

Scholarship Committee -Summer 2005

Purpose: The goal of the Summer Scholarship Committee (SSC) was to look at the questions that have arisen with the handling of scholarships at UTD over the years. The SSC Committee is not the same committee that meets during the year to award scholarships. The latter, known as the Scholarship Committee is “a standing, concurrent committee of the Academic Senate at the University of Texas at Dallas.” According to Policy Memorandum 78-III.21-18, the seven appointed members are the Associate Deans from Undergraduate Education or heads of graduate programs at the seven schools. The Scholarship Committee often changes membership, and there are no firm guidelines to help them award scholarships from year to year. The SSC has tried to address some of these issues, and will offer suggestions to help rectify some of the problems

Membership on the Summer Scholarship Committee:

The SSC is an unusual committee in that it is composed of people who have various forms of expertise in the handling of student scholarships. This was the first committee of this sort ever convened for this purpose and the exchange of ideas and collaborative effort was impressive. We met for four weeks during the summer (2005) and discussed our frustrations with various aspects of the process and have put together a series of recommendations which we agree will better serve the UTD community.

The members of the committee are:

Mary Chaffin, Ph.D.	Associate Dean -SOM
Michael Coleman, Ph.D.	Undergraduate Dean and Associate Provost
Austin Cunningham, Ph.D.	Graduate Dean
Maria Ramos BA	Financial Aid Director
James Richardson, Jr. BA	Interim Associate VP for Development
Elizabeth Salter, Ph.D.	Associate Dean – General Studies (Committee Chair)
Barbara Seale BS OT	Endowment Compliance Officer
Sue Sherbet MA	Interim Assistant to the VP for Student Affairs
Sarah Spreada, Ph.D.	Director, Office of International Education

Definition of Scholarship/Fellowship:

One of the first problems encountered by the Summer Scholarship Committee (SSC) was the definition and difference between a Scholarship and a Fellowship. These are important definitions because of income tax ramifications.

According to IRS Publication 520 (2002) on Scholarships and Fellowships, a ***Scholarship*** is defined as “generally an amount paid for the benefit of a student at an educational institution to aid in the pursuit of studies. The student may be either an undergraduate or a graduate.”

“A **Fellowship** is generally an amount paid for the benefit of an individual to aid in the pursuit of study or research.”

Scholarships and fellowships are tax free for the amounts that cover tuition, fees, books, supplies, equipment (required of all students), but are taxable for those portions of the awards which cover room, board, travel, teaching, research services, equipment, clerical help or other services. Due to this reasoning, scholarships are more likely to be tax exempt, whereas fellowships, which have an expectation of service from the recipient, are more likely to be taxed. Historically scholarships were more traditionally established for undergraduate students, and fellowships were more likely set up for graduate students, although these distinctions are often blurred.

At UTD, all awards, including the International Education Fee Scholarship, must first be credited toward any outstanding fees, fines, etc before the remainder of the award can be received. Many students are unaware of this procedure and are totally shocked when they receive a much smaller award than they had anticipated.

Another important factor to keep in mind is that students, who receive a \$1,000.00 competitive scholarship administered by UTD, are eligible for in-state tuition.

At UTD, the awarding of scholarships is carried out through various bodies including the Scholarship Committee, various departments, responsible university officials for third party scholarships, deans and the Provost's Office. There are so many offices and individuals involved in this process, that sometimes the designated responsible university official is unaware that he/she is responsible for the awarding of a scholarship. As a result some scholarships have slipped through the cracks and not been awarded. There is also the problem of knowing how much money is in an account at any one time, because of the peculiarities of some of the financial spreadsheets. For example a spreadsheet may state that on a given day amount X is in a scholarship account. This amount may not reflect that there are funds remaining from the previous year that can be “BAFFED” forward to the current account, thereby increasing the amount available for the scholarship. The SSC recommends that all responsible university officials for each scholarship attend a meeting at the beginning of each academic year to learn that they are the responsible university official and to learn to find out how much money is available for awarding in any given year. This annual meeting could be convened by a proposed Scholarship Office in conjunction with the Endowment Compliance Office.

Advertising:

The easiest way to learn about scholarships/fellowships would be to have a single UTD web site listing all the scholarships available, whether need based, merit based, or even third party. Right now when you enter “Scholarships” in the UTD search engine, you are directed to 51 pages of entries going back at least two years. This is not user friendly. Here, the assumption that is made, which is not necessarily intuitive, is that UTD scholarships are listed under the Financial Aid office. What would improve ease of use

would be to have a Scholarship tab on the UTD main page and have the tab connect to a web page which lists the various types of scholarship programs (need based, merit based, and third party). An excellent web page to use as a model would be that of UTEP, which has an Office of Scholarships. On the UTEP Scholarship Web page are links for Donors/Corporations, Establishing a Scholarship, Institutional Advancement, the International Programs Office, the student home page, the Office of Admissions, the Office of Financial Aid, UT Direct, and the UTEP Homepage. For the students there is a link to the Scholarship Application, a Transfer Scholarship Application, a generalized series of links to third party scholarships, and an incoming freshman website. There are also links to graduate scholarships and the graduate school. Finally there is contact information, an application link, a reference information link, a tips link, and a staff link. (Additional recommended web sites are found at the University of Maryland, and North Carolina at Chapel Hill.)

Staffing:

Looking at the Scholarship links at UTEP, the staff link was the most impressive. For a student body of @19,000 students, UTEP had a Scholarship Office with nine employees, ranging from an Assistant Vice President, to a Director, an Accountant, two program specialists, a data entry operator, an administrative assistant and two student employees. At UTD, with @ 14,000 students, we have no single person devoted to working with Scholarships. This fact alone probably accounts for much of the confusion for anyone at UTD working with scholarships. There is no one office or FTE to contact for complete information regarding all aspects of scholarships in general, or the handling of scholarships throughout their stages of acceptance, and funds dispersal. Many university offices are involved and The UTD system is extraordinarily fragmented. This committee would like to recommend that a Scholarship Office be established within the office of Financial Aid and hire a minimum of three individuals, whose sole responsibility would be aspects of Scholarship supervision and management. These should include web page construction and maintenance, application monitoring, verification of eligibility and the construction of an excel page printout, as is done now. Also, as is currently done now, any other known awards/income received by the student should also be researched by members of the Scholarship Office and submitted on the excel spread sheet that is sent via email to the Scholarship Committee.

Scholarship Processing:

Before any award is advertised, the Scholarship Office should verify with the Development Office or other budgetary Office, the sums available for distribution to students for that semester. This could be done in conjunction with the annual meeting at the beginning of the year where all responsible university officials are informed of the status of their accounts and how to access the information in the accounts.

If the funds to be disbursed through the Scholarship Committee could be transferred to an appropriate account in the Scholarship Office or Bursar's Office this would hasten final award processing.

Maria Ramos kindly drew up flow charts for the various types of scholarships and how they currently flow through the system. For students applying for the International Education Fee Scholarship, there are currently nine steps in the process from application to the scholarship appointment form. Several of these steps and valuable time could be saved if these Scholarships were directly handled by the Scholarship Committee rather than deliberated upon by the International Education Fee Subcommittee.

The current application process involves four steps (see chart two). The whole four step application process could be simplified and streamlined by having an easily accessible Scholarship Web Site containing scholarship descriptions, applications and a site for faculty to request PIN numbers and then electronically submit letters of recommendation. Perhaps the Faculty Pin Access could be set up through Web for Faculty. There should be electronic receipts issued for applications and letters of recommendation.

The time saved by the students and faculty would be impressive since they could rest assured that their applications and letters were received. The student would no longer have to return to faculty to get the letters of recommendation and submit them back as a packet. It would also be easier to track incomplete files. Once the data is assembled electronically, then the student could be informed of the status of his/her application. Meanwhile the information could be verified. With electronic transmissions, no longer would the files have to be copied and walked over to the members of the Scholarship Committee. They could be sent via encrypted emails. The committee could then meet and decide upon the recipients, using both the original data and an excel spread sheet with the tabulated information on financial need, total amount of scholarship monies received etc. The committee could meet as a body and award the scholarships.

After the Scholarship Committee has met and made its decisions, there should be an established policy as to how to process these scholarships. The students should be notified and the signature process should be undertaken. The route for signatures should be established for the timely disbursement of scholarship funds. As Dr Lind from Computer Sciences wrote there are problems with the appointment form. She suggests that 80% of the forms that she has submitted have resulted in issues she had to investigate. (Part of this is due to the fact that there is usually only a single appointment form sent out by the departments. Scholarships awarded to non resident students involve more work. The appearance of a non-resident name on the list will slow down the processing of scholarships for all names on the list. If two appointment forms were sent out by the departments with residents on one form and non-residents on the other, the awarding of resident scholarships would be much faster.) Departmental forms currently are sent to five different offices for signatures or processing. The tracking currently involves interdepartmental mail. Dr. Lind suggests an electronic system, where progress of an application could be traced. This would result in tracking and a faster signature and delivery process. One step in the process could be eliminated since the Undergraduate Deans and Deans are already on the Scholarship Committee. The

selection of scholarship recipients by the Scholarship Committee would imply the appropriate dean's approval. Also the departmental memo stating that the recipients of the award were selected competitively and there was at least one Texas resident in the pool of candidates, could also be eliminated, by having a wording to this effect included on the appointment form. An accountant within the Scholarship Office would certainly hasten the processing.) Some of these procedures in place at the current time could be revisited. The establishment of a Scholarship Office dedicated to these procedures could oversee the implementation of our suggested revisions. Currently, employees are pulled away from other responsibilities to handle scholarship issues. A clear chain of command needs to be set up for each stage of the scholarship handling to clear any potential log jams.

Communications:

There needs to be a contact person in the Scholarship Office for questions arising with regard to all aspect of scholarships, such as possible donors, submissions, data verification, processing of awarded scholarships and disbursement of funds. The processed files can then be sent out to members of the Scholarship Committee prior to meetings, but all members of the committee must have encryption software to protect the data transmitted by email. For faculty letters of recommendation, we propose an on line system that they have in Austin. The faculty member applies for a PIN number from the Scholarship Office. In order to receive a PIN number the faculty member must provide certain unique identifying information. He/she will then be assigned a PIN number that will be used to authenticate the letters of recommendation bearing his/her name. This could probably be run through Web for Faculty. For the present, faculty letters should arrive on departmental letterhead. After Scholarships have been awarded each semester, the names of the students should be posted (with the students' permission) on the Scholarship Web site (perhaps with pictures) so that the donors can see that the awards have been made, and the students themselves can point with pride to their accomplishments. Also a good step towards improved communications between the school recipient and donor would be a celebratory dinner or luncheon to bring the donors and awardees together. (This is currently done for the larger scholarships, but smaller scholarships should also be acknowledged.) Currently the recipients are often unaware of the donor of their scholarship. This is not encouraging for potential donors since they cannot be thanked if they remain unknown.

Timing of Meetings for the Scholarship Committee:

This committee would like to suggest a once a month meeting at a scheduled time so that members of the committee could block this time off on their calendars. If there are scholarships to be considered then the committee should meet, but otherwise there should be sufficient notification that the meeting is cancelled. (This would work rather like the Academic Senate.) While it is very convenient to have files under review sent out to committee members before the meeting, the meetings should be attended in person, rather than through email communication, because it is a much faster process for a group to discuss each candidate and go through the list rather than each member sending a list to the Chair who then has to balance all the replies. The latter involves a considerable amount of time. Also, through discussion, some candidates are added to

the list, and others removed from the list of preferred candidates. This is only possible through group discussion which derives from face-to-face interaction.

Also, since the Scholarship Committee has to “hit the ground running” as soon as classes start in the fall, (as early as August 31); the SSC would like to suggest that in May, the Scholarship Committee for fall be established by the Committee on Committees

Issues and Suggestions:

The SSC discussed many issues which are summarized below.

These include:

1. Who should submit letters of recommendation for scholarships? We would like to limit the letters for Scholarships to UTD faculty. The letter should come in on UTD letter head with the faculty member’s title included. These letters would be used until such time as on-line letters could be submitted. (Faculty would include, professors, adjunct professors, senior lecturers and lecturers.) (It would not include academic advisors, teaching assistants, community college faculty, high school teachers, doctors, clergy, friends, family, etc.)

2. Is there a limit as to how much can be awarded? This is a question that may be entertained in awards where financial need is a criterion.

3. What happens to students who are awarded a scholarship for attending a specific school at UTD and then change majors to another UTD school? Does the scholarship transfer with them, or should it revert to another student in the original school? The SSU thinks that the scholarship should be lost if a student changes majors and that the schools with the scholarships should monitor them.

4. Should retroactive awards be allowed? Retroactive awards should not be allowed. Scholarships that are awarded late in a semester, which have an impact on a student’s tuition, or other awards give the awardee an unfair competitive advantage. For example, a student with good grades may have received a scholarship because of merit and need. Other students who were in competition with this student were therefore not given the award. If this same student is given other awards later in the semester or year, after the competition, then his/her need will have dropped, and one of earlier competitors may have been more entitled to receive the initial scholarship. There may also be serious compliance implications.

5. How firm are deadlines? Deadlines for completed applications must be kept, and no exceptions made except for documented illness.

6. Who keeps track of Departmental Scholarships? Departmental scholarships/fellowships and other UTD awards must be submitted to the Scholarship Office as they are awarded so that this information can be tallied into applications for scholarships and an accurate assessment of need be calculated.

7a. Who is eligible for Scholarships? Scholarships/fellowships for students enrolled at UTD should only be awarded to undergraduate students who have successfully completed twelve hours at UTD, and graduate students who have completed 9 hours at UTD. This is to guarantee that we are comparing students who have undergone similar evaluation processes. The obvious exceptions to the above rule are recruiting scholarships specifically targeted for incoming students at the graduate and undergraduate levels, and any other scholarships with specific donor requests.

7b. Scholarships and fellowships are only available to undergraduate and graduate degree seeking students.

8. How can we centralize scholarship handling? A Scholarship Office should be created for the co-ordination of scholarship activities.

9. Membership of the Scholarship Committee: The SSC would like to suggest that until a Scholarship Office is established, that there be three honorary non-voting members invited to attend Scholarship Committee meetings. These people would be from the Financial Aid Office, Endowment Compliance Office, and International Education Office.

10. Change in Timing of Appointments for the Scholarship Committee. Unlike other University Committees that are selected by the Committee on Committees and begin work after the members have been appointed in September, the SCC would like to recommend that the Scholarship Committee be appointed in May so that it can begin awarding Scholarships as soon as school starts for the fall. For example, this year, the Scholarship Committee has to meet to decide upon a scholarship by August 31 which is too early for the fall appointment letters.

11a. How do we improve access to scholarship information? A Scholarship Web presence should be improved along the lines of UTEP, with a tab to it from the main UTD web page. Here the names of award recipients should be posted.

11b. The SSC recommends that all responsible university officials for each scholarship attend a meeting at the beginning of each academic year to learn that they are the responsible university official and to learn how much money is available for awarding in any given year. This annual meeting could be convened by a proposed Scholarship Office in conjunction with the Endowment Compliance Office.

12a. What are the issues involving the relatively new International Education Office Scholarships? We need to turn the decision making about the International Education Fee Scholarships back over to the Scholarship Committee as a whole, with the Director of the International Education Office serving as an advisor when these deliberations are being made by the Scholarship Committee. The reasoning behind this move is that the Director of the program is very close to the applicants, and may feel uncomfortable about making these decisions. Also if there are any disgruntled

students, the attacks will be directed towards the Committee as a whole rather than one person.

12b. There should be an increase in the International Education Scholarship fee to establish an endowment to help increase the funds to enable students to travel abroad. In the current scientific, business, and intellectual climate, global awareness is an aspect of education that needs to be encouraged. The raising of the IES fee from \$1.00 per semester per student to \$4.00 per semester per student would go a long way toward addressing this need. Currently we have the lowest IES fee among the following schools, Angelo State University, Texas A&M, Texas State, Texas Tech, UT-Austin, and UNT.

12c. There is still a question as to which office should handle international education scholarships such as Rhodes, Fulbright, Gilman, Boren, Marshall, and Rotary. Since these awards are designed for undergraduates, post baccalaureates, and graduate students, and involve student travel, the obvious home for these awards is the International Education Office. This is a model taken directly from UT, and most other Texas universities. This committee recommends that qualified faculty committees consisting of previous award recipients serve to advise and mentor these students. Advising for these prestigious and generous scholarships is intense and there needs to be a single individual to supervise this process.

13a. What steps can be taken to improve the processing of scholarships now?

We adopt the online scholarship application which was modified by Maria Ramos in consultation with the SSC, as soon as possible to simplify the application process. This form does not preclude other scholarship applications such as those required for the McDermott Scholars.

13b. Appointment forms sent out by the departments often list all the scholarship recipients on a single form. The processing of non-resident scholarships is more time-consuming than those for residents and the awarding of all the scholarship recipients is held up by the non-residents on the list. For that reason, the SCC suggests the implementation of two award forms, one for residents, and one for non-residents.

13c. The post-award signature process needs to be re-examined and hopefully put online with tracking capabilities. This will allow the tracking of scholarships and facilitate catching the impediments to funds disbursement.

14a. What steps can be taken to help scholarship donors?

Potential donors should be educated about the implications of the terms Scholarship versus Fellowship, possible consequences of scholarships over \$1,000, and legal points that must be observed in the wording of their scholarships/fellowships.

14b. There should be some sort of award celebration so that scholarship recipients and donors get to meet (and hopefully the recipient express gratitude to the donor.)

Conclusions:

If the following recommendations are accepted and acted upon, this committee anticipates the following outcomes.

- More internal consistency with the process
(Recommendations:1,2,3,4,5,7,8,9,11,13)
- Increased ease of application submission and processing (4,5,7,8,9,10,11,12,13)
- Faster decisions for completed applications (5,7,8,10,11,12,13)
- Simplified handling by consolidation of tasks with built in checks and balances
(5,6,7,8,9,10,11,12,13)
- More efficient and effective utilization of endowed scholarship distributions with a decrease in current excessive balances (3,4,6,9,11,12,13)
- Faster funds disbursement (8,9,10,11,12,13)
- Improved efficiency and stakeholder satisfaction (4,5,7,8,9,10,11,12,13)
- Improved donor awareness and satisfaction with scholarships (14)
- Hopefully increased donor activity (14)

E. M. Salter
8/26/05