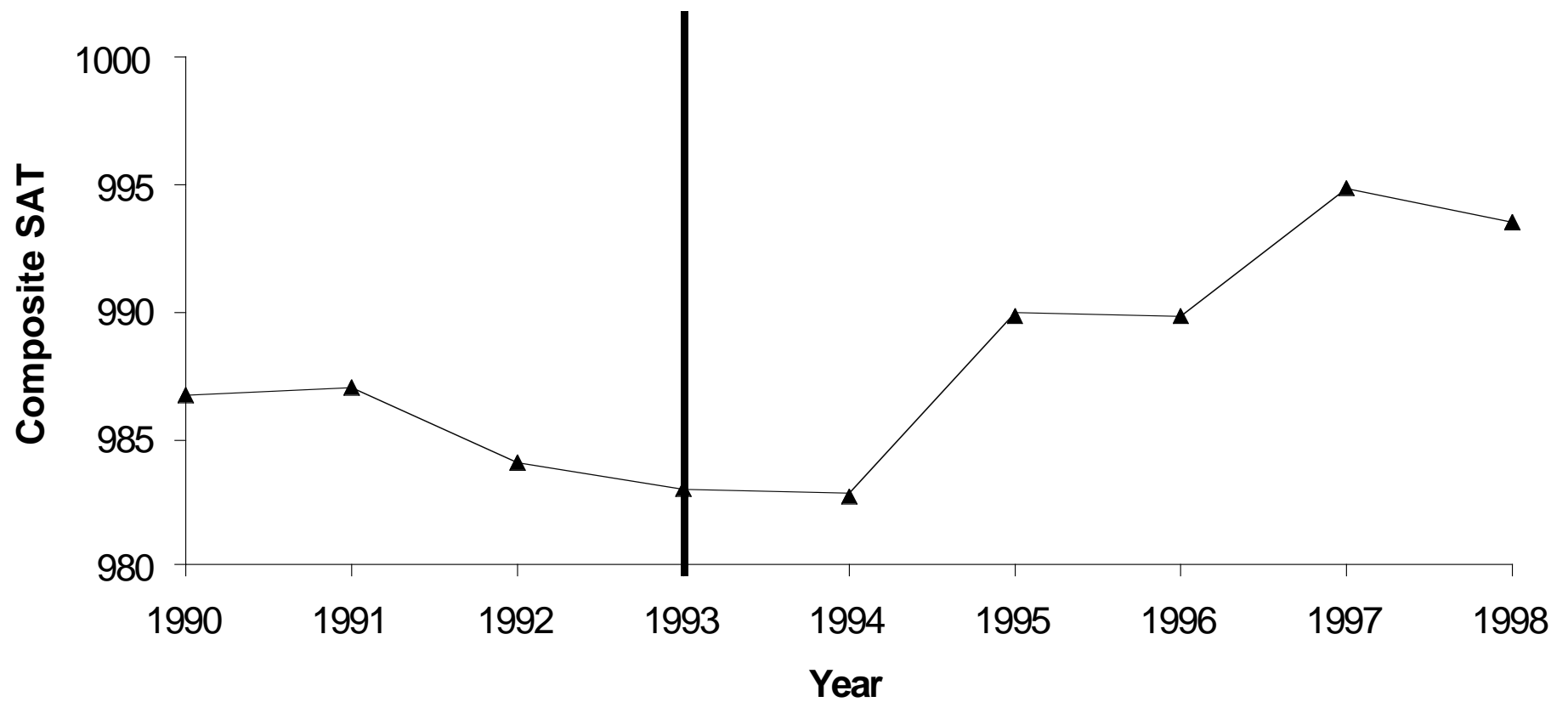
➤ Negative

- ❖ Grade inflation
- ❖ Less rigorous course-taking
- ❖ Minority students “crowded out” of system
- ❖ Increased college-leaving for students who lose scholarships

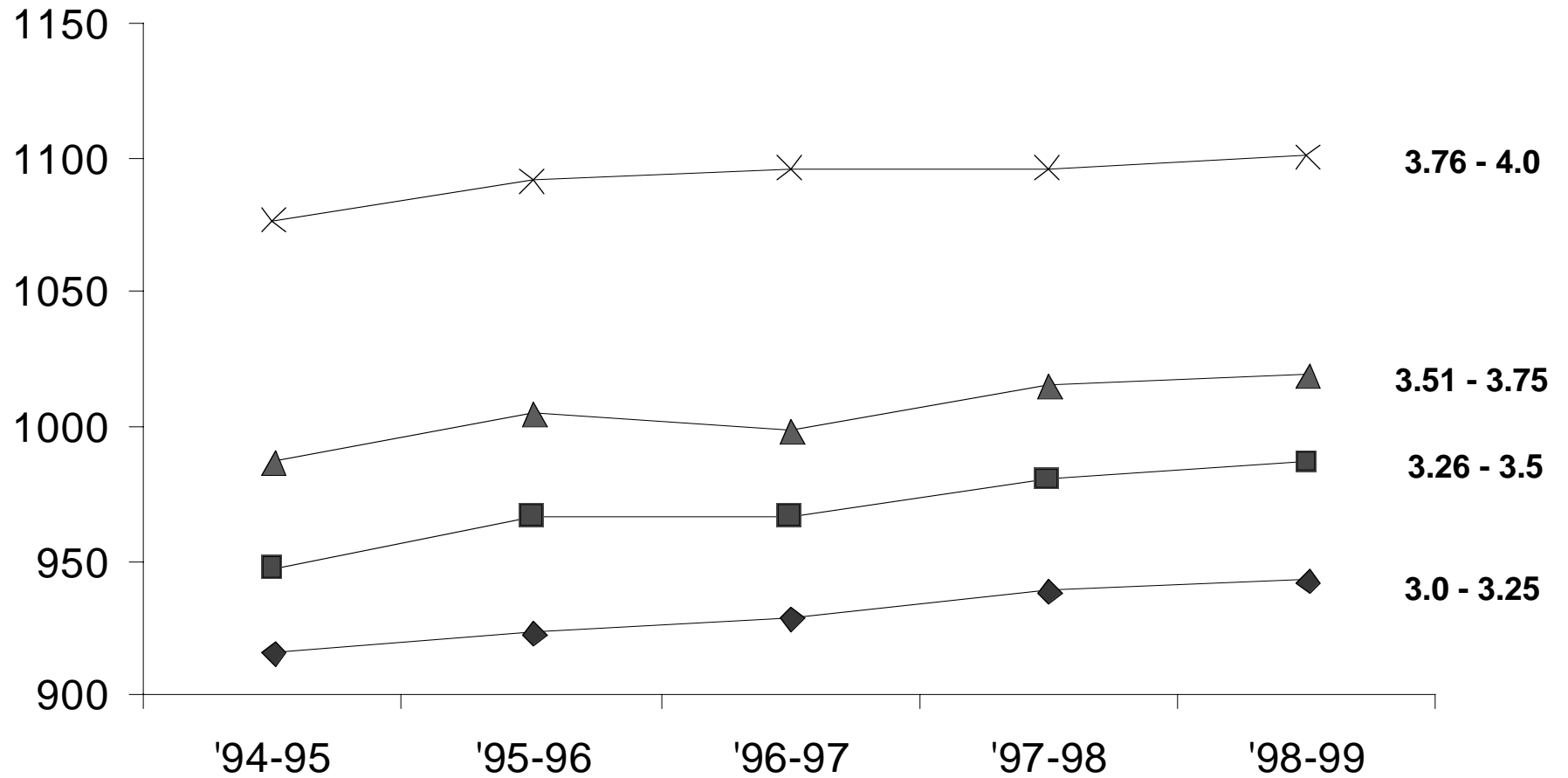
Percentage of B or Better Students in Georgia



Average SAT score, B or Better Students



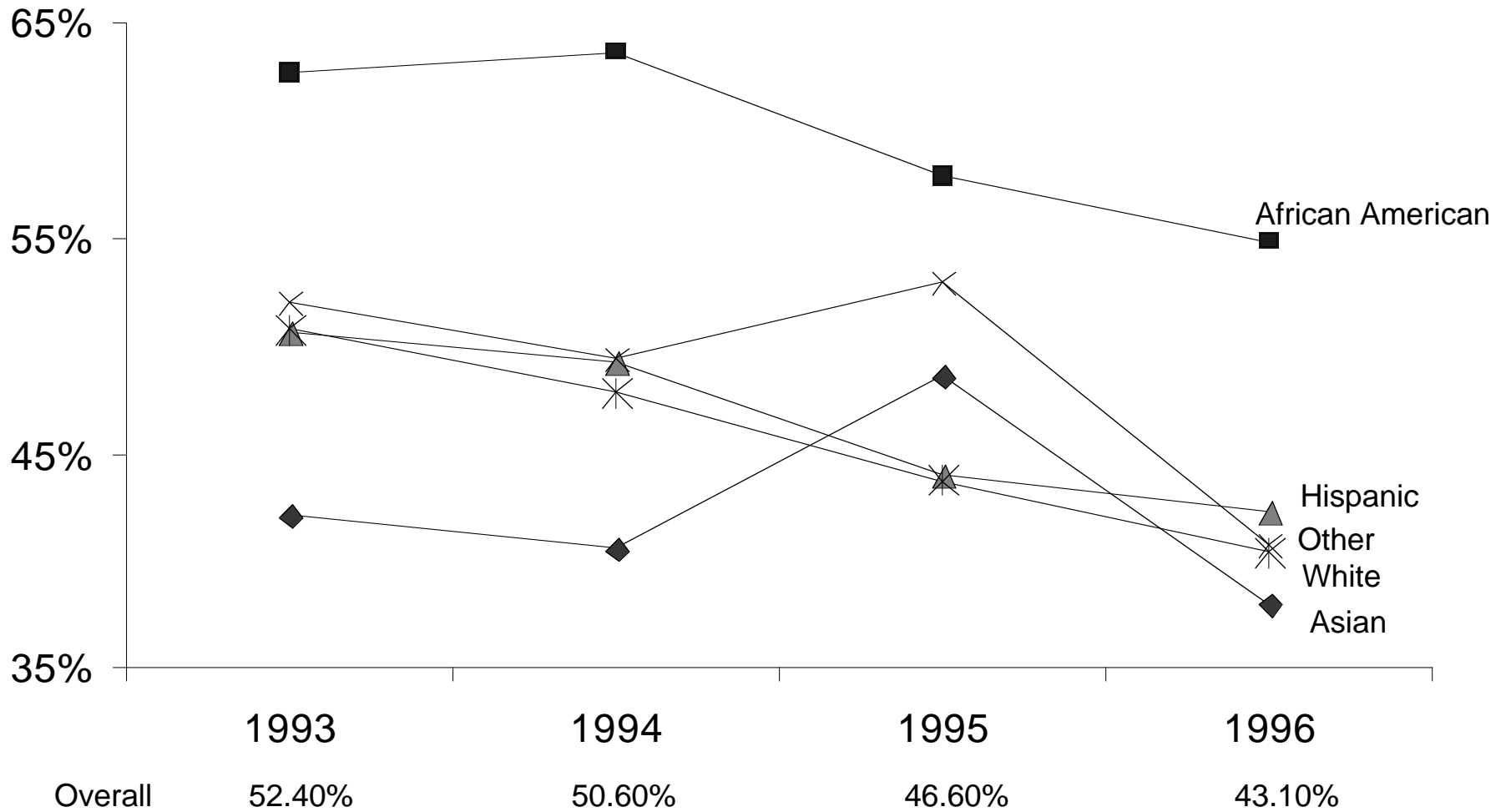
SAT Scores of HOPE Scholars by GPA



First-Year In-State Enrollment in USG Research Universities by Race

| Year of High School Graduation & College Enrollment | Asian | African American | Hispanic | Other | White | Total from Georgia |
|--|---------------|---------------------|--------------|--------------|------------------|-----------------------|
| 1988 | 160 | 524 | 56 | 6 | 5,010 | 5,756 |
| 1989 | 201 | 600 | 61 | 2 | 4,598 | 5,462 |
| 1990 | 207 | 501 | 65 | 8 | 4,394 | 5,175 |
| 1991 | 298 | 638 | 63 | 6 | 4,197 | 5,202 |
| 1992 | 259 | 582 | 81 | 9 | 4,059 | 4,990 |
| 1993 | 289 | 651 | 68 | 4 | 4,166 | 5,178 |
| 1994 | 390 | 738 | 101 | 45 | 4,367 | 5,641 |
| 1995 | 332 | 883 | 88 | 81 | 3,987 | 5,371 |
| 1996 | 336 | 763 | 84 | 122 | 3,947 | 5,252 |
| 1997 | 405 | 977 | 103 | 151 | 5,197 | 6,833 |
| 1998 | 402 | 800 | 126 | 144 | 5,225 | 6,697 |
| Average Enrollment Before HOPE 1988-1992 (% of GA enrollment) | 225 (4.2%) | 569 (10.7%) | 65 (1.2%) | 6 (0.1%) | 4,452 (83.7%) | 5,317 |
| Average Enrollment After HOPE 1993-1998 (% of GA enrollment) | 359 (6.2%) | 802 (13.8%) | 95 (1.6%) | 91 (1.6%) | 4,482 (76.9%) | 5,829 |
| Percent Increase (Decrease) in Average Enrollment | 59.6% | 40.9% | 45.7% | 1370.4% | 0.7% | 9.6% |

Losing HOPE After Two Years in College



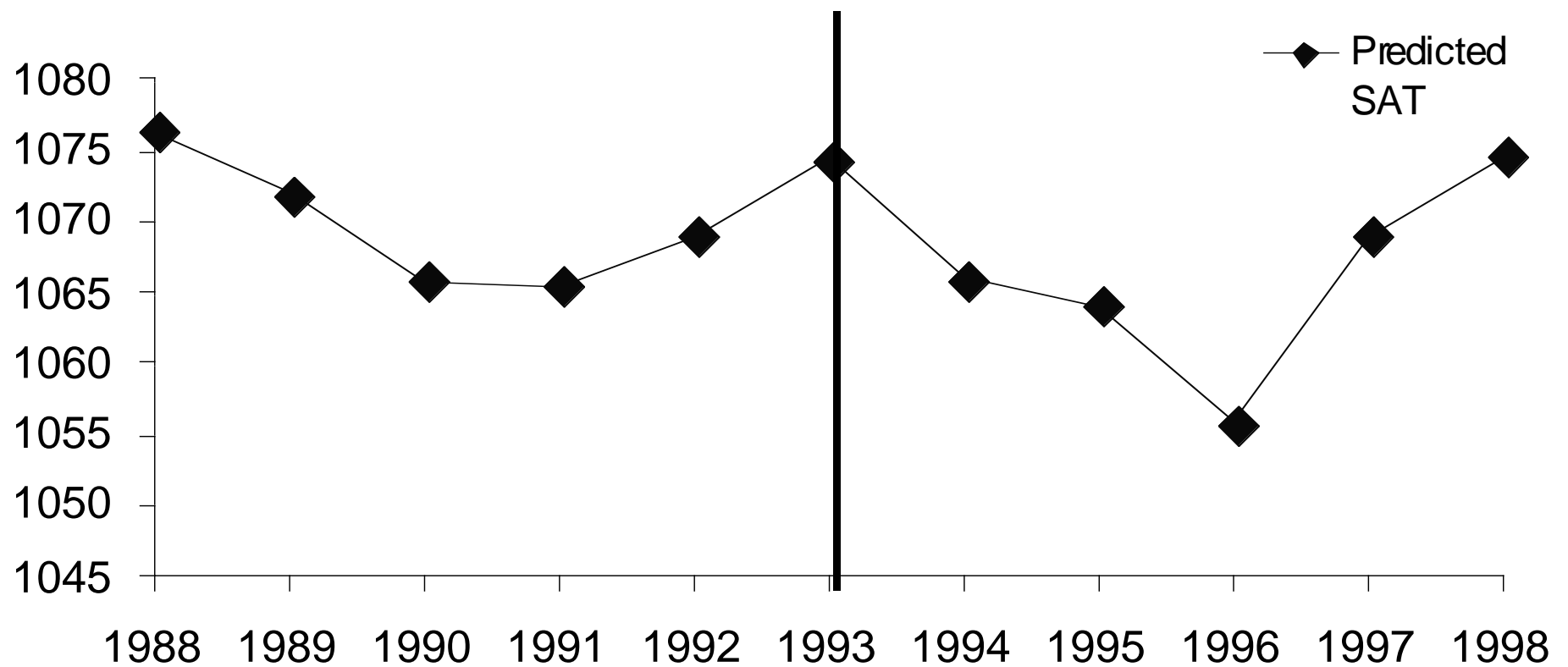
Conclusions

- Average SAT scores have risen for college-bound seniors in Georgia controlling for differences in high school GPA
- For those enrolling in the USG since HOPE began, SAT scores have increased from 966 to 1008
- The numbers and percentages of minority students enrolling in USG institutions has increased since 1992
- The proportion of minority students in Georgia's most competitive schools has not changed appreciably since HOPE began

Conclusions

- Fewer than 25% of HOPE scholars retain their scholarships through four years of college
 - ❖ The percentage of students who lose the scholarships has declined each year since HOPE began
 - ❖ About 1/3 of HOPE scholars have left college after 4 years, compared with 60% of non-HOPE students
 - ❖ African American students are the most likely to lose their HOPE scholarships after two years of college
 - ❖ On average, 39.6 % of those who lose their scholarship drop-out before graduating

Predicted SAT Scores for White Male Students with 3.0 High School GPA (1st Year USG Students), 1988-1998



Losing HOPE After Two Years of College

| Percent of HOPE Students Who Do Not Retain HOPE for a 2 nd Year | | | | | |
|--|-------|-------|-------|-------|---------|
| | 1993 | 1994 | 1995 | 1996 | Average |
| Asian | 42.1% | 40.6% | 48.6% | 38.0% | 42.5% |
| African American | 62.7% | 63.7% | 57.9% | 54.9% | 58.9% |
| Hispanic | 50.7% | 49.3% | 44.0% | 42.3% | 45.5% |
| Other | 52.0% | 49.4% | 52.9% | 40.7% | 46.7% |
| White | 50.8% | 47.8% | 43.7% | 40.4% | 44.6% |
| Overall | 52.4% | 50.6% | 46.6% | 43.1% | 47.3% |