



Office of Academic Affairs Agenda Item #4

PROPOSAL REQUESTING APPROVAL OF *THE PELICAN PROMISE*, A NEW NEED-BASED AWARD PROGRAM AT LSU DESIGNED TO ATTRACT AND SUPPORT LOUISIANA STUDENTS WHO ARE ECONOMICALLY DISADVANTAGED AND ACADEMICALLY QUALIFIED

To: Executive Committee and Members of the Board of Supervisors

Date: March 8-9, 2007

1. Significant Board Matter

This matter is a significant board matter pursuant to the following provisions of Article VII, section 8 of the Bylaws:

F.2 Matter having a significant fiscal (primary or secondary) or long term educational or policy impact on the System or any of its campuses or campus-equivalent divisions.

2. Background Information

Louisiana State University wishes to strengthen its commitment to Louisiana's citizens by establishing the **The Pelican Promise**, a new need-based award program designed to attract and support Louisiana students who are economically disadvantaged and academically qualified. As a Land-Grant and Flagship University, LSU's mission includes the obligation to serve all students regardless of socio-economic level. Access and affordability are key words that LSU views as critical to its National Flagship Agenda.

The U.S. Department of Health defines the poverty threshold for an average family size of 3.1 individuals as \$17,170. The rising cost of higher education in the United States suggests that qualified students from low-income families are financially unable to attend colleges that may intellectually suit them. Even though Title IV Federal Aid grants and State grants are available to these students, those sources are not sufficient to meet the growing disparity between their income and college cost. While TOPS has mitigated the prohibitive effects of tuition costs, the uncontrollable rise in some costs of attendance (instructional materials, room, and board) have outpaced stagnated federal aid. Most noteworthy, students at or under the poverty level often forfeit the opportunity to take college-preparatory courses because of the assumed lack of college affordability.

LSU is committed to institutional access and socio-economic diversity; and research shows that foreknowledge of available financial assistance will provide added incentive to the less affluent. A recent report by the Educational Trust cited that Flagship Institutions need to be more proactive in meeting the educational needs of economically disadvantaged students. LSU's new need based grant program for targeted students will allow the university to reach out to students, parents and the public with the message that a college education at LSU is affordable and LSU wants them to attend. Therefore, LSU wants to create a need based award package comprised of federal, state and LSU resources that will meet the needs of economically-disadvantaged students and assist in their recruitment, retention and graduation (See Table A).

3. Executive Summary of The Pelican Promise

The intent of **The Pelican Promise** is to complement, supplement and enhance existing and all future state and LSU scholarship and assistance programs. This new program will not diminish or substitute any financial aid available to economically-disadvantaged students. LSU plans to implement this grant program in phases. The initial phase, to begin in Fall 2007, will target first-year and transfer students from Louisiana whose family income is equal to or less than 150 percent of the poverty level (a family income of \$25,755 for a family of 3) and who are eligible for a Federal Pell Grant. As additional funds become available to support this program, LSU will expand the eligible criteria to students whose family income is equal to or less than 200 percent of the published poverty level and eligible for a Federal Pell Grant. In the initial phase, the value of the grant will be no more than the equivalent of tuition and the registration fee. As additional funds are generated, the value of the grant will be increased to include on-campus room and board. The final phase will cover up to full cost of attendance at LSU. **The Pelican Promise Award** will begin in the 2007-2008 academic year.

4. Fiscal Note

The annual projected cost of the first phase of the new award, **The Pelican Promise**, is approximately \$1 million beginning in FY 2007-08 and increasing annually by about \$1 million per year to reach an estimated total cost of \$4 million in FY 2010-11. (See attached Table B for yearly-fiscal detail). In his cover memo, Chancellor O'Keefe noted, "As funds become available and our understanding of the outcomes of the program become clear, we fully expect the program to evolve and expand. This program is among our highest priorities, and we intend to fund it in the next year as such."

5. Review of Documents Related to Referenced Matter

The request to establish **The Pelican Promise** has been developed by appropriate LSU campus officials and carefully reviewed by the LSU System Executive Staff. Initial drafts have been modified to incorporate most changes recommended by the Executive Staff. One recommendation of the Executive Staff that LSU did not adopt at this time is a sliding scale in order to avoid an abrupt cutoff point in which there are significant dollars available on one side of the limit and nothing on the other side. LSU concluded, "with a sliding scale there would have to be additional administrative support to institute and manage the decision-making process associated with such a scale. Initially, we have all dollars in the proposed program going to students. As this program evolves, we may well adopt a sliding scale."

6. Certification of campus (or equivalent) re. paragraph C, Article VII, Section 8.

Certification was provided in Chancellor O'Keefe's cover letter requesting approval of the new Award.

ATTACHMENTS:

See Tables A and B.

RECOMMENDATION OF EXECUTIVE STAFF & DRAFT RESOLUTION:

The Executive Staff recommends that this item be placed on the Agenda of the next meeting of the LSU Board of Supervisors. The Staff further recommends that the Board of Supervisors consider approving the following resolution:

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors approves the establishment of The Pelican Promise Award for FY 2007-08 at Louisiana State University for Louisiana residents who: (1) qualify to attend LSU; (2) have a family income less than or equal to 150 percent of the poverty level; (3) are eligible for a Federal Pell grant; and (4) have applied for all applicable Federal, State and institutional financial aid programs. The grant will be awarded for eight semesters or until graduation whichever occurs first. Accepted LSU transfer students will be eligible through their eighth semester of total college course work. Based on the availability of funds, this program may be expanded to include students from families whose income is less than or equal to 200% of the poverty level. In the initial phase, the value of the award will be no more than the equivalent of tuition and the registration fee. The second phase of this program will include the addition of on-campus room and board. The final phase would cover up to the full cost of attendance at LSU for all qualifying students. The program will be audited annually and the Chancellor will report the audit results to the Board.

Table A
Example of a Student's Individual Award
Combination of Federal, State and Institutional Dollars
*** Rates and Values as of the 2006-2007 Award Year**

**Average Cost of Attendance 1 Year (Fulltime, Living On-Campus)	\$18,463
Expected Family Contribution (Determined by Fed Gov't)	\$0
Unmet Student Need	\$18,463
Maximum Pell Award for Year (Determined by Fed Gov't)	\$4,050
Unmet Student Need	\$14,413
Academic Excellence Fee Waiver (Legislative Mandate)	\$490
Unmet Student Need	\$13,923
Operational Fee Waiver (Legislative Mandate)	\$160
Unmet Student Need	\$13,763
Tuition Increase Hardship Waiver (Legislative Mandate)	\$680
Unmet Student Need	\$13,083
Basic TOPS Award	\$3,328
Unmet Student Need	\$9,755
Federal Supplemental Educational Opportunity Grant (Determined by Fed Gov't)	\$1,000
Unmet Student Need	\$8,755
ACG Federal Grant (Freshman Year Amount)	\$750
Unmet Student Need	\$8,005
Federal Work-Study	\$2,500
Unmet Student Need	\$5,505
Pelican Promise Exemption	\$3,001
Student's Contribution	\$2,504

**** Cost of Attendance Includes**

- . Tuition and Fees
- . Room and Board
- . Books and Supplies
- . Transportation
- . Miscellaneous Expenses

Table B
Projected Impact for the Pelican Promise Award

Fiscal Note

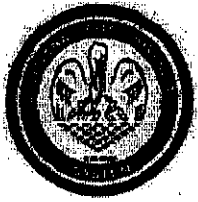
*** Used Current Tuition (2006-2007) for Projection**

**** Used 150% of Poverty and Pell Eligible**

Year	# of Students	*Exemption
2007 - 2008	320	\$1,000,000
2008 - 2009	650	\$2,000,000
2009 - 2010	1000	\$3,000,000
2010 - 2011	1300	\$4,000,000

2007 Federal Government Poverty Guidelines as of January 30, 2007

<u>Household</u>	<u>100% Level</u>	<u>150% Level</u>	<u>200% Level</u>
1	\$10,210	\$15,315	\$20,420
2	\$13,690	\$20,535	\$27,380
3	\$17,170	\$25,755	\$34,340
4	\$20,650	\$30,975	\$41,300
5	\$24,130	\$36,195	\$48,260
6	\$27,610	\$41,415	\$55,220
7	\$31,090	\$46,635	\$62,180
8	\$34,570	\$51,855	\$69,140
Each Additional	\$3,480	\$5,220	\$6,960



Office of Academic Affairs Agenda Item #5

PROPOSAL REQUESTING APPROVAL OF THE *LSU NATIONAL SCHOLARS' AWARD*, A NEW LSU SCHOLARSHIP PROGRAM DESIGNED TO ATTRACT NATIONALLY RECOGNIZED, FIRST-YEAR STUDENTS

To: Executive Committee and Members of the Board of Supervisors

Date: March 8-9, 2007

1. Significant Board Matter

This matter is a significant board matter pursuant to the following provisions of Article VII, section 8 of the Bylaws:

F.2 Matter having a significant fiscal (primary or secondary) or long term educational or policy impact on the System or any of its campuses or campus-equivalent divisions.

2. Background Information

The LSU National Flagship Agenda calls for an increase in the quality of undergraduate students and to increase diversity and inclusiveness with increased emphasis on recruiting and retaining high achieving students. In today's competitive market the best students are attracted to universities by the quality of faculty, degree programs, and the value of scholarships offered. The creation of the **LSU National Scholars' Award** will provide a more effective recruiting posture for LSU.

3. Executive Summary of the LSU National Scholars' Award

LSU is requesting authority to establish the **LSU National Scholars' Award** in order to enhance the recruitment of nationally-recognized, high-achieving first-year students. This new scholarship program will compliment and supplement existing awards. The program will target high school students: (1) who score in the eightieth percentile on the PSAT, SAT, or ACT and/or rank in the top 10% of their class; (2) who are eligible for admission to LSU (minimum 22 ACT composite); (3) who have been recognized as finalist or semi-finalist in national academic competitive review programs such as National Merit, Wendy's National Collegiate Heisman Award, Westinghouse Scholars, National Achievement, Gates Millennium Scholars, Davidson Fellows, and the National Hispanic Scholars. Candidates will be drawn from nationally-recognized and highly-competitive scholarship programs considered among the gold standard of recognition for high achieving high school students. Currently, LSU does not have a scholarship program that targets students from these nationally-recognized programs. The **LSU National Scholars Award** will provide an avenue for recruitment of these high achieving students.

The resident student award is valued as an exemption of tuition and the registration fee for up to a total of 150 students per year. The non-resident student award is valued at an exemption of

tuition, the registration fee, and non-resident fee for up to a total of 50 students per year. The exemption will be awarded for eight semesters or until graduation, whichever occurs first.

The **LSU National Scholars' Award** will be implemented for the 2007-2008 academic year. To the extent that there are more eligible applicants than awards available, LSU will complete a holistic evaluation of each applicant's file. (See Attachment B for procedures.) The review of credentials will focus on the student's individual national-competitive award program, test scores, High School GPA, rigor of high school curricula, grading system, written recommendations, and information about the student's activities and leadership roles.

4. Fiscal Note

The annual financial impact of the **LSU National Scholars' Award** is provided in Attachment A. In FY 2007-2008, the estimated exemption is \$300,000.00. In FY 2010-2011 when the program is fully implemented at its maximum levels, the estimated exemption is \$1,100,000.00.

5. Review of Documents Related to Referenced Matter

The proposal to establish the **LSU National Scholars' Award** was prepared by appropriate LSU campus officials and reviewed by Shelby McKenzie and David Shelby of Taylor Porter and the LSU System Executive Staff. LSU has made significant changes in the proposal to address concerns raised by the System Executive Staff, Shelby McKenzie, and David Shelby.

Attachments

See Attachments A and B.

6. Certification of campus (or equivalent) re. paragraph C, Article VII, Section 8.

Certification was provided by Chancellor O'Keefe in the cover letter requesting approval of the **LSU National Scholars' Award**.

RECOMMENDATION OF EXECUTIVE STAFF & DRAFT RESOLUTION:

The Executive Staff recommends that this item be placed on the Agenda of the next meeting of the LSU Board of Supervisors. The Staff further recommends that the Board of Supervisors consider approving the following resolution:

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors approves the establishment of the **LSU National Scholars' Award** at Louisiana State University for up to 150 Louisiana residents and 50 non-residents per year who: (1) qualify to attend LSU (minimum ACT 22); (2) score in the eightieth percentile on the PSAT, SAT, or ACT and/or rank in the top 10 % of their class; and (3) who have been nationally recognized as finalist or semi-finalist in national academic competition such as National Merit, Wendy's National Collegiate Heisman Award, Westinghouse Scholars, National Achievement, Gates Millennium Scholars, Davidson Fellows and the National Hispanic Scholars beginning with the 2007-2008 academic year. The value of this scholarship for resident students will be an exemption of tuition and the registration fee for

up to 150 students per year. The non-resident student award is valued at an exemption of tuition, the registration fee, and non-resident fee for up to 50 students per year. The exemption will be awarded for eight semesters or until graduation, whichever occurs first. The program will be audited annually and the Chancellor will report the audit results to the Board.

Attachment A					
Projected Impact of the LSU National Scholars Award					
Fiscal Note					
* Used Current Tuition and Non-Resident Fees for Projection					
	Resident		Non-Resident		
Year	# Of Students	*Exemption	# Of Students	*Exemption	*Total
2007-2008	60	\$200,000.00	**10	\$100,000.00	\$300,000.00
2008-2009	80	\$300,000.00	20	\$200,000.00	\$500,000.00
2009-2010	125	\$400,000.00	30	\$400,000.00	\$800,000.00
2010-2011	150	\$500,000.00	50	\$600,000.00	\$1,100,000.00

Attachment B

LSU National Scholars Award Policy and Procedures for Holistic Review

Policy: To the extent that there are more eligible applicants than awards available, LSU will complete a holistic evaluation of each applicant's file. The review of credentials will focus on the student's individual National competitive award program, test scores, High School GPA, rigor of high school curricula, grading system, written recommendations and information about the student's activities and leadership roles.

A selection committee will be appointed by the Provost to review all applicants. The selection committee shall engage in a highly individualized, holistic review of each nominee's file, giving consideration to all academic and non-academic strengths and achievements. Upon approval and selection of the students by the committee, awards will be mailed by the Office of Student Aid and Scholarships.