

The Future of TOPS

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Foreword

Even as the city's schools and graduation rates improve, college access remains a concern for New Orleans' high school students. The rising cost of tuition at post-secondary institutions state-wide has made college less affordable for an increasing number of families. The TOPS program has long-served as the only reason that many of our city's students can afford to attend college. Even in a time of state budgetary constraints, college access for our youth should remain a moral and economic imperative for the long-term prosperity of our state. As the legislative debate about TOPS continues, this brief provides facts about how changes could impact students and offers recommendations on how to maintain the program's original intent: to provide capable, but underserved students the opportunity for higher education.


- Amanda Kruger Hill, Executive Director, Cowen Institute

Key Findings



Due to a state budget crisis, state legislators are currently debating dramatic changes to the Taylor Opportunity Program for Students (TOPS) Scholarship program. TOPS is the main scholarship program for Louisiana students who attend in-state, post-secondary institutions. If some or all of these changes are passed into law, a significant number of students would lose access to TOPS, both in New Orleans and statewide.

In order to assess the effect that changes to TOPS eligibility requirements would have on students, the Cowen Institute requested data from the Louisiana Office of Student Financial Assistance (LOFSA), which oversees the TOPS program. The Cowen Institute then examined the potential impact that two proposals put forward in current legislation would have on students and their ability to qualify for the TOPS Opportunity Award.¹ Using 2015 data, the Cowen Institute analyzed what would happen if: 1) the minimum qualifying ACT score for the award was raised from 20 to 21; and 2) the minimum qualifying GPA was increased from 2.5 to 2.75.

What if the minimum ACT score increases from 20 to 21?

 **28%** of students statewide and **23%** of New Orleans students would have lost eligibility for TOPS Opportunity Awards.



How does this break down among subgroups?

	 Louisiana	 New Orleans
Caucasian Students	-25%	-16%
African-American Students	-36%	-32%
Public Students	-29%	-22%
Private Students	-21%	-20%

What if the minimum GPA increased from 2.50 to 2.75?

 **22%** of students statewide and **28%** of New Orleans students would have lost eligibility for TOPS Opportunity Awards.

How does this break down among subgroups?

	 Louisiana	 New Orleans
Caucasian Students	-23%	-33%
African-American Students	-21%	-26%
Public Students	-21%	-26%
Private Students	-26%	-30%

The analysis found that raising the ACT requirement by just one point would significantly reduce the number of students eligible for the TOPS Opportunity Award, both in New Orleans and across Louisiana.

Twenty-three percent fewer New Orleans students and 28 percent fewer students in Louisiana would be eligible for the award.

If the minimum GPA requirement for the award was increased from a 2.50 to 2.75, a similar loss in eligibility for students would occur.

The GPA change would have a greater impact in New Orleans than it would have statewide: 28 percent fewer students in the city would be eligible, compared to 22 percent of students in Louisiana.

Note: All quotes in this report were taken from the Cowen Institute's #protectTOPS event on April 29th, 2016, an event including students and counselors from most New Orleans' high schools that was designed to raise awareness about TOPS cuts.

What is TOPS?

The Taylor Opportunity Program for Students (TOPS) is a merit-based scholarship program for Louisiana residents who attend in-state, post-secondary education institutions.* Created in 1998, the program became available to all Louisiana high school students in 2001. **The intent of the program was to encourage the state's highest performing students to stay in-state for college by covering the full cost of their tuition.**

Louisiana high school students can qualify for four main TOPS scholarships: The TOPS Opportunity, TOPS Honors, TOPS Performance, and TOPS Tech Awards. Each of these awards have different eligibility and academic requirements. The TOPS Opportunity Award is the most commonly awarded scholarship and requires students to have a minimum ACT score of 20 and maintain between a 2.0 and 2.5 GPA while being enrolled in college full-time. Students receive TOPS support for a maximum of eight semesters or four academic years.²

TOPS by the numbers



51,046

students received financial assistance from the TOPS program in 2015-2016



7,481

students statewide received TOPS Opportunity Awards in 2015-2016



5,691

of students who received TOPS Opportunity awards attended public high schools



744

students received TOPS Opportunity Awards in New Orleans in 2015-2016



\$187m

is the current deficit for the TOPS program in the 2016-2017 school year

* NOTE: TOPS is named after Patrick Taylor and his foundation, The Taylor Foundation. Taylor helped to launch the program and provided initial seed funding. Additionally, all budget numbers were current as of May 1, 2016.

How much support does TOPS provide to students?

The financial support offered by TOPS is significant: **regardless of which award a student receives, TOPS covers the full tuition at public, higher education institutions in Louisiana.** Students who attend private colleges are also eligible for awards, though they do not cover the full cost of tuition. The award range varies depending on the institution: in 2016, TOPS Opportunity recipients received \$7,111 and \$6,091 to attend Louisiana State University in Baton Rouge and the University of New Orleans, respectively.³ Students eligible for the more rigorous TOPS Performance and Honors Awards can also receive a stipend in addition to tuition assistance.⁴ In 2017, the average scholarship for recipients of TOPS Opportunity, Performance, and Honors awards is estimated to be \$5,818.⁵

Who receives TOPS scholarships?

The number of Louisiana students receiving TOPS has grown steadily since the program's inception. In 1999, the year the program was introduced, 23,614 students received awards. By 2014, that number had grown to 47,015, meaning the program had nearly doubled in size.⁶

Recipients by income: TOPS is not a needs-based scholarship and has no income restrictions. All students can receive scholarships, regardless of their family's annual income. Over the life of the program, awards have increasingly gone to students from families in higher income brackets. In 2005, 34 percent of TOPS recipients came from families with incomes under \$50,000. By 2014, that number had dropped to 31 percent. Conversely, in 2005, 28 percent of TOPS recipients came from families making \$100,000 or more each year. In 2014, that number had increased to 41 percent. Additionally, in 2014, 20 percent of all recipients came from families making \$150,000 or more. **The number of recipients from families making \$150,000 or more nearly doubled from 2005 to 2014.**⁷

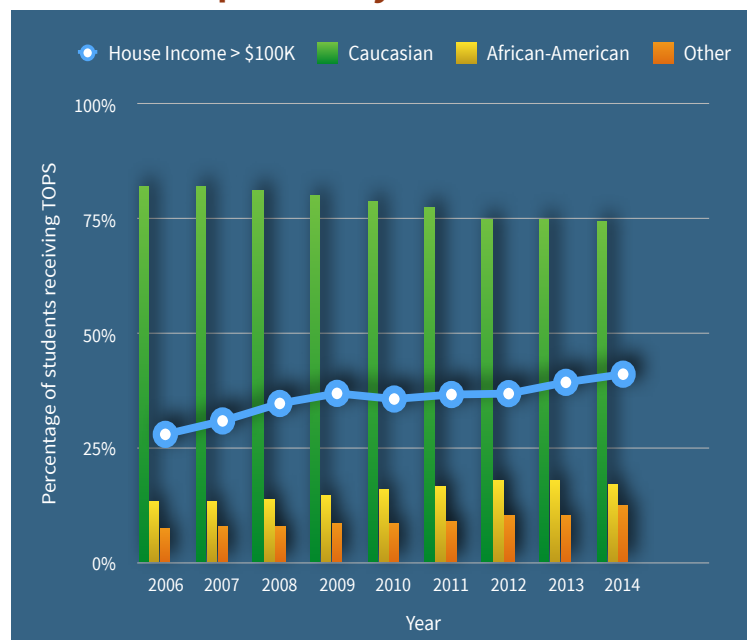
Recipients by race: Throughout the history of the program, far more Caucasian than African-American students have received awards, though African-American participation has increased over time. In 2005, 82 percent of recipients were Caucasian, while 14 percent were African-American. In 2014, 75 percent were Caucasian, and 17 percent were African-American.⁸

How do TOPS recipients perform?

TOPS recipients graduate college at higher rates than their peers. TOPS recipients graduate at twice the rate of non-recipients, with 62 percent graduating compared to 31 percent. However, TOPS recipients graduate at only a slightly higher rate than all college students nationally. The national six-year graduation rate for all college students is 59 percent.⁹

One of the stated goals of the program is to keep Louisiana's highest performing students in-state after graduation. However, the state does not collect data as to whether TOPS recipients remain in Louisiana following graduation.

TOPS recipients by race and income



Is TOPS the state's only scholarship program?

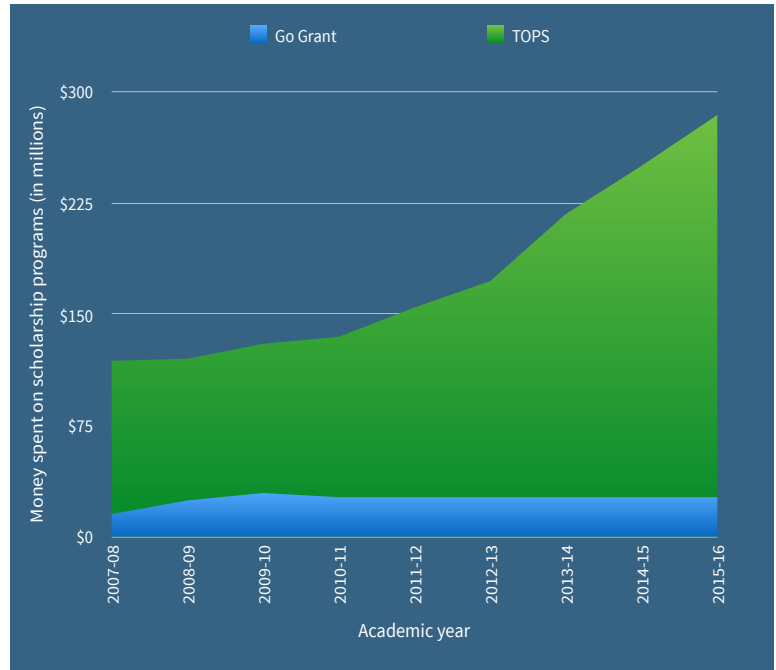
No. Louisiana also has a program called “Go Grants” that offers needs-based scholarships to students from lower socio-economic background. However, TOPS recipients receive far more funding than Go Grants awardees. While the TOPS Opportunity Award covers the full portion of tuition at state colleges and universities, with an average award of \$4,548 per person in 2014, Go Grants awards averaged just \$1,012 per person. The total funding for the Go Grants program is substantially lower than the funding for TOPS: in 2014, the Go Grants program cost \$26 million compared to \$221 million for TOPS.¹⁰

Why are changes proposed?

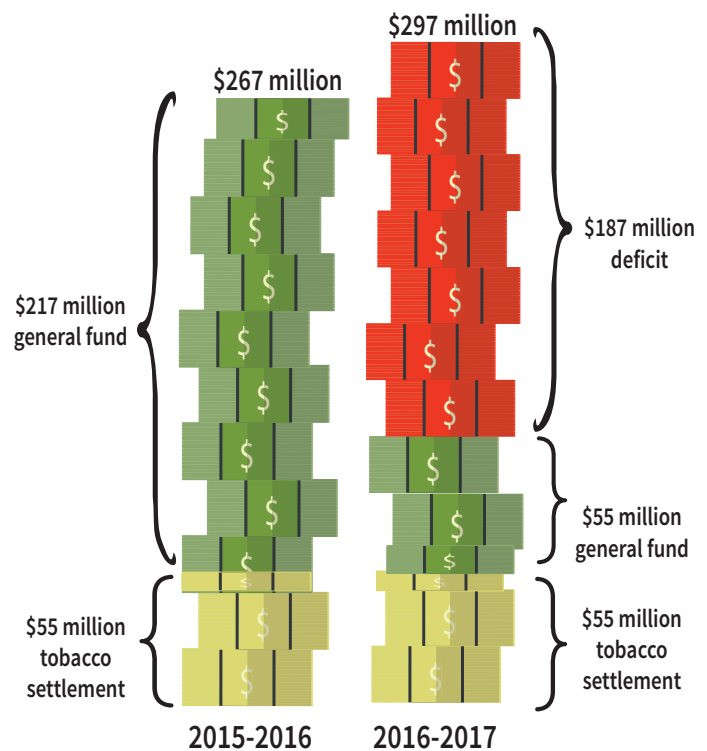
Louisiana currently faces a significant budget deficit. State officials have estimated the shortfall for the 2016-17 fiscal year to be between \$600 million and \$900 million.¹¹ State legislators are considering various options to close this gap, one of which is cutting TOPS. TOPS has come under the spotlight because it is largely funded through the state's general fund and the program's annual cost has increased significantly in recent years.¹² At the start of the legislative session, the governor budgeted \$110 million for TOPS in the coming year, which is only about one-third of the estimated \$297 million needed to fund the program at its current enrollment numbers.¹³

Additionally, tuition hikes at Louisiana colleges and universities have also increased the monetary value of individual awards. This was due in part to state budget cuts to higher education. From 2008 to 2014, Louisiana cut higher education funding more than any other state in the U.S., with institutions experiencing a 34 percent reduction over that time.¹⁴ Average tuition at public four-year state universities and colleges jumped by 13 percent in 2014, which was 20 percent higher than the national average.¹⁵ The number of students receiving the award increased by 13 percent from 2009 to 2014, but the total amount of award payments spiked by 80 percent. The total cost of funding the program rose from \$131 million in 2009 to \$221 million in 2014.¹⁶

TOPS funding vs Go Grant funding



Sources of TOPS funding



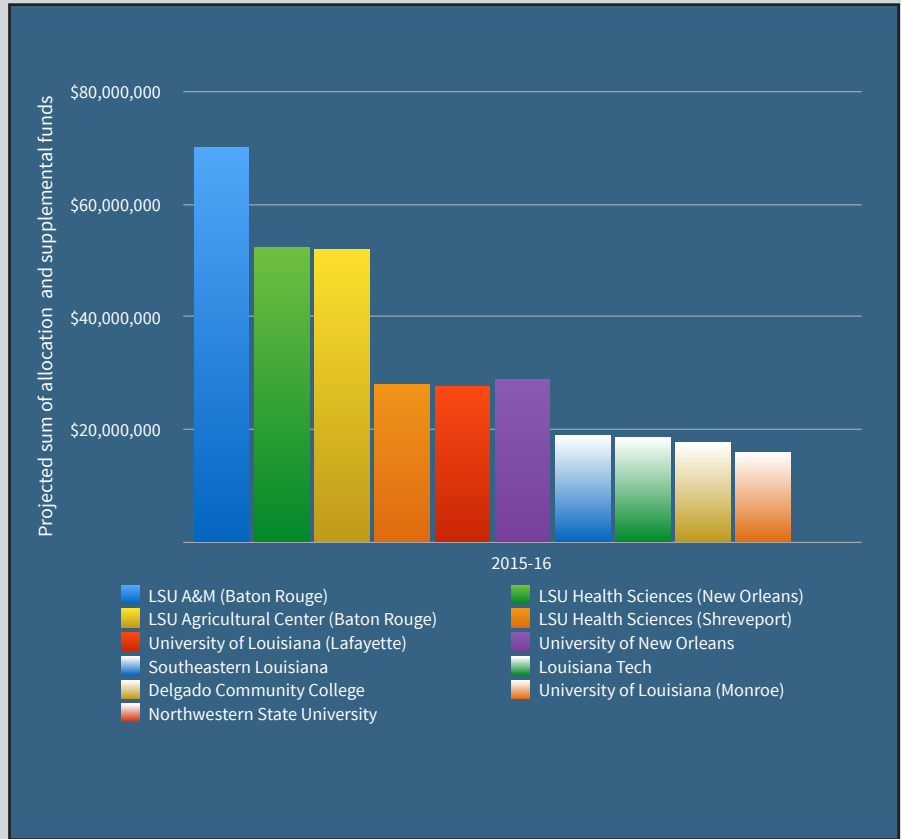
Institutions receiving the most state funds

When you raise the standards for TOPS, that's another deterrent. These kids face adversity every day.

--New Orleans HS Senior--

TOPS is not just a good idea. It's absolutely necessary.

--New Orleans HS Counselor--



Funding for higher education vs. TOPS awards



Do the government officials not know how hard I've been working?

I took the ACT nine times before I was able to meet the

TOPS requirement.

--New Orleans HS Student--

What are the potential changes to the program?

To lower the cost of TOPS, during the 2016-17 legislative session, state lawmakers put forward a variety of bills to change the program. These proposals included stiffening eligibility requirements, capping the share of tuition the program would cover for students, and forcing students who failed to graduate or maintain the scholarship while in college to repay funding they had already received.

How would these changes affect students across the state?

Changes to either the ACT or GPA requirements would have profound impacts on students statewide. As stated earlier in this report, if the ACT requirement was increased by just one point to 21, 28 percent fewer students in Louisiana would be eligible for the TOPS Opportunity Award. Thirty-six percent fewer African-American students compared to 25 percent of Caucasian students would be eligible. **The increased requirement would reduce eligibility by at least 14 percent across all student demographic profiles according to data examined by the Cowen Institute.**

If the minimum GPA requirement for the award was increased from a 2.50 to 2.75, a similar loss of eligibility for students would occur. Twenty-two percent of students would no longer be eligible. **The increase would reduce eligibility nearly equally across all income stratifications.**

College Road map

Values: Respect, Compassion, Self-Discipline, Citizenship, Trustworthiness, Responsibility, Honesty, Fairness, Perseverance, Integrity.

Stop Procrastinating!

- Focus!
- Create new study habits
- Start things ahead of time
- Use a calendar, planner, and/or to-do list to schedule your time and prepare yourself!
- Choose a well-lit, organized, and comfortable study environment.
- Work in a noise-free zone free of cellphone and internet distractions

2014-2015 Deadlines for Common Louisiana Colleges:

2014-2015 Application for Fall Semester
 2014-2015 Application for Spring Semester
 2014-2015 Application for Summer Semester

Check Each College's Website for Deadlines!

App Checklist:

1. Read the application instructions carefully before completing your application.
2. Apply for college website or Common App
3. Email Address
4. Social Security Card
5. Current Resume
6. Parents or Legal Guardian's Permission to Release Your Data, Your Records
7. School Name, Address, and State Assigned
8. Test Scores (ACT, AP). Check the university's website
9. Student Application Fee
10. School Official Transcripts
11. International records

Start Applying Early!

Scholarships & TOPS

More Scholarships: Gates Millennium, Posse Foundation

Websites: gmsp.org, scholarships.com, fastweb.com, cpspx.com, studentaid.ed.gov/scholarship, Google for more!

FAFSA/Financial Aid

FAFSA: Free Application for Federal Student Aid

Federal Student Aid: Money from the U.S. Dept. of Education that covers tuition and fees, room and board, books and supplies, and transportation

Checklist:

- Check date and individual school deadlines to apply
- Read your parents' to do list
- Apply to colleges early
- Read the FAFSA
- Social security numbers
- Savings, investment, and business information
- FAFSA
- FAFSA

Transcripts:

- Go to your school office to request copies of your official transcripts. Then look up the correct address to mail them to.

Test Scores:

- Look up your school codes for sending in your test scores
- ACT: visit actstudent.org for your scores
- AP: visit collegeboard.org for your scores

Community College?

Benefits:

- Saving money
- Easier transition to a new school and new living environment at a later time
- 2+2 program: 2 years of GE, then transfer to a 4-year university
- 2+2 dual admission: only one application to community college with a guaranteed transfer to a 4-year university

Drawbacks:

- Missing a "traditional" college experience

Choosing a College

Consider:

- Majors offered
- Region—in state or out-of-state?
- Cost of attendance: tuition, room and board, transportation, books
- Special programs: HBCU, ROTC, NCAA
- Do some research: collegeboard.com, collegenavigator.com
- What are you interested in doing?
- What are your skills?
- What are your passions about?
- What career can you see yourself in?
- What do you like/ dislike from past work experiences?
- Apply to internships to get a sense of the work field
- It's a way to be undecided!
- Around 20% of college freshmen enter as undecided

Personal Statement

Paperwork

Letters of Recommendation:

- Ask a month before deadlines to give recommenders enough time
- Choose teachers, counselors, and coaches who know you well in academic and leadership roles

Write a big essay about a small topic, not a small essay about a big topic.

Write about you: Including details about your neighbor, hotel, family, etc. are good, but keep the focus on yourself!

Write in your own "voice," as if you're actually speaking to the reader.

Work on your first sentence. It can be a "door opener or a door closer."

Write, rewrite, ask multiple people to read it over and edit.

Check your grammar.

Stay within the word count. If it's 1000 words maximum, try to keep as close to 900 as possible without going over.

POSSIBLE CHANGES TO TOPS OPPORTUNITY

One



The TOPS award amount **will not** automatically increase with the cost of tuition.

A cap on TOPS awards would result in a growing gap between tuition and scholarship.

Two



TOPS can only be used at public in-state colleges.

Students would no longer be able to use TOPS at private colleges and universities.

Three



Students have to repay TOPS money.

If students fail to meet academic requirements or drop out, they would have to repay TOPS.

Four



The minimum GPA will be raised.

Minimum GPA requirement would raise from 2.50 to 2.75, reducing eligibility for more than 25% of students.

Five



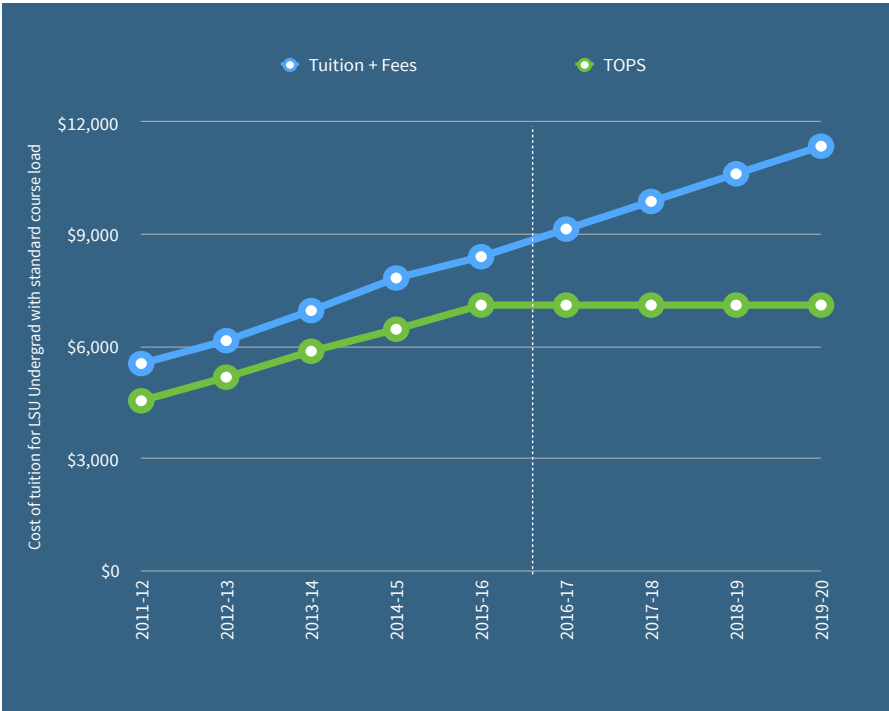
The minimum ACT score will be raised.

Minimum ACT requirement would raise from 20 to 21, reducing eligibility for more than 25% of students.

Being the 8th of 10 children in my family, I'm the only one graduating high school and pursuing a degree in college. **TOPS means so much to me and my family.**
--New Orleans HS Senior--

The last thing we should be doing in this state is diminishing opportunity. **We should be creating opportunity.**
--New Orleans HS Counselor--

Tuition versus TOPS awards over time



How would these changes affect students in New Orleans?

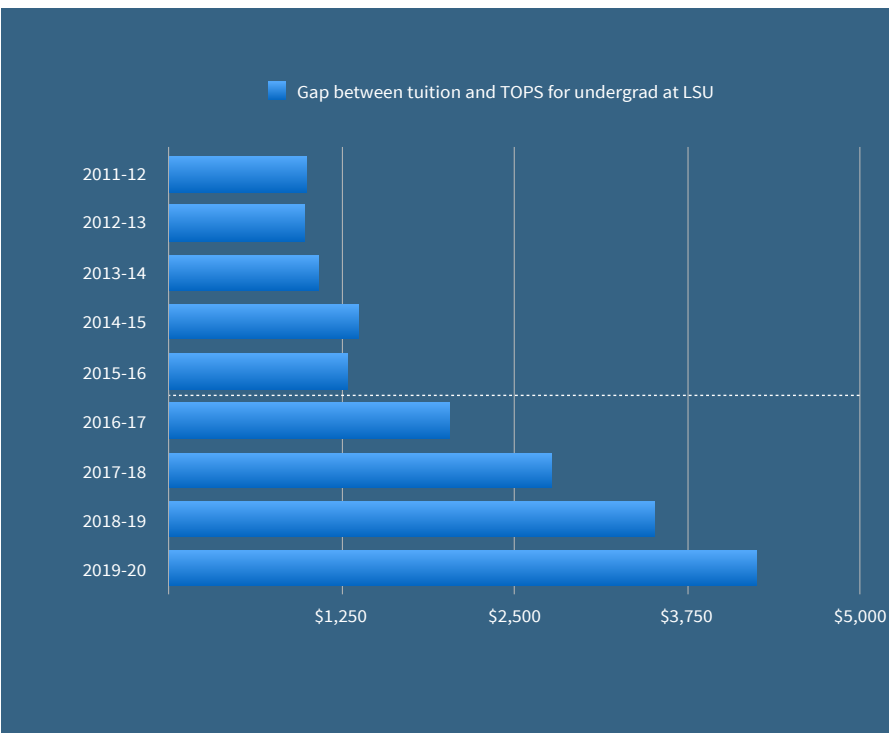
The proposed changes would have similarly severe consequences for New Orleans' students. If the ACT requirement was increased to 21, 23 percent fewer city students would be eligible for the Opportunity Award. Additionally, the change would disproportionately affect African-American students: in New Orleans, 32 percent fewer African-American students would be eligible compared to 16 percent of Caucasian students.

The GPA change would have a greater impact in New Orleans than statewide, with

a 28 percent reduction in student eligibility. Raising the GPA requirement would greatly impact city students across all ethnic lines: 33 percent fewer Caucasian students and 26 percent fewer African-American students would be eligible. Private school students in New Orleans would be more adversely affected by the change than public school students, with 30 percent and 26 percent losing eligibility, respectively. The increase would reduce eligibility nearly equally across all income stratifications.

with a 28 percent reduction in student eligibility.

Projected gap between TOPS and tuition over time



Many of you don't know what my name means at this moment but with TOPS, I can show you what my name means.

--New Orleans HS Senior--

What happens now?

State legislators are currently deciding the future of the TOPS program during this year's legislative session, though it is likely that the budget will not be finalized until a special session this summer. All of the changes to program requirements could still be enacted. A cap on tuition increases has already been passed.

What are our recommendations?

Keeping higher education affordable is crucial to ensuring students can access college. Given the state's low post-secondary graduation rates as a whole, cuts to TOPS could further hinder the state's education system and economy.

If legislators do decide to alter TOPS in order to balance the budget, we recommend the following:

1. **Make TOPS need-based.** With more than 40 percent of recipients coming from families making \$100,000 or more, the program's awards are disproportionately going to students and families who could otherwise contribute to the cost of attendance. **If legislators must reduce the cost of TOPS, they should do so by capping the income of recipients so that students who can least afford college are still eligible to receive the awards and gain a post-secondary education.** College is especially important for first-generation students to improve their economic circumstances. **If only students from families with incomes \$50,000 or below were eligible for the program, TOPS would have cost a maximum of \$84 million in 2015-16 rather than its actual budget of \$267 million. Total costs of the program would be cut by more than two-thirds.***

* Given that the program is supported by \$55 million in tobacco settlement funding annually, that would leave lawmakers to find just \$29 million to fully cover the program. Ensuring that only students who could not otherwise afford to attend college are supported by TOPS is a cost-effective solution to ensuring the long-term viability of the program. TOPS should ensure the ability of students with the least resources to be able to access college.

2. **Institute a sliding scale.** If legislators want to ensure all students can remain eligible for the program, regardless of income, we recommend **that the state create a means-tested sliding scale that offers students scholarship support based on their family income.** All students, regardless of family income, could still qualify for TOPS, but the amount of the award would vary – students coming from families with lower incomes would receive larger rewards than students from families with higher incomes.

3. **Track TOPS graduates.** One of the main rationales for the program is that it helps to keep Louisiana's top talent in state to bolster the economy long-term. However, the state does not currently collect data on whether TOPS graduates remain in state. **We recommend that the state starts collecting and tracking employment, location, and career earnings of TOPS graduates to help better assess the program.**

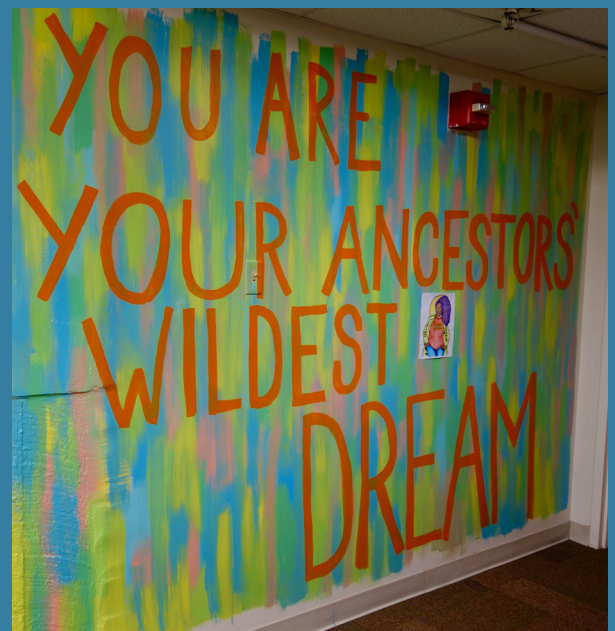
**\$180 million
would be saved by
capping recipient
family income at
\$50,000**

** Note: Calculations based on 2015-16 cost of program and current demographic profiles of recipients. The actual savings could be even higher, as some recipients also receive stipends in addition to tuition, but data of full funding by recipient is not available. The income for a family of four at 200% of the federal poverty line is \$48,600.*



How to get involved

We are encouraging students to contact legislators about the importance of TOPS scholarships to their college aspirations. We have started a social media campaign with the hashtag *#protectTOPS*. High school students from across New Orleans have already reached out to legislators with poignant videos detailing why TOPS is so vital to their ability to attend college. Please join them and contact your legislators and let them know that TOPS should be protected.



Endnotes:

- ¹ Louisiana Office of Student Financial Assistance, “TOPS Q&A,” http://www.osfa.state.la.us/MainSitePDFs/TOPS_Q_and_A.pdf.
- ² Louisiana Office of Student Financial Assistance, “TOPS Awards Amounts for 2015-16,” http://www.osfa.la.gov/MainSitePDFs/TOPS_Tuition_Amounts.pdf.
- ³ Ibid.
- ⁴ Louisiana Legislative Fiscal Office, Fiscal Note to HB 390, March 17, 2016, <http://www.legis.la.gov/legis/ViewDocument.aspx?d=985674>.
- ⁵ Louisiana Board of Regents, “TOPS Report 2015-16,” <http://www.regents.la.gov/assets/BOROctober/TOPS2015.pdf>.
- ⁶ Louisiana Board of Regents, “TOPS Report 2015-16,” <http://www.regents.la.gov/assets/BOROctober/TOPS2015.pdf>.
- ⁷ Ibid.
- ⁸ Louisiana Higher Education budget 2015-16: http://house.louisiana.gov/housefiscal/DOCS_APPBudgetMeetings2015/040815_HigherEd.pdf.
- ⁹ National Center for Education Statistics, “Fact Facts on Graduation Rates,” <https://nces.ed.gov/fastfacts/display.asp?id=40>.
- ¹⁰ Ibid.
- ¹¹ O’Donoghue, Julia, “Louisiana budget gap shrinks to \$600m, Edwards administration says,” The Times-Picayune, April 25, 2016, http://www.nola.com/politics/index.ssf/2016/04/louisiana_state_budget_gap.html; O’Donoghue, Julia, “Louisiana budget crisis, TOPS will loom over Legislature’s upcoming session,” The Times-Picayune, March 12, 2016, http://www.nola.com/politics/index.ssf/2016/03/legislature_tops_budget_sessio.html.
- ¹² TOPS receives \$55 million annually from the state’s Tobacco settlement funds. The remainder of the program’s cost comes from state general fund allocations.
- ¹³ Louisiana Legislative Fiscal Office.
- ¹⁴ Louisiana Higher Education budget 2015-16: http://house.louisiana.gov/housefiscal/DOCS_APPBudgetMeetings2015/040815_HigherEd.pdf.
- ¹⁵ Louisiana Higher Education budget 2015-16: http://house.louisiana.gov/housefiscal/DOCS_APPBudgetMeetings2015/040815_HigherEd.pdf.
- ¹⁶ Louisiana Higher Education budget 2015-16: http://house.louisiana.gov/housefiscal/DOCS_APPBudgetMeetings2015/040815_HigherEd.pdf.
- ¹⁷ All photographs taken at #protectTOPS event on April 29, 2016 by Kate Babineau.

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