

LOUISIANA BOARD OF REGENTS

**ENDOWED TWO-YEAR STUDENT
WORKFORCE SCHOLARSHIPS
SUBPROGRAM**

POLICY AND GUIDELINES

Adopted: May 27, 2015

Revised: June 17, 2020

Effective Date: June 17, 2020

**BOARD OF REGENTS SUPPORT FUND
ENDOWED TWO-YEAR STUDENT WORKFORCE SCHOLARSHIPS SUBPROGRAM
POLICY AND GUIDELINES**

I. PREAMBLE

In December 2014, the Board of Regents approved establishment of the competitive Board of Regents Support Fund (BoRSF) Endowed: Two-Year Student Workforce Scholarships subprogram. The initiative provides scholarship opportunities for students on two-year campuses to enter the Louisiana workforce. This subprogram furthers the Board of Regents' fulfillment of the constitutionally prescribed goals of the BoRSF: to enhance the quality of higher education and promote economic development in Louisiana.

II. POLICY EFFECTIVE DATE

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

III. DEFINITION AND SCOPE OF ENDOWED TWO-YEAR STUDENT WORKFORCE SCHOLARSHIPS

The goal of the Endowed Two-Year Student Workforce Scholarships subprogram is to prepare students for available, selected, high-demand, four- and five-star jobs, including those in nursing and allied health fields, and to prepare students for jobs in STEM fields through four-year transfer programs. **It is imperative that each proposal presented reflects alignment of these workforce objectives, donors' understanding and intent, along with campus priorities and resources.** Endowment income shall be used solely for eligible students, to provide scholarship support and/or funding for training or workforce experiential opportunities (e.g., internships, externships, and apprenticeships). Endowed Scholarship funds may be used to supplement other support provided to the recipient, including additional scholarships, federal financial aid grants, or student employment.

All disciplines and types of degree and certificate programs offered by two-year campuses that lead to selected four- and five-star jobs, including those in nursing and allied health fields, as well as transfer to STEM degree programs at four-year campuses, are eligible to participate. (See Section V.)

IV. ELIGIBLE CAMPUSES AND SUBDIVISIONS

The following institutions are eligible to compete in the Endowed Two-Year Student Workforce Scholarships subprogram:

- Baton Rouge Community College
- Bossier Parish Community College
- Central Louisiana Technical Community College
- Delgado Community College
- L. E. Fletcher Technical Community College
- Louisiana Delta Community College
- Louisiana State University-Eunice

- Northshore Technical Community College
- Northwest Louisiana Technical Community College
- Elaine P. Nunez Community College
- River Parishes Community College
- South Louisiana Community College
- Southern University-Shreveport
- SOWELA Technical Community College

V. FUNDING OF ENDOWED TWO-YEAR STUDENT WORKFORCE SCHOLARSHIPS

All two-year campuses, with approval of respective management boards, may apply for endowed scholarships in eligible programs based on two different minimum corpus levels, as follows:

Four- and Five-Star STEM Job Areas¹	Ratio Non-State: BoRSF	Total Minimum Corpus	Minimum Non-State Contribution	BoRSF Match (Indivisible Increment)
<ul style="list-style-type: none"> • Engineering Technology • Finance & Accounting • Computer & Information Science (includes Cybersecurity) • Construction Crafts • Welding • Electrical • Industrial Production • Maritime • Fire Science and Safety Training • Teacher Education • Transportation and Logistics • Hospitality 	1:1	\$40,000	\$20,000	\$20,000
<ul style="list-style-type: none"> • Nursing • Allied Health • STEM Transfer 	1:1	\$20,000	\$10,000	\$10,000

The Board permits and encourages submissions requesting scholarships at higher levels, subject to the same ratios and matching levels cited above. BoRSF matching will be provided in indivisible increments.

A. Funds Available

The amount of funds available in each competitive cycle shall be specified in the BoRSF Plan and Budget for the corresponding fiscal year; the annual budget process shall consider demand for matching and alignment with statewide priorities in determining recommended subprogram funding levels. Provided no budget reduction is needed in the BoRSF during a competitive cycle, should the total requested by all submitted proposals be less than the funds budgeted for the program, and/or an

¹ These target areas may be expected to change periodically.

insufficient number of proposals receive competitive scores of 70 or above, any monies unexpended in the Endowed Two-Year Student Workforce Scholarships subprogram shall be transferred to the BoRSF Departmental Enhancement subprogram. The dollars transferred shall be awarded to competitive proposals from two-year institutions with scores of 70 or above, in rank order, but for which monies are not available through the Departmental Enhancement subprogram. Such transferred funds shall be used only for two-year colleges and may not be awarded to four-year or special purpose campuses.

B. Board Obligation

The Board has no responsibility to match requests submitted in excess of funds budgeted for the subprogram in a respective competitive cycle.

VI. EXCEPTIONS TO THE COMPETITIVE ENDOWED TWO-YEAR STUDENT WORKFORCE SCHOLARSHIPS SUBPROGRAM POLICY

A. Conversion of Existing BoRSF-Matched Endowments

With permission of the donor and following Board approval of requested waivers, previously matched endowments of other types may be converted to Endowed Two-Year Student Workforce Scholarships on a non-competitive, non-punitive basis. Requests for conversions shall include documentation of the donor's approval and identification of the department/unit or other administrative entity(ies) to which any resulting scholarships are assigned. The minimum corpus value of an Endowed Two-Year Student Workforce Scholarship created through this arrangement shall be consistent with levels cited in Section V, dependent on the workforce area targeted; campuses are encouraged, however, to establish Endowed Scholarships at higher levels.

B. Exemption from Calculation of Vacancies

Upon approval of conversions, affected endowments shall be considered Endowed Two-Year Student Workforce Scholarships and shall not be counted in annual calculations of vacancies.

C. Consolidation of Two or More Extant Endowed Two-Year Student Workforce Scholarships

After establishing Endowed Two-Year Student Workforce Scholarships, an institution may consolidate two or more extant scholarships with the written permission of the original donor(s) or the donor's legal representative. The Board shall be notified of such consolidations and furnished with documentation of donor approval within 30 days after completion.

D. Changing the Department/Unit or Program Assignment of Previously Awarded Endowed Two-Year Student Workforce Scholarships

An institution may change the degree or certificate program to which an established scholarship is assigned with the written permission of the original donor(s) or the donor's legal representative, assuming eligibility of the degree or certificate program receiving the scholarship (see Section V). The Board shall be notified of such changes, including the degree or certificate program to which the scholarship has been assigned, and furnished with documentation of donor approval within 30 days after completion.

E. Expectations and Reporting Requirements

All Endowed Two-Year Student Workforce Scholarships established under or affected by Section VI.A-D are subject to requirements of Sections VIII-IX and XII-XVII.

VII. COMPETITIVE PROCESS

Funds allocated to the Endowed Two-Year Student Workforce Scholarships subprogram shall be awarded annually on a competitive basis.

- A. Applications shall be solicited through a request for proposals (RFP) and evaluated based on criteria identified in the RFP by a panel of out-of-state reviewers with appropriate expertise.
- B. In each funding cycle, all campus applications, coordinated through a single designated campus officer, shall be approved by the appropriate system office before submission to the Board of Regents. Such coordination shall ensure that institutional and system priorities are reflected across all proposals presented. A one-page statement by the designated campus officer shall address how each campuswide proposal reflects alignment of targeted workforce objectives and donors' intent, along with campus priorities and resources.
- C. Applications must be submitted anew for each annual round of competition. Proposals unsuccessful in a previous competitive cycle must be resubmitted to be considered for funding in another cycle; they will be reviewed as new proposals, neither advantaged nor disadvantaged.

VIII. STUDENT ELIGIBILITY

Students may qualify as recipients of endowed scholarship funds through enrollment in an eligible degree or certificate program leading to a four- or five-star job, including positions in nursing or allied health, and/or transfer to a four-year STEM degree program. It is the responsibility of each proposal to make the standards of eligibility and acceptable performance clear to external reviewers and the Board of Regents. To meet program goals, endowed scholarships must typically be filled and income expended in support of the student holder, and should not remain vacant for more than one semester; eligibility standards should be crafted to ensure a pool of eligible students available to receive the scholarship support in each academic year.

IX. SELECTION AND EXPECTATIONS OF THE SCHOLARSHIP RECIPIENT

Institutions shall thoroughly delineate in the proposal the qualifications of anticipated scholarship recipients as well as performance expectations for the student after enrollment. Additionally, the proposal must describe the degree and/or certificate program(s), and/or possible experiential opportunities within which the scholarship holder will be integrated. Said explanation must be sufficiently detailed to allow reviewers to make informed judgments regarding appropriateness of the scholarship to prepare students for four- or five-star jobs, including positions in nursing or allied health, and/or four-year STEM degree programs.

A. Standards of Appointment

Institutions shall ensure that appointments are made only to those students who meet or exceed the

base qualifications identified in the proposal and/or reviewers' stipulations, and that appointed students show strong commitment to be trained in the targeted area(s).

B. Standards of Performance

Standards of performance for all scholarship recipients, defined through the proposal/review process, shall include: (1) minimum performance expectations; and (2) limitation on duration of award.

X. ADMINISTRATIVE REQUIREMENTS FOR PARTICIPATION IN THE ENDOWED TWO-YEAR STUDENT WORKFORCE SCHOLARSHIPS SUBPROGRAM

Each campus, as a condition of requesting State matching funds through the Endowed Two-Year Student Workforce Scholarships subprogram, shall provide with its proposal the following:

- A. An affidavit from the financial institution in which the institutional matching funds are held verifying that the participating institution has received and deposited non-State matching funds as appropriate for each requested State match (see Section V), and that the funds received and deposited meet all eligibility requirements pursuant to the Endowed Two-Year Student Workforce Scholarships Subprogram Policy;
- B. An authenticated statement (notarized in the presence of two witnesses) which indicates that the institution shall continually comply with all requirements of the Endowed Two-Year Student Workforce Scholarships Subprogram Policy. Such compliance statement, moreover, shall be signed by the campus head (or designee) of the participating institution; and
- C. Documentation from the management or governing board of the participating institution stating its approval of establishing an Endowed Two-Year Student Workforce Scholarship to be supported by the proceeds of the requested endowment fund.

Each institution, under the supervision of its management or governing board, shall have the responsibility for maintenance and investment of its Endowed Two-Year Student Workforce Scholarships subprogram assets in a manner consistent with its duties as fiduciary for such funds, and in accordance with the Board of Regents Endowed Chairs, Endowed Professorships, and Endowed Scholarships Programs Statement of Investment Policy and Objectives. Each participating institution's Endowed Two-Year Student Workforce Scholarships subprogram assets shall be administered and maintained as restricted endowments.

XI. ELIGIBLE MATCHING FUNDS

With exceptions noted in Section VI.A-B, funds raised by a postsecondary institution from non-State sources and eligible for State matching funds shall consist solely of monies contributed and dedicated for the purposes of the Endowed Two-Year Student Workforce Scholarships subprogram. For purposes herein, the term "contributions" shall mean only such funds that are actually collected for the Board match and verified by the respective institution in a manner satisfactory to the Board.

XII. RETENTION OF REVENUES AND ALLOCATION FOR EXPENDITURE

The sum of the funds provided from State and non-State sources at the establishment of the endowed student workforce scholarship, including the appropriate non-State contribution and associated BoRSF matching funds (see Section V), shall constitute the original principal of the institution's Endowed Two-Year Student Workforce Scholarship fund (the "corpus"). Once established, the original principal and any unexpended earnings in the fund shall be invested pursuant to the Louisiana Board of Regents Endowed Chairs, Endowed Professorships, and Endowed Scholarships Programs Statement of Investment Policy and Objectives. In no event shall any amount of the original principal be expended, consumed, or invaded, and it shall only be used for prudent investments in support of the endowed student scholarship.

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 programs 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, as well as the amount actually 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 Two-Year Student Workforce 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.

XIII. REPORTING REQUIREMENTS

On an annual basis, each institution shall report to the Board as described in the Louisiana Board of Regents Endowed Chairs, Endowed Professorships, and Endowed Scholarships Program Statement of Investment Policy and Objectives. Reports must include the status of the scholarship – vacant or filled – but shall not require personal identifying information for student recipients; the campus is required to retain documentation of the student holder(s) and scholarship payments provided to them. The Board reserves the right, at its discretion, to audit the books and records of account of any institution's endowment fund and any segregated account thereof, as well as records related to compliance with Board of Regents subprogram policies.

XIV. REQUIRED COMMUNICATION WITH DONORS

For each Endowed Two-Year Student Workforce Scholarship matched by the Board, the institution shall annually provide to the donor, at a minimum, the following information: the status of the scholarship (vacant

or filled by a student recipient), the current market value of the endowment fund, and the amount allocated for expenditure in the most recently completed fiscal year.² Donor reporting shall not be required under the following circumstances: 1) the donor is deceased; 2) the donor has in writing requested no contact; and/or 3) despite a good faith effort, the donor's contact information could not be located.

XV. PERIODIC BOARD OF REGENTS REVIEWS

A. Annual Review

The Board will engage a single team of out-of-state consultants to review all proposals submitted for matching funds each fiscal year. In all cases, proposals will be ranked and prioritized in accordance with a merit-based peer review process. Evidence that each proposal effectively addresses the goals and policy provisions herein, as applicable, is necessary for success. The pattern of the submitting department/unit or program of filling scholarship slots and past performance of scholarship recipients shall be critical considerations in the granting of awards for subsequent scholarships.

B. Comprehensive Subprogram Review

With assistance from out-of-state experts, the Board will periodically review the overall Endowed Two-Year Student Workforce Scholarships subprogram. Participating campuses may be required to provide additional information as needed relative to such reviews.

XVI. PUBLICITY AND ACKNOWLEDGEMENT

The Board shall publicize accomplishments of the Endowed Two-Year Student Workforce Scholarships subprogram through the broad dissemination of brochures, newsletters, and news releases to the media and other appropriate outlets. Institutions should publicly acknowledge, in appropriate venues, support for scholarship grants from the non-State donor(s) as well as the Board of Regents.

XVII. REQUEST FOR WAIVER

If a campus identifies acute and exceptional circumstances that warrant an exception to any provisions of the Endowed Two-Year Student Workforce Scholarships Subprogram Policy, a waiver may be formally requested in writing to the Commissioner of Higher Education, acting for the Board of Regents.

² A certification of compliance with this requirement, based on documentation retained by the campus, shall be included in the annual fiscal report to the Board of Regents. Compliance shall be attested to in the report provided by private or Legislative auditors.