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# Commentary

The Public Affairs Research Council of Louisiana

## Tulane Legislative Scholarships

### PAR Analysis Recommends Changes in the Application and Selection Process to Benefit Students and the State

The Tulane Legislative Scholarship program should be improved to operate in a way that best benefits the state and students. The application process should be revised to expand the pool of eligible students and the awards should be geared to give Louisiana a competitive edge for attracting students who might otherwise leave the state to pursue their studies. Use the awards as an opportunity, not as a gift. The program needs better publicity to attract more applicants. Ultimately, the method of selection should be operated more objectively according to agreed goals, a process that could be enhanced by the participation of a separate entity or citizen panel to conduct or assist decision-making.

### Background

The scholarship program was included in a 19<sup>th</sup>-century agreement between the state and Tulane University that allowed the former public college in New Orleans to turn private and establish terms on tax exemptions. The agreement, modified later by legislation, allows each state legislator annually to name a student for a one-year full tuition scholarship at Tulane, which covers the cost. The mayor of New Orleans can name five students each year for a four-year scholarship.

With 105 representatives in the House and 39 in the Senate, Louisiana has 144 Legislative Scholarships to hand out each year. The mayoral multi-year selections constitute up to 20 scholarships per year. The scholarship pays for tuition though not fees and living expenses. Tuition at Tulane this year is \$46,930, bringing the current market value of all the Legislative and mayoral scholarships to about \$7.7 million.

Students must be a Louisiana high school graduate and state resident to be eligible. They first must be admitted to Tulane, which requires an ACT score of at least 28 and a student ranking in the top 25 percent of the high school class.

Applicants must fill out a form, separate from the Tulane admission forms, to apply for a Legislative Scholarship. This form also serves as a disclosure of whether the student is related to an elected official. Relatives of elected officials are eligible if they meet admissions standards and submit the form disclosing the relationship. Elected officials in Louisiana -- whether in federal, state or local offices -- are ineligible to receive a Legislative Scholarship.

Legislators may opt to use the Open Competition program to pick a student. No lawmaker ever has used this resource, according to Tulane. With this system, Tulane would determine the recipient based on various criteria. Students must demonstrate financial need to get a scholarship through the Open Competition.

Legislators may select qualified students from any district in the state, although most try to name a student from their own district. Legislators can name a freshman, a transfer or a current student. They can award the scholarship to the same student each year up until graduation, so long as the student maintains at least a 2.3 Grade Point Average and is enrolled full time. Three Legislative Scholarships are unfilled for the current academic year, although in recent years lawmakers have managed to fill all 144 of their spots.

Does the Louisiana Code of Ethics come into play for legislators making the awards? This is a fair question, and one that had not been raised sufficiently in the policy discussions on the issue. The scholarship award is an action by an elected state official and a transaction affecting an asset for the state. Some have suggested that potential conflicts of interest related to the Legislative Scholarship would seem to be covered by the ethics law.

A numerical snapshot of the current year helps put the program in perspective. Among all Louisiana residents applying for acceptance to this year's regular undergraduate freshman class at Tulane, 743 were offered admission. Of those, 184 were enrolled, with the rest deciding to go elsewhere.

All or nearly all of those 743 Louisiana students would have been eligible to apply for the Legislative Scholarship. But only about 134 did, by Tulane's best current estimate. Of those, 21 received a Legislative Scholarship.

## Problems

As college scholarship programs go, the Tulane legislative award program is an odd one. The current system creates many problems.

Publicity for the program is poor. As noted above, the great majority of Louisiana freshman applicants to Tulane do not also apply for the scholarship. Some legislative districts, particularly in rural areas, at times have had no applicants. More high-school seniors might decide to apply to Tulane if they were aware of the potential for the scholarship. Media reports have revealed high school officials who were unaware of the program. Some lawmakers intentionally -- and understandably -- do not publicize the scholarships over concerns that they will have to say "no" to some constituent applicants, according to those reports. The Legislature as a body does not promote the scholarship program and its web site is devoid of information for interested applicants, even on the Frequently Asked Questions page.

The application system for the Tulane Legislative Scholarship is another problem. A student must fill out a single-page form that serves the dual purpose of the disclosure requirement and the application for the scholarship, separately from the Tulane admission forms. Not every Louisiana student seeking admission to Tulane is aware of the special form and the process, resulting in regrettably fewer scholarship applicants than might be eligible. The current system of using this disclosure form as a scholarship application is less efficient than a system that would automatically place Louisiana students in the scholarship application pool.

Overall, the selection process lacks consistency and strategy. Each legislator decides how and why to make an award, meaning that the scholarship program has 144 different selection methods. And each lawmaker's method might be different year to year.

Because each legislator picks only one winner annually, students accepting a Legislative Scholarship carry the risk that the award might not be given to them the next year. This is a significant factor for a graduating high-school student deciding whether to attend Tulane or another university offering longer-term financial support. A student who receives a scholarship for the freshman year but is dropped for the sophomore year will be faced with close to \$150,000 in remaining tuition to complete a four-year undergraduate program at Tulane.

A Legislator has the option of offering the award to a Tulane sophomore, junior or senior already enrolled at the university without a Legislative Scholarship, even if that student was planning to continue to study at Tulane anyway. That type of award is not the best use of the scholarship opportunity, especially if the student does not have the financial need.

Although many lawmakers sustain a student's award for more than one year, the program in its current form cannot be promoted as a sustaining scholarship for a student's college career. A legislator can decide to support a student one year and then drop that student in favor of another the next year. Based on information from Tulane, students and scholarship records, this in fact happens often, placing the student in a difficult position of how and whether to remain at the university. Tulane and the student's family then must look for alternative financial aid unless the parents happen to be wealthy enough to cover the cost.

Legislative Scholarship students have had to leave Tulane under these circumstances. Tulane does not have a count of the number. By contrast, many other scholarship programs at Tulane and elsewhere offer sustaining support so that a student will have the opportunity for renewal so long as good grades are maintained.

Furthermore, legislators have four-year terms. If not re-elected or if term-limited, a lawmaker's successor can choose to award the scholarship to someone other than the student currently depending on the support. This is a common practice. With the legislative scholarship program, uncertainty is a certainty for students.

## Reliability for students

It should be noted that the record demonstrates many legislators are conscientious about these issues and many repeat the award to scholarship recipients so that the students are not left in the lurch. Also, lawmakers may have sound reasons for switching award winners. They might want to help several students get a partial boost rather than help one student get a full boost.

Of the 144 Legislative Scholarships available this academic year, about 65% went to returning scholarship recipients. In the 2012-13 academic year, 58% of the scholarships went to returning scholarship recipients. That likely was because a new legislative term began in January 2012 and with it a host of new lawmakers. Among those who were new to the Legislature in 2012, only 45% picked their predecessor's previous scholarship students to repeat awards for the 2012-13 year. Redistricting may be a partial explanation, but the evidence indicates that new members of the Legislature are more likely to name a new scholarship recipient rather than continue support for an existing recipient.

This risky nature of the Tulane Legislative Scholarship program creates an inefficient recruitment tool that lacks competitiveness for the best students, especially for incoming freshman with financial need. The risk, combined with the appearance that the program is run as an insider's game, can only serve as a deterrent to prospective students considering whether to apply. From a broad perspective, if the Legislature wants to

keep some of Louisiana's best and brightest from slipping away to another state where more reliable scholarship opportunities await, the current system should be changed.

The current one-year-and-out scholarship policy seems like a dead end. But that does not mean the program has to be turned into a full-tuition, four-year guaranteed scholarship for all recipients in order to become more effective. PAR recommends that the awards be guaranteed for at least two years, provided the student meets performance standards.

## New directions

How might the Tulane legislative scholarship program be improved? These points and principles should be followed if revisions are made:

- First and foremost, serve the welfare of the state and the students.
- The scholarships are a state asset, and members of the Legislature should not be seen as benefiting personally from the program.
- Establish a system that expands the scholarship applicant pool to a larger number of qualified Louisiana incoming freshmen.
- Use an automatic process, not a separate application process, for qualified students to be eligible for the Legislative Scholarship. Do not make the disclosure the same as the application for the scholarship.
- Make Tulane, and Louisiana, more competitive in keeping top talent in the state.
- Use the awards as an opportunity, not a gift. Avoid awards to upperclassmen who were previously enrolled without a Legislative Scholarship and without real financial need for one.
- Strive to create a program in which the scholarship recipients overall reflect the state's population diversity.
- Promote a wide geographic representation of scholarship students from around the state.
- Promote and publicize the scholarship program more aggressively throughout the state.
- Maintain a transparent process that helps deter conflicts of interest while respecting student privacy.

The scholarship appointment system in its current form is not the most effective design to achieve these strategic aims for the state. Some useful modifications to the process might be achievable without removing the Legislature's authority to name awards.

One such idea is to make Louisiana resident students automatically eligible for the scholarship if they are admitted to Tulane, except for those the state has decided to make ineligible such as elected officials. What about the disclosure forms noting whether a student applicant is related to an elected official? Once offered admission, a Louisiana student would be prompted by Tulane, repeatedly if necessary, to complete the disclosure form or to check a box declining to do so. Legislators would then choose from the applicants who filed disclosures. In this way, all Louisiana students offered admission to Tulane would be aware of the scholarship opportunity and would be encouraged directly to complete the disclosure. This system would likely result in a larger pool of choices for the legislator than the current method.

What if legislators were given the option of letting someone else make the decision? Generally, legislators have demonstrated that they will not volunteer to use a separate decision-maker to determine scholarship winners. Tulane's Open Competition program is totally ignored. Also, for the past two decades legislators

have had at their disposal a non-profit service based in Jefferson Parish called Jefferson Dollars for Scholars, which offers to make the scholarship selection in an objective and consistent manner for any lawmaker who requests the help. The group does not charge for its services. In the past it has required a separate application. No legislators have used that service for the Tulane scholarship since 2009.

Ultimately, to achieve the highest goals with the greatest efficiency, the most sweeping change would be to transfer the decision-making authority. The program should be changed so that the awards, or at least the final nominations for the awards, are made by a separate entity or citizen panel operating objectively and according to a set of goals and guidelines. This change might require a new agreement with Tulane, unless structured to give legislators the actual final say.

To assist this process, Tulane could provide a variety of student applicant rankings based on merit and financial need, or a combination score of both. Tulane officials have said they can do this. Tulane also could be asked to identify students for whom a legislative scholarship could be put to the best competitive use.

In summary, let's see more Louisiana students competing for this educational opportunity. Let's get more students into the applicant pool for scholarships. And let's put the students' welfare first.

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#### Endnote

***Here is what the original law in 1884 said about the Tulane Legislative Scholarship program. Notice that the students were able to hold on to their scholarships until graduation.***

***La. Acts, 1884, No. 43:*** Besides the waiver of the claim, as aforesaid, as an additional consideration between the parties to this act, the said Board agrees to give continuously, in the academic department, free tuition to one student from each Senatorial and from each Representative district or parish, to be nominated by its member in the General Assembly from among the bona fide citizens and residents of his district or parish, who shall comply with the requirements for admission established by said Board. The meaning of this provision being, that each member of the General Assembly, whether Senator or Representative, shall have the right of appointing one student, in accordance with the foregoing provisions. The free tuition herein provided for shall continue until each student has graduated from the academic department, unless his scholarship has ceased from other causes. Whenever a scholarship becomes vacant, from any cause, the Senator or Representative who appointed the previous student, or his successor, shall, in the manner prescribed by this section, immediately name a successor.

***The Tulane agreement was changed in 1979 and 1982. Here's how the law stood after 1982:***

***Acts 1884, No. 43 as amended by acts 1979, No. 265, §1 and Acts 1982, No. 606, §1:*** Besides the waiver of the claim, as aforesaid, as an additional consideration between the parties to this Act, the said Board agrees to give continuously, in the academic department, free tuition to students nominated by members of the legislature. Each member of the legislature shall have the right to nominate one student from among the citizens of the state. Each nominee shall comply with the requirements for admission established by said Board. The meaning of this provision being that each member of the General Assembly, whether Senator or Representative, shall have the right of appointing one student, in accordance with the foregoing provisions. The free tuition herein provided for shall continue for a period not to exceed the time remaining in the term of the nominating legislator from the time such appointment begins, unless his scholarship has ceased from other causes. Nothing herein shall prohibit the appointment of the same student in successive years. Whenever a scholarship becomes vacant, from any cause, the Senator or Representative who appointed the previous student, or his successor, shall, in the manner prescribed by this section, immediately name a successor.

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