

LOUISIANA BOARD OF REGENTS

**ENDOWED PROFESSORSHIPS
SUBPROGRAM POLICIES AND
GUIDELINES FOR MANAGEMENT AND
USE OF MATCHED ENDOWED FIRST-
GENERATION UNDERGRADUATE
SCHOLARSHIPS**

Adopted: June 19, 2019
Revised: June 17, 2020
Effective Date: June 17, 2020

BOARD OF REGENTS SUPPORT FUND

ENDOWED PROFESSORSHIPS SUBPROGRAM POLICIES AND GUIDELINES FOR MANAGEMENT AND USE OF MATCHED ENDOWED FIRST-GENERATION SCHOLARSHIPS

The following standards and principles listed below shall guide subprogram practices related to Endowed First-Generation Scholarships after BoRSF match has been provided. In addition to these statewide principles, each respective campus's internal standards and processes, on file with BoR, shall govern subprogram operation.

I. POLICY EFFECTIVE DATE

The effective date of this policy is June 17, 2020.

II. DEFINITION AND PURPOSE OF ENDOWED SCHOLARSHIPS

BoRSF-matched Endowed First-Generation Undergraduate Scholarships were established to increase college access and success for low-income and first-generation students. The objectives of these endowed scholarships are to enhance opportunities and quality of life for first-generation students with unmet financial need and to promote the economic development of Louisiana through education of its citizenry.

The Endowed Scholarships are intended to address the goals of the subprogram as follows:

- To provide scholarships that will increase the access of first-generation students with unmet financial need to higher education opportunities in Louisiana;
- To provide eligible students with structured support through active and engaged advising; and
- To provide eligible students with meaningful employment during their education.

III. SUBMISSION OF REQUESTS FOR MATCHING FUNDS

The standalone BoRSF Endowed First-Generation Undergraduate Scholarships subprogram was suspended to new applications in FY 2017-18. New applications may be submitted through the Endowed Professorships subprogram, and are guided by the separate Endowed Professorships Subprogram Eligibility and Match Request Submission Policy.

IV. INSTITUTIONAL GUIDELINES FOR OPERATION OF ENDOWED FIRST-GENERATION UNDERGRADUATE SCHOLARSHIPS

Given the diverse roles, scopes, and missions of campuses eligible to participate in the Endowed First-Generation Undergraduate Scholarships subprogram, the following standards listed below shall be continually in force:

- A. Each institution holding BoRSF-matched Endowed First-Generation Undergraduate Scholarships shall maintain and appropriately disseminate a well-articulated set of policies and procedures to govern matched scholarships.
- B. Student recipients must meet the following criteria:
- Be Louisiana residents;
 - Be first-generation college students (i.e., neither custodial parent(s) nor legal guardian(s) have earned a college degree) with remaining financial need after deducting Estimated Family Contribution (EFC) and all federal/state/institutional grant or scholarship aid (“gift aid”) from student’s Cost of Attendance (COA) and/or students, whether first-generation or not, awarded the federal Pell grant; and
 - Be admitted to and matriculated in the institution awarding the scholarship for the period(s) during which scholarship funds are disbursed.
- C. Institutional officials shall have the primary and final responsibility to determine scholarship recipients within the guidelines set forth in this policy.
- D. Interest earnings from the endowed corpus will be awarded to qualified scholarship recipients and may be divided among multiple recipients, provided that each student recipient at a four-year institution receives at least \$1,000 and each student recipient at a two-year institution receives at least \$500 per year in subprogram funds.
- E. In addition to scholarship proceeds, the institution must provide student recipients with structured support through active and engaged advising.
- F. Institutions will provide students with campus employment of at least 10 hours per week over and above the scholarship.¹ Off-campus employment may substitute for campus employment provided the following criteria are met:
- The student works at least ten hours per week;
 - The rate of pay is equal to or greater than pay for an equivalent job on campus; and
 - The off-campus employment is directly or indirectly relevant to and supportive of the student’s post-degree career plans and/or field of study.

The campus shall have discretion to determine the relevance of any external employment requested by the student and grant permission to replace on-campus with off-campus work. The campus shall retain in its permanent files related to the endowed scholarship supporting documentation for all external employment requests and related campus actions and make these available upon request.

¹ The on-campus work requirement is intended to embed the student in the culture of the campus, as well as to provide additional guaranteed funding for scholarship recipients, who have documented financial need. Only under special circumstances and with strong justification should a campus allow a student to decline on-campus employment in favor of an off-campus job. Conditions for off-campus employment outlined in the subprogram policy are considered the minimum necessary for a campus to consider approving substitution for on-campus employment.

V. INTERACTION BETWEEN THE CAMPUS AND DONOR

As feasible, institutions shall develop and maintain interaction between the campus and donors, including annual subprogram reports to the respective donors and involvement of donors in awards ceremonies.

VI. CREDITING THE BOARD OF REGENTS SUPPORT FUND

Participating institutions shall ensure that all internal and external materials regarding the subprogram, including campus procedures, news releases and promotional materials, appropriately credit the Board of Regents Support Fund and the State of Louisiana.

VII. RECOGNITION OF ENDOWED SCHOLARSHIP RECIPIENTS

Participating institutions shall develop and maintain procedures to recognize Endowed Scholarship recipients both internally and externally through such public announcements as media releases and campus newsletters; awards ceremonies; a listing of endowed scholarships on relevant web pages; and other appropriate means.

VIII. INVESTMENT OF ENDOWED FIRST-GENERATION UNDERGRADUATE SCHOLARSHIP ENDOWMENTS

Participating institutions shall invest matched Endowed Scholarship funds in accordance with the Louisiana Board of Regents Endowed Chair, Endowed Professorship, and Endowed Scholarship Statement of Investment Policy and Objectives.

IX. ALLOCATION OF EARNINGS FOR EXPENDITURE

BoR recognizes that, consistent with the Uniform Prudent Management of Institutional Funds Act (UPMIFA), endowments should preserve purchasing power and be protected against market downturns. It is not, however, consistent with the programmatic intent of BoRSF endowment matching or the Constitutional provisions establishing the Support Fund for excessive earnings to be retained as market value in these accounts. Accordingly, campuses shall maximize allocation of funds for expenditure and limit, within the bounds of prudence, retention and long-term investment of earnings within the account in excess of the amount necessary to buffer against inflation. The entity selected by the campus to manage its endowment funds shall submit the annual distribution rate and disbursement/spending policy as adopted by its governing board or similar authority, and shall subsequently provide in annual fiscal reporting the actual dollar amount and percentage of market value allocated for expenditure to the campus or holder, as well as the amount expended. In most cases BoR expects the annual distribution rate to be 4% at a minimum, with a specific exception for an individual endowment when application of that distribution rate would reduce its market value below the original corpus. BoR reserves the right to request justification of disbursement rates and additional information about plans to restore annual distributions to higher levels when these fall below 4%.

Endowed First-Generation Scholarships should remain in constant use except when no student is eligible to receive scholarship support or the market value of the account is below corpus or insufficient to provide the minimum support required in this policy. If an Endowed First-Generation Scholarship is vacant, revenues shall be placed in an expendable account for each year of the vacancy unless the account is below corpus. Market value at the end of the fiscal year shall be determined by the total amount held in the principal account, less any funds deposited for expenditure.

X. ACCOUNTABILITY MEASURES

- A. Campuses: For each matched scholarship, the campus shall develop goals, objectives, and accountability measures appropriate to the scholarship as defined by the donor, the institution, and BoR. Based on these accountability measures, the award process should be regularly assessed to ensure that the endowment is functioning as intended and meeting subprogram goals.
- B. Board of Regents: BoR shall periodically conduct a review of Endowed First-Generation Undergraduate Scholarships to determine the extent to which subprogram goals and objectives are being met.

XI. AVAILABILITY OF RECORDS

The campus has the duty to fully cooperate with BoR and provide any and all specified programmatic and fiscal information, documentation, etc. related to BoRSF-matched endowed scholarships to BoR when requested. This applies even if the scholarship is rescinded or dissolved, and/or a lawsuit is filed. Specifically, the campus and any designated managers of endowed funds shall not limit or impede BoR's right to audit and shall not withhold documents related to BoRSF Endowed First-Generation Undergraduate Scholarships awards.

XII. REQUEST FOR WAIVER

If a campus identifies acute and exceptional circumstances that warrant an exception to any provisions of the Endowed First-Generation Undergraduate Scholarships subprogram policy, a waiver may be formally requested in writing to BoR.