

# Louisiana Higher Education

*#ElevateLouisiana*

Dr. Joseph C. Rallo  
Commissioner of Higher Education  
Fall 2017

Where we began...



# Elevate Louisiana!

## Educate & Innovate



Educate

Louisiana's goals for higher education



Innovate

**“Educate through Higher Education to improve Lives and Create a Strong Workforce.”**

Enable Louisiana's working age population to participate in and complete a degree/credential program to improve their lives and deliver the workforce needed to support the state's economic expansion.



BOARD of REGENTS  
STATE of LOUISIANA

**“Innovate to Build Louisiana's Economy.”**

Invest strategically in research that supports innovation and economic development.

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*#ElevateLouisiana*



Board of Regents

# Louisiana Higher Education: The True Picture

Higher Education Institutions (Excluding LOSFA and Hospitals)

Fiscal Year	Total State Funds	Self Generated Funds	Federal Funds and Interagency Transfers	Total
<b>FY 08-09</b>	\$1,571,583,691	\$721,868,856	\$142,575,679	\$2,436,028,226
<i>FY 08-09 Mandated Costs Paid Back To The State</i>				<i>(\$445,116,071)</i>
<i>*FY 08-09 Scholarships and Fellowships</i>				<i>(\$100,913,609)</i>
<b><i>Dollars available for operations</i></b>				<b><i>\$1,889,998,546</i></b>
Fiscal Year	Total State Funds	Self Generated Funds	Federal Funds and Interagency Transfers	Total
<b>FY 17-18</b>	\$831,689,005	\$1,457,093,461	\$55,764,068	\$2,344,546,534
<i>FY 17-18 Mandated Costs Paid Back To The State</i>				<i>(\$618,026,878)</i>
<i>*FY 17-18 Scholarships and Fellowships</i>				<i>(\$219,219,708)</i>
<b><i>Dollars available for operations</i></b>				<b><i>\$1,507,299,948</i></b>
<b>Change in 10 years: \$382M Less for operations</b>				<b>(\$382,698,598)</b>

\*Institutions provide scholarships/fellowships to attract the best students and to abide by legislative mandates at the expense of not receiving all budgeted tuition/fees.

Note: Self generated funds include \$123 million of TOPS awards in FY 09 and \$272 million in FY 18.

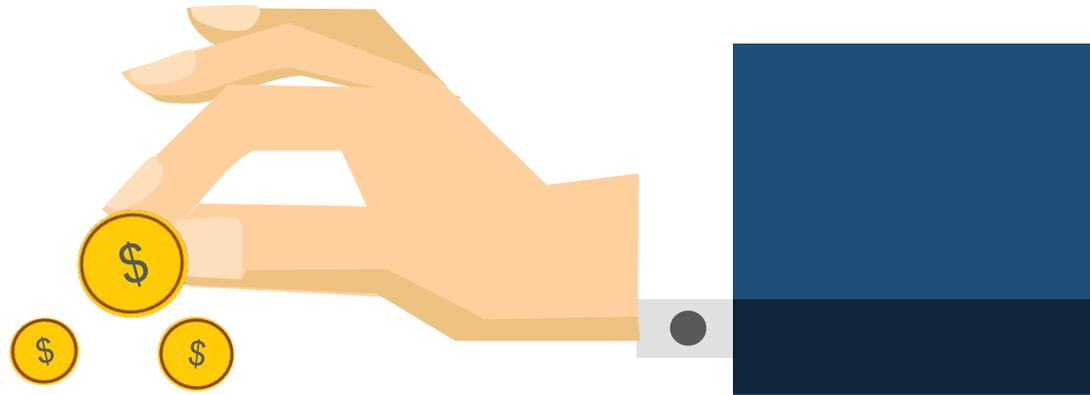


## FY 18 Higher Education Mandated Costs

<b>Teachers Retirement</b>	<b>\$228,608,968</b>
<b>Group Insurance - Actives</b>	<b>\$129,067,308</b>
<b>Group Insurance - Retirees</b>	<b>\$80,871,798</b>
<b>LASERS</b>	<b>\$71,526,143</b>
<b>Office of Risk Management</b>	<b>\$49,873,000</b>
<b>Other Retirement</b>	<b>\$16,918,712</b>
<b>Legislative Auditor</b>	<b>\$5,459,192</b>
<b>FICA/Medicare Tax</b>	<b>\$16,726,809</b>
<b>Civil Service/CPTP</b>	<b>\$1,199,151</b>
<b>Office of State Purchasing (OSP)</b>	<b>\$200,358</b>
<b>Building Rent/Maintenance</b>	<b>\$2,563,377</b>
<b>Group Insurance Life</b>	<b>\$1,486,174</b>
<b>Unemployment Benefits</b>	<b>\$840,752</b>
<b>Office of Telecommunication Services (OTS)</b>	<b>\$664,783</b>
<b>Capital Park Security</b>	<b>\$118,232</b>
<b>Other Related Benefits</b>	<b>\$271,847</b>
<b>UPS</b>	<b>\$6,012</b>
<b>Other</b>	<b>\$11,624,261</b>
<b>TOTAL</b>	<b>\$618,026,878</b>



**74¢ of every \$1 in state higher education funding goes back to the state for mandated costs**



State Support	\$831,689,005
Mandated Costs	- \$618,026,878
	<u>\$213,662,127</u>

Remaining state support for higher education



# Mandated Costs by Institution

Institution Name	State Appropriated Funds	Mandated Costs	% Returned to State
Baton Rouge CC	\$15,200,098	\$10,723,074	70.55%
Bossier Parish CC	\$11,236,687	\$7,382,346	65.70%
Central LA Tech. CC	\$6,403,870	\$3,602,264	56.25%
Delgado CC	\$27,140,558	\$20,721,299	76.35%
L.E. Fletcher Tech. CC	\$3,541,215	\$2,712,392	76.59%
LCTC BOS	\$17,099,163	\$2,783,293	16.28%
LCTCS Online	\$1,286,145	\$44,876	3.49%
Louisiana Delta CC	\$7,758,265	\$3,957,342	51.01%
Louisiana Tech. College	\$8,791,909	\$7,446,349	84.70%
Nunez CC	\$3,768,815	\$2,636,740	69.96%
Northshore Tech. CC	\$5,628,238	\$3,674,045	65.28%
River Parishes CC	\$3,473,463	\$1,961,485	56.47%
South Louisiana CC	\$13,000,056	\$8,252,476	63.48%
Sowela Technical CC	\$8,494,558	\$4,353,070	51.25%
<b>LCTC System Total</b>	<b>\$132,823,040</b>	<b>\$80,251,051</b>	<b>60.42%</b>

Institution Name	State Appropriated Funds	Mandated Costs	% Returned to State
Southern Ag. Ctr.	\$5,255,225	\$2,327,037	44.28%
Southern BR A&M	\$21,280,573	\$20,329,483	95.53%
Southern Law	\$4,224,000	\$2,375,733	56.24%
Southern New Orleans	\$6,763,647	\$5,345,733	79.04%
Southern Shreveport	\$5,713,034	\$3,505,415	61.36%
SU BOS	\$2,959,185	\$559,218	18.90%
<b>SU System Total</b>	<b>\$46,195,664</b>	<b>\$34,442,619</b>	<b>74.56%</b>

Institution Name	State Appropriated Funds	Mandated Costs	% Returned to State
LSU Ag Center	\$72,048,788	\$31,825,710	44.17%
LSU Alexandria	\$5,122,767	\$5,448,600	<b>106.36%</b>
LSU A&M	\$128,728,129	\$123,403,387	95.86%
LSU Eunice	\$4,876,931	\$3,887,488	79.71%
LSU HSC - New Orleans	\$80,082,407	\$42,899,870	53.57%
LSU HSC - Shreveport	\$65,603,447	\$48,167,495	73.42%
LSU Shreveport	\$8,262,843	\$7,401,314	89.57%
Pennington	\$16,279,215	\$9,957,469	61.17%
<b>LSU System Total</b>	<b>\$381,004,527</b>	<b>\$272,991,333</b>	<b>71.65%</b>

Institution Name	State Appropriated Funds	Mandated Costs	% Returned to State
Grambling State	\$13,467,931	\$13,566,602	<b>100.73%</b>
Louisiana Tech	\$29,154,266	\$30,349,414	<b>104.10%</b>
McNeese State	\$19,472,648	\$19,781,621	<b>101.59%</b>
Nicholls State	\$15,130,583	\$18,598,607	<b>122.92%</b>
Northwestern State	\$21,135,713	\$20,476,389	96.88%
Southeastern La	\$29,558,328	\$35,705,892	<b>120.80%</b>
UL BOS	\$1,025,487	\$1,006,496	98.15%
Univ. of La - Lafayette	\$47,947,123	\$44,524,788	92.86%
Univ. of La - Monroe	\$25,870,239	\$21,287,744	82.29%
Univ. of New Orleans	\$29,183,813	\$20,882,447	71.55%
<b>UL System Total</b>	<b>\$231,946,131</b>	<b>\$226,180,000</b>	<b>97.51%</b>



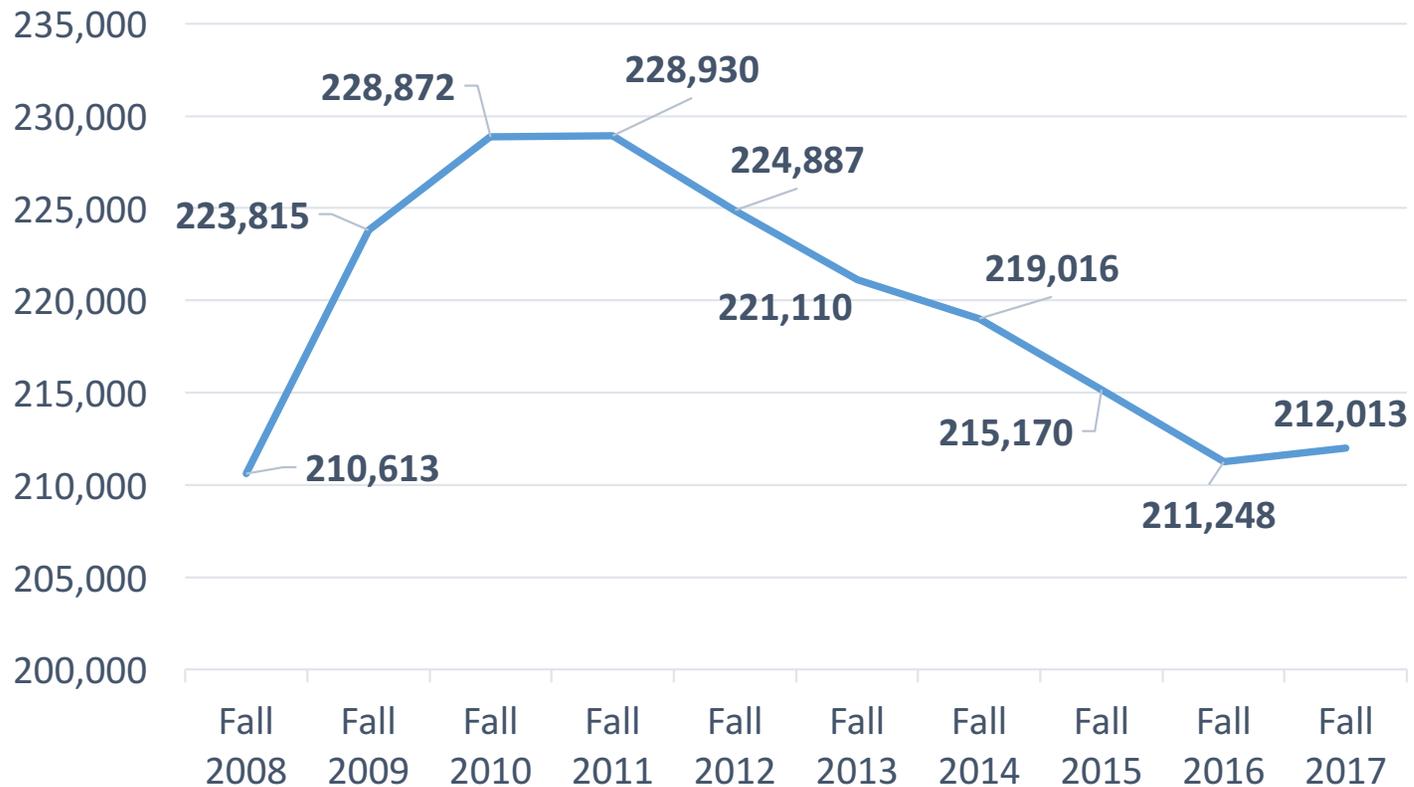
# Mid-Year Budget Cuts

Fiscal Year	Mid-Year Cut to Higher Education
FY 09	\$55,182,262
FY 10	\$83,961,506
FY 11	\$34,745,030
FY 12	\$116,223,039
FY 13	\$22,834,387
FY 14	\$0
FY 15	\$4,946,681
FY 16	\$67,802
FY 17	\$18,224,266



# Louisiana Public Higher Education Enrollment

## Student Headcount History

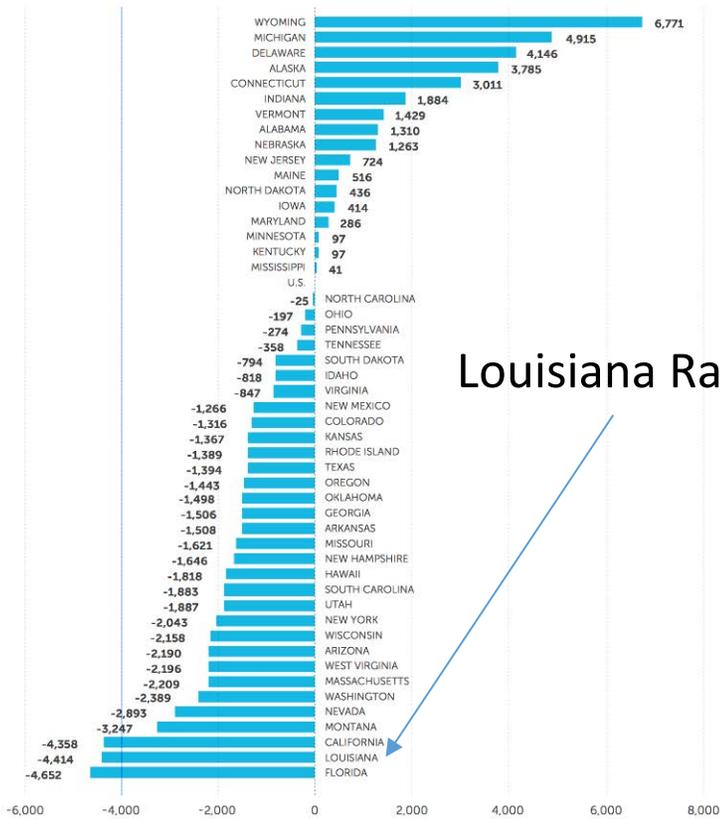


*Based on Preliminary Enrollment Data for Fall 2017; LCTCS enrollment based on final Fall 2016 enrollment  
Source: Statewide Student Profile System - Data submitted by institutions*



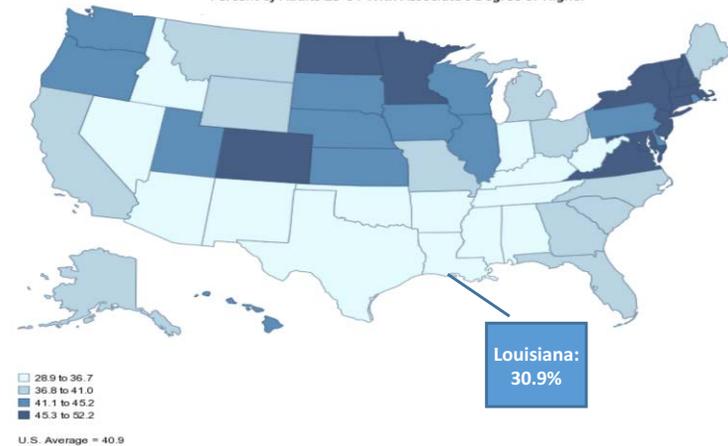
# How does Louisiana rank nationally?

FIGURE 16  
TOTAL EDUCATIONAL REVENUE PER FTE (ADJUSTED) – DIFFERENCE FROM U.S. AVERAGE,  
FY 2016



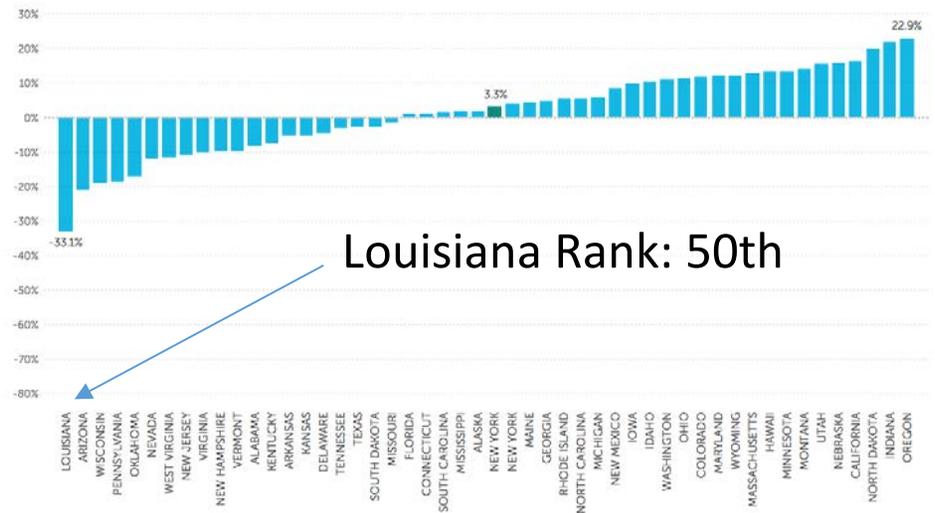
Louisiana Rank: 49th

Louisiana Ranks 48<sup>th</sup> Nationally in Educational Attainment  
Percent of Adults 25-64 With Associate's Degree or Higher



Source: U.S. Census Bureau, 2015 American Community Survey

PUBLIC HIGHER EDUCATION EDUCATIONAL APPROPRIATIONS PER FTE: PERCENT CHANGE,  
FY 2011-2016



Louisiana Rank: 50th

Excludes Illinois

NOTES: 1. Dollars adjusted by 2016 HECA, Cost of Living Adjustment, and Enrollment Index.

2. Total Educational Revenue is the sum of educational appropriations and net tuition, excluding net tuition revenue used for capital debt service.

SOURCE: State Higher Education Executive Officers

Excludes Illinois

NOTES: 1. Dollars adjusted by 2016 HECA, Cost of Living Index, and Enrollment Index.

2. Educational appropriations measures state and local support available for public higher education operating expenses and excludes appropriations for independent institutions, financial aid for students attending independent institutions, and research.

SOURCE: State Higher Education Executive Officers

Note: Rankings includes La. TOPS program data



Board of Regents

# How does Louisiana rank when compared to SREB peer institutions?

# SREB

Southern Regional  
Education Board

	Public 4-Year Institutions	Public 2-Year Institutions
Funds for Educational and General Operations Per FTE Student	\$11,715 Last in SREB	\$5,825 Last in SREB
Average Salaries, Full-Time Instructional Faculty	\$65,400 Second Lowest in SREB	\$43,800 Lowest in SREB
6-Year Graduation Rate	44.7% Second Lowest in SREB	N/A
3-Year Graduation Rate	N/A	8.9% Lowest in SREB
4-Year Graduation Rate	20.2% Lowest in SREB	N/A
2-Year Graduation Rate	N/A	4.6% Lowest in SREB
Progression Rates	68% (6 Years) Third Lowest in SREB	41% (3 Years) Lowest in SREB
Average Cost of Attendance For One Year at a Public Four-Year Institution	\$16,900 Lowest in SREB	N/A
Average Debt of Graduates with Debt at Public Four-Year Graduates	\$21,640 Second Lowest in SREB	

Source: SREB 2015 Fact Book



Why does higher  
education matter?



# Why does higher education matter?

In 2015, median earnings of bachelor's degree recipients with no advanced degree working full time were \$24,600 (67%) higher than those of high school graduates. Bachelor's degree recipients paid an estimated \$6,900 (91%) more in taxes and took home \$17,700 (61%) more in after-tax income than high school graduates.

*-Education Pays 2016, College Board*

**LSU System - supports \$3.9 billion in sales in Louisiana**

(Barnes & Terrell, 2013)

**UL System - creates an annual economic impact of \$4 billion in Louisiana**

(UL System, 2017)

**SU System - contributes \$147.5 million in economic activity to Louisiana**

(Hanover Research, 2016)

**LCTC System – Salary earnings for recent LCTCS graduates totaled \$1.05 billion, with the majority of graduates earning that income (and being taxed) in Louisiana.**

(LCTCS, 2016)

**Total Tax Revenue Increase**

- Over an average lifetime, graduates with bachelor's degrees pay \$563,000 more in taxes than high-school graduates who never attend college.

**Decrease in Total Government Expenditure**

- Over an average lifetime, college graduates receive \$81,000 less in Medicaid, Supplemental Security Income, unemployment benefits and other such benefits than do high-school graduates who never attended college.

**Measurable public benefits**

- On average, college graduates:
  - Are more-active participants in democracy, with higher voting rates.
  - Participate in community organizations.
  - Lead healthier lifestyles.
  - Are less likely to be involved in criminal activities.
  - Fund the State's retirement plan.

*Public Benefits from College Graduates, Trostel (2017)*



# What happened?



# Legislative Recap

**Act 44 >>> Sets TOPS awards to the amount of tuition charged during the 2016-17 school year.**

**Act 293 >>> Extends the sunset of the public postsecondary boards' authority to establish student fees to the 2020 academic year.**

**Act 250 >>> Provides that students found not to be college ready shall be given the opportunity to take college transition courses in high school beginning with the 2019 school year.**

**Act 267 >>> Prohibits an institution from inquiring about a prospective student's criminal history, except for specified offenses, prior to acceptance for admission.**

**Act 353 >>> Creates the Achieving a Better Life Experience in Louisiana Fund (ABLE) and provides for the deposit, investment, and distribution of such funds.**



# Legislative Recap

**SB 225>>> Creates the LaSTEM Advisory Council chaired by the Commissioner; provides for duties & functions; and creates a fund.**

**HCR 89>>> Requests the Board of Regents and the UL and SU Boards of Supervisors jointly study the possibility of revising the reclassification and admission standards for UNO and SUNO.**

**SCR 110 >>> Creates a task force to study TOPS, including a review of the program's purpose and history, the role of the program in relation to tuition and fees, and other institutional, state and federal financial assistance programs, and ways to ensure the program's long-term viability.**

**HB 269>>> Provides for the free expression policies on college campuses. VETOED**



# Higher Education FY18 Budget

- Board of Regents budget was decreased by \$1.3M to provide funding to the Department of Health for Mental Health Services.
- Higher Education budget was decreased by \$500k to provide funding to the Workforce Commission for Rehabilitation Services.
- Means of Finance adjustment to decrease the Tobacco Fund based on Revenue Estimating Conference projections by \$2.4M and increase State General Fund by a like amount to fund TOPS. **NOTE: The \$2.4M is included in the \$84.1M to fully fund TOPS.**



- TOPS is fully funded at \$291.2M. This represents an increase of \$84.2M above Fiscal Year 2016-2017.
- GO Grants remain funded at the Fiscal Year 2016-2017 level of \$26.4M.

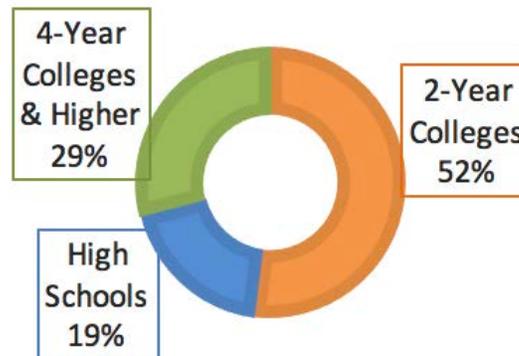


Where are we now?



# Louisiana Job Market

## NEW GOOD JOBS ANNUALLY BY EDUCATIONAL ATTAINMENT LEVEL



One in five good jobs will become available each year that will require no formal education beyond a high school diploma.

Slightly more than half of the good jobs across Louisiana today and those that will become available each year require a community or technical college degree or other credential.

Slightly more than one in four good jobs in Louisiana requires a bachelor's degree or higher.

*Source: Public Affairs Research Council of Louisiana, Closing the Gap...Louisiana's Workforce Challenge, January 2017*



# Where is Louisiana now?

By 2020, approximately 53% of open jobs in Louisiana will require a career credential or college degree. Currently, only 28% of Louisiana adults have an associate degree or higher.

*Source: GUCEW*

Louisiana ranks 48th in educational attainment with only 30.9% of working-aged residents, 25-64 years, earning an associate's degree or higher. *Source: NCHEMS*

**In order to reach the average educational attainment rate for Southern states, Louisiana will need to increase the percentage of adults with some college from 29.1% to 46.6% by 2025, or an increase of approximately 148,277 credentials.**

*Source: NCHEMS Closing the College Attainment Gap*



GEORGETOWN UNIVERSITY



Center  
on Education  
and the Workforce

McCourt School of Public Policy

*Sources: National Center for Higher Education Management Systems and Georgetown University Center on Education and the Workforce*

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Board of Regents

# Skills Not Aligned to High Demand Jobs

## Workforce Gaps in Economic Driver Occupations



Some Critical Fields in Industries That Drive Job Creation	Additional Completers Needed Annually Through 2022
Computer and Information Science	223
Engineering	246
Engineering Technology (including Process Technology)	1,717
Construction Trades	4,674
Statistics and Management Science	200
Mechanic and Repair Technologies	1,575
Precision Production (Welding and Machining)	1,150
Transportation and Material Moving	1,091
Accounting	165
Construction Management	46
Management Information Systems	26
Logistics, Materials, and Supply Chain Management	8

Source: LED-LWC gap analysis using LWC 2022 occupational forecast.

Highest Level of Education	Graduates	Grads Available for Work	Jobs Available for These Grads	3-, 4-, and 5- Star Jobs Available for These Grads	Grads Likely to Struggle to Find Good Jobs	% of Grads Likely to Struggle
High School	46,000	24,000	20,430	7,380	16,620	69%
2- Year College	22,743	10,068	24,300	19,860	9,792	0%
4- Year College	18,400	11,600	9,900	9,150	2,450	21%
Graduate & Professional Schools	6,800	6,800	2,510	1,950	4,850	71%
<b>TOTAL</b>		52,468	57,140	38,340	23,920	44%

Source: 2013-14 Louisiana Department of Education Completer Data, 2014-15 Louisiana Board of Regents and LCTCS Completer Data, Revised 2022 Louisiana Workforce Commission Occupational Forecast



Where are we going?



# 2016 Regional Concerns/Recommendations

#	Concerns Raised/Recommendations Made During the 2016 #RalloTour
1	Stability of state funding for all college and universities
2	ACT 619 – Unification measures
3	What steps are being put in place to make TOPS more manageable and control for growth?
4	What measures can be taken to encourage students to graduate in 4 years?
6	How will BOR's policy on Dual Enrollment impact access, equity and participation for high school students?
7	There is much talk about colleges responsibility to prepare students to meet the demands of business and industry and reduce the workforce gap in LA. How? Is that higher ed's role? What about adult learners?



# Five Metrics

*Indicators of progress toward elevating Louisiana higher education*

*Readiness*

More Louisianians will be ready for postsecondary education.

*Enrollment*

More students will enroll in postsecondary education.

*Progression & Completion*

More students will advance through the system.

*Job Preparation*

Louisianians will be prepared for life and work.

*Social & Economic Impact*

Louisiana's communities and economy will benefit.



# Moving Forward

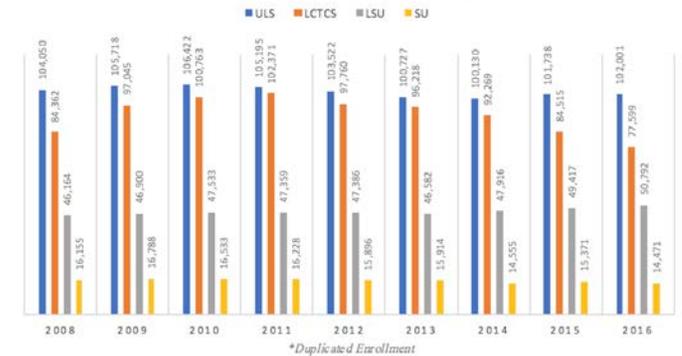


- Act 619 implementation
- Solidify dual credit policy (Act 250)
  - Balance student access to dual credit classes while also ensuring that remediation needs are met.
  - Address rigor by increasing the GPA required for a student to take a college class if they have not yet completed the high school core.
  - Support the expectation that a dual credit instructor, if not regular college faculty, must receive and document appropriate formal training by the college before they can teach these classes.
- Increase outcomes allocation in funding formula
  - FY 17: 70% base, 15% cost, 15% outcomes
  - FY 18: 65% base, 17.5% cost, 17.5% outcomes
- Secure open source material to replace / eliminate textbooks
  - Affordable Learning LOUISiana initiative
- Revisit TOPS
- Advance LaSTEM Council
- Educate legislators well before start of next session and the “fiscal cliff”



# How can you help?

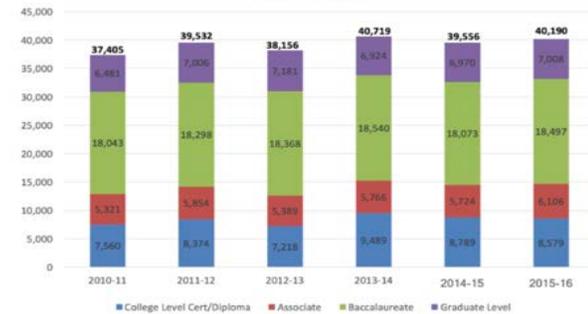
Sum of Annual Enrollment By System\*



Source: Statewide Student Profile System - Data submitted by institutions, Louisiana Board of Regents

Louisiana Completer Data

Unduplicated headcount of all students who completed any level, certificate and above, and received applicable completion credential



Completer Data System, Louisiana Board of Regents

More students will enroll in postsecondary education.



More students will advance through the system.



Louisiana's communities and economy will benefit.



*Individuals with higher levels of education earn more, pay more taxes, and are more likely than others to be employed.*



# Questions?



***#ElevateLouisiana***

THANK YOU FOR SUPPORTING LOUISIANA HIGHER EDUCATION

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