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THINK

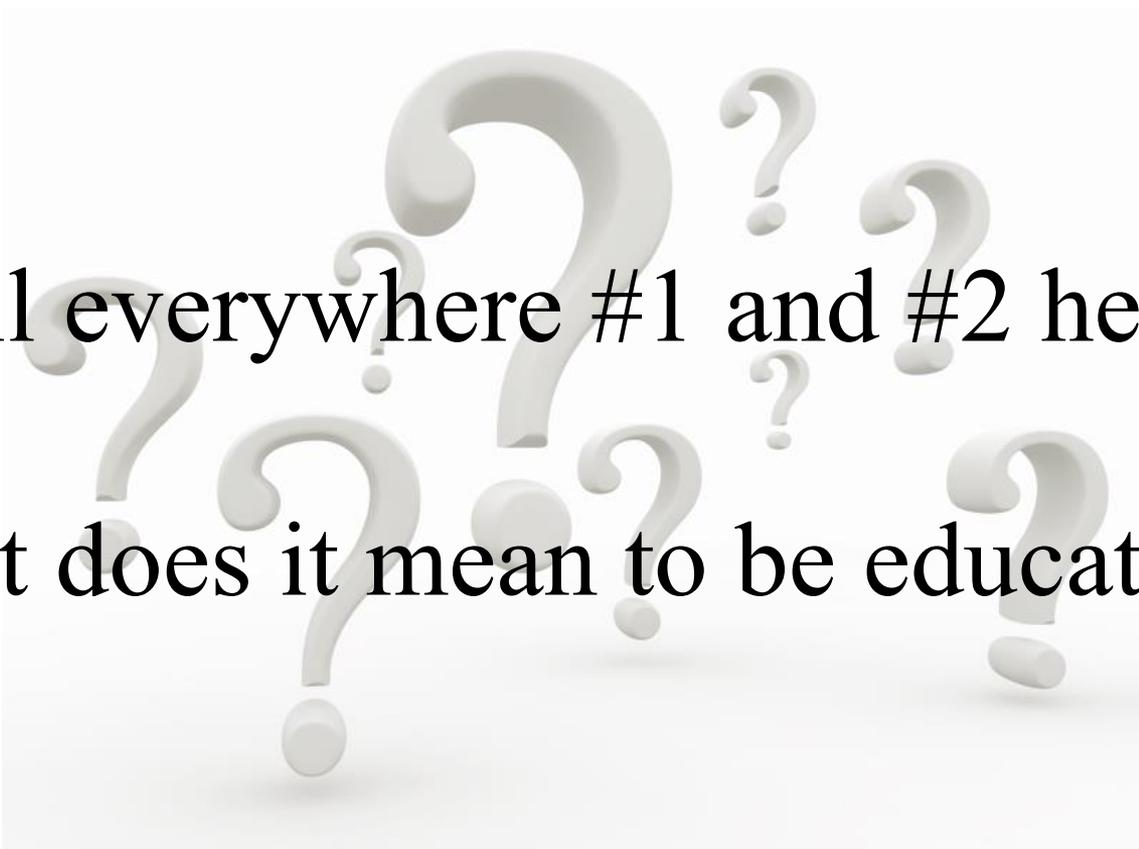
Educate

ELEVATE

Innovate

Louisiana





Poll everywhere #1 and #2 here
(What does it mean to be educated?)





WESTERN
ILLINOIS
UNIVERSITY



Cost
Guarantee

- Room, board and fees guaranteed for four years
- All 14 other public institutions now required to guarantee tuition.

How It
Worked

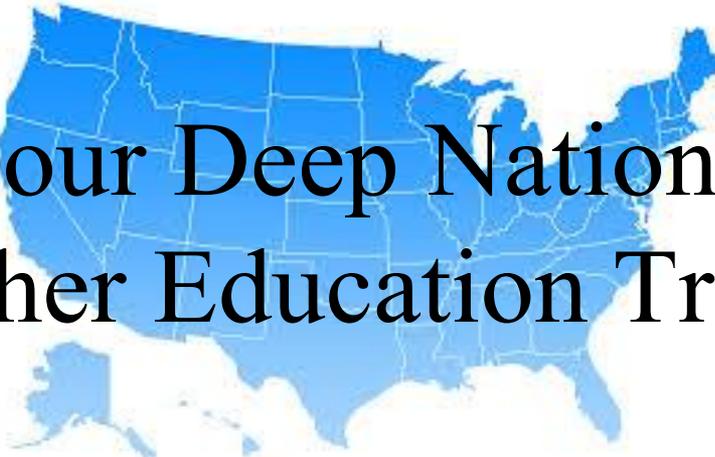
- 8-12% increase on incoming class
- High retention rates

Worked well during times of stability

Results

- Legislative battle (2015-2016)
 - No budget for higher education for the year
- University response
 - Discount rate for incoming freshmen
 - Loss of 2,958 students
 - Lay-offs
 - 12 month employees paid for 10 months





Four Deep National Higher Education Trends

**The Divide of Wealth:
The emergence of a two-tier system of
higher education**

Loss of the Higher Education Monopoly

**How much longer can the law of supply and
demand not apply to higher education?**

**Two and four-year degrees
vs.
Life-long learning**



Trends in Louisiana



Budget
Enrollment
High wage and high demand jobs
Decreased Funding for Sponsored Programs
Outcomes based funding



Trends in Louisiana



Budget



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
FY 08-09	\$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>(\$110,069,018)</i>
<i>Dollars available for operations</i>				<i>\$1,880,843,137</i>
Fiscal Year	Total State Funds	Self Generated Funds	Federal Funds and Interagency Transfers	Total
FY 16-17	\$852,272,018	\$1,389,538,245	\$55,570,405	\$2,297,380,668
<i>FY 16-17 Mandated Costs Paid Back To The State</i>				<i>(\$565,347,806)</i>
<i>*FY 16-17 Scholarships and Fellowships</i>				<i>(\$215,139,268)</i>
<i>Dollars available for operations</i>				<i>\$1,516,893,594</i>
Change in 9 years: \$364M Less for operations				(\$363,949,543)

*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 \$209 million in FY 17.

Will insert info about budget cuts with and without rainy day fund.

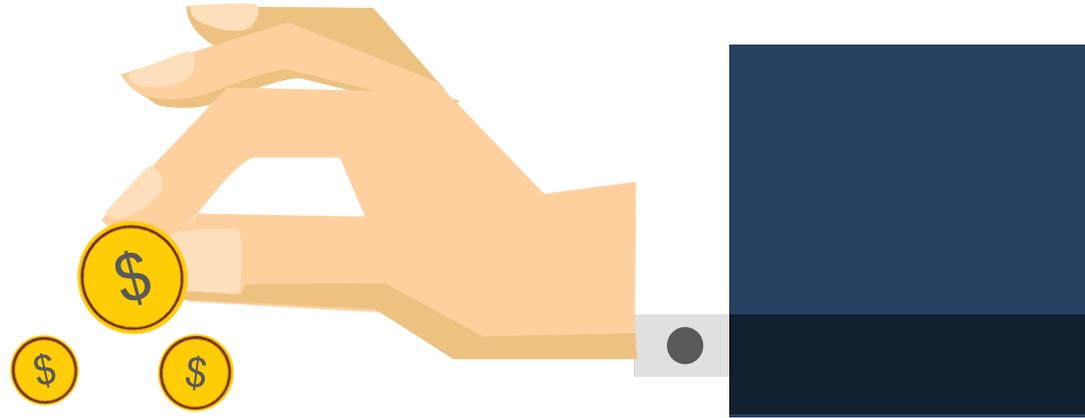


Poll everywhere #3 here

(How much is given back to the state?)



.66¢ of every \$1 in state higher education funding goes back to the state for mandated costs



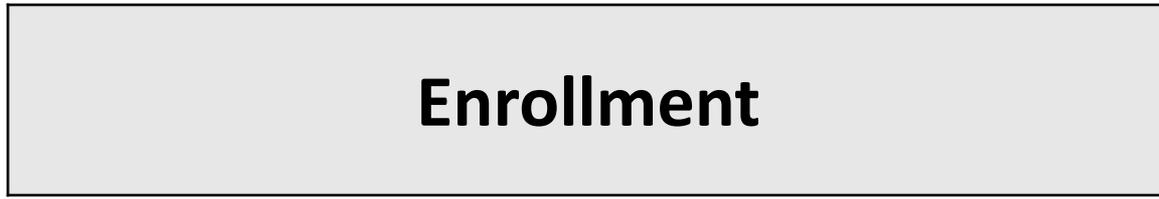
State Support	852,272,018
Mandated Costs	- \$565,347,806
	<u>\$286,924,212</u>

Remaining state support for higher education





Trends in Louisiana



Enrollment



Enrollment Trends

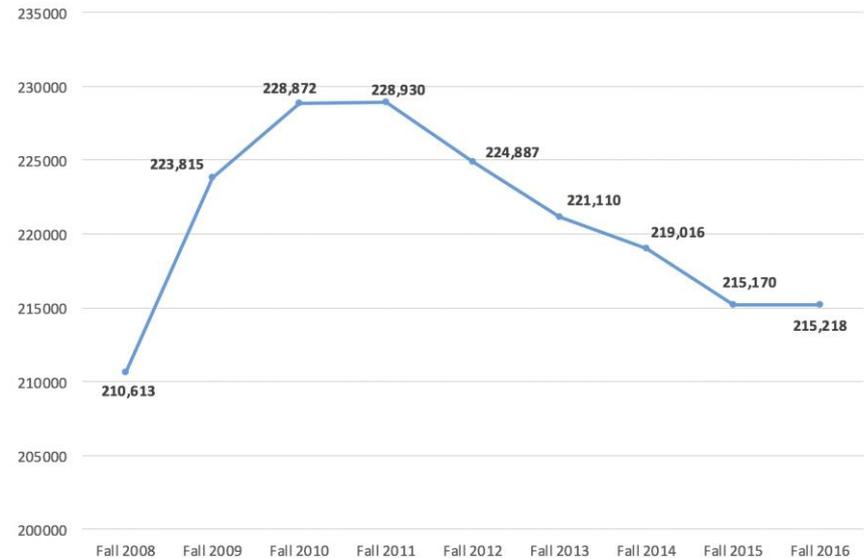
Louisiana Public Higher Education Enrollment by System

System	Fall 2015 Enrollment	Fall 2016 Enrollment
Louisiana State University	45,626	45,907
University of Louisiana System	90,483	90,709
Southern University System	13,061	12,602
Louisiana Community and Technical College System	66,000	66,000*
Total	215,170	215,218

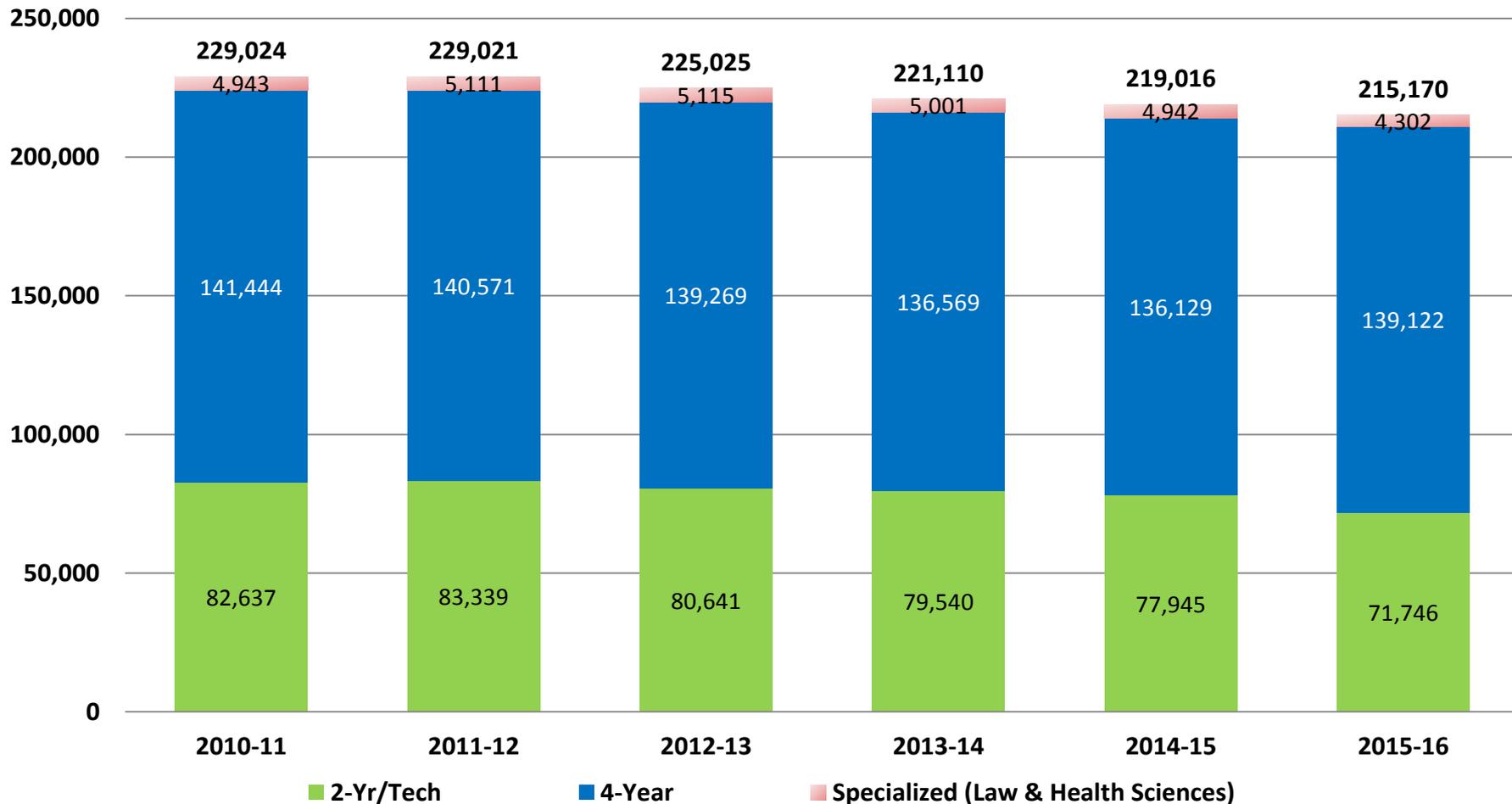
Reported Fall 2015 End of Term

Source: Statewide Student Profile System-Data Submitted by Institutions & Preliminary Enrollment Report

Student Headcount History



LA Enrollment Data



Includes
LSUA & LSUS

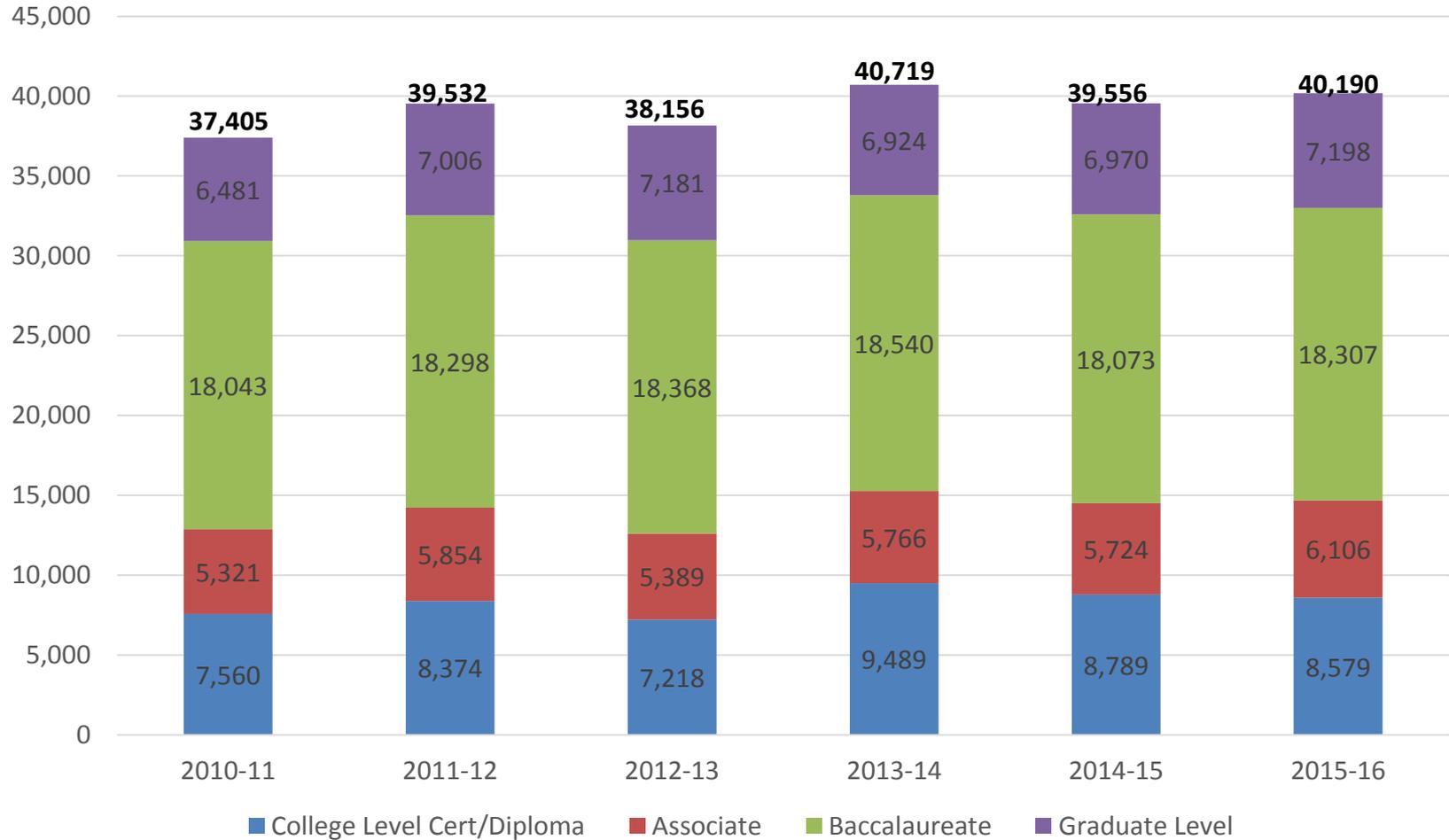


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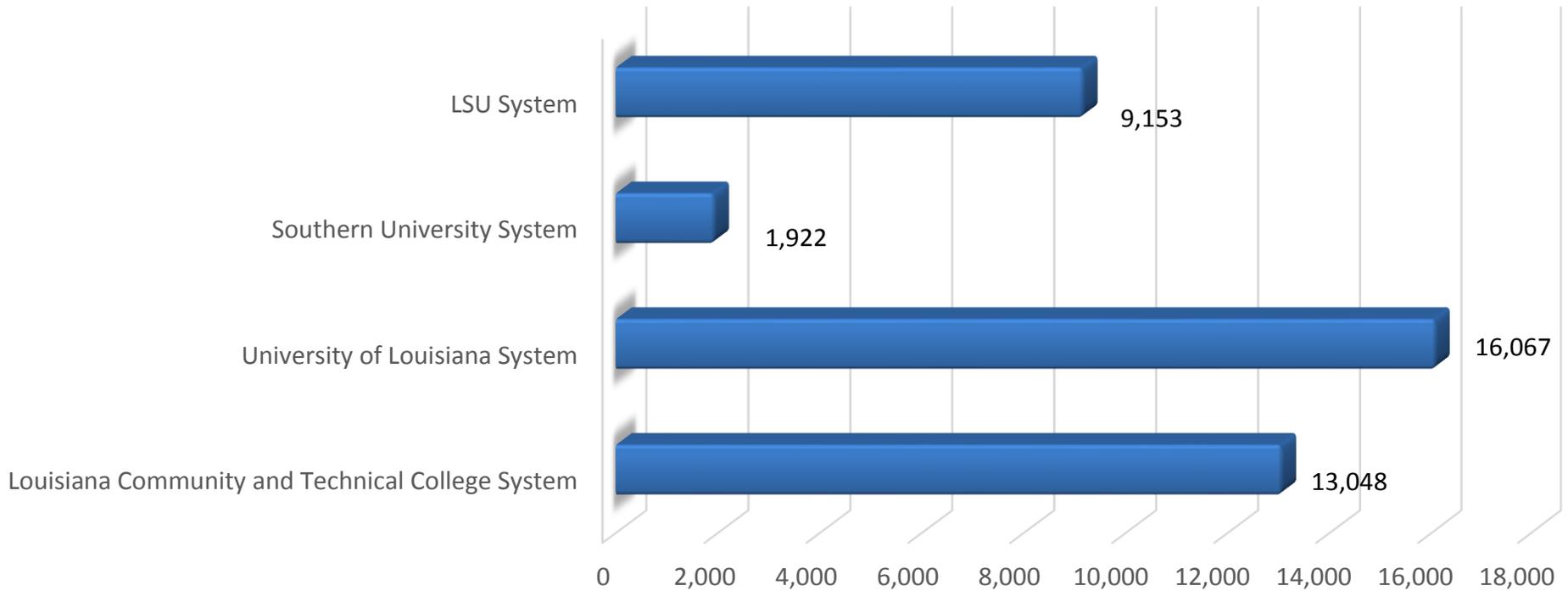
LA Completer Data

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



Completers by System

2015



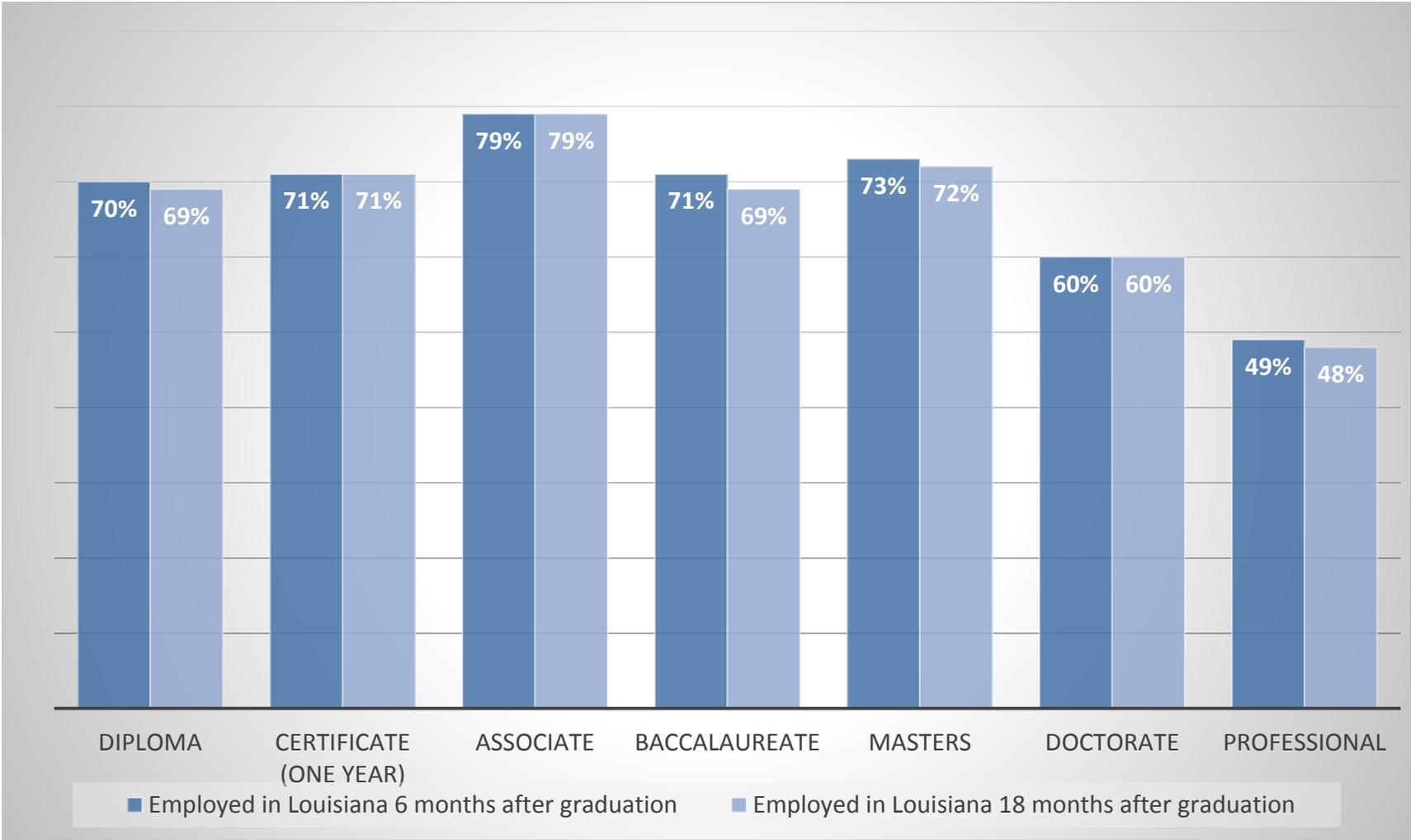
Unduplicated headcount of students who completed any program and received applicable credential

Employed LA Degree Completers



Based on both 2013-14 and 2014-15

Percentage of Completers found employed two quarters after their respective Completion Term.

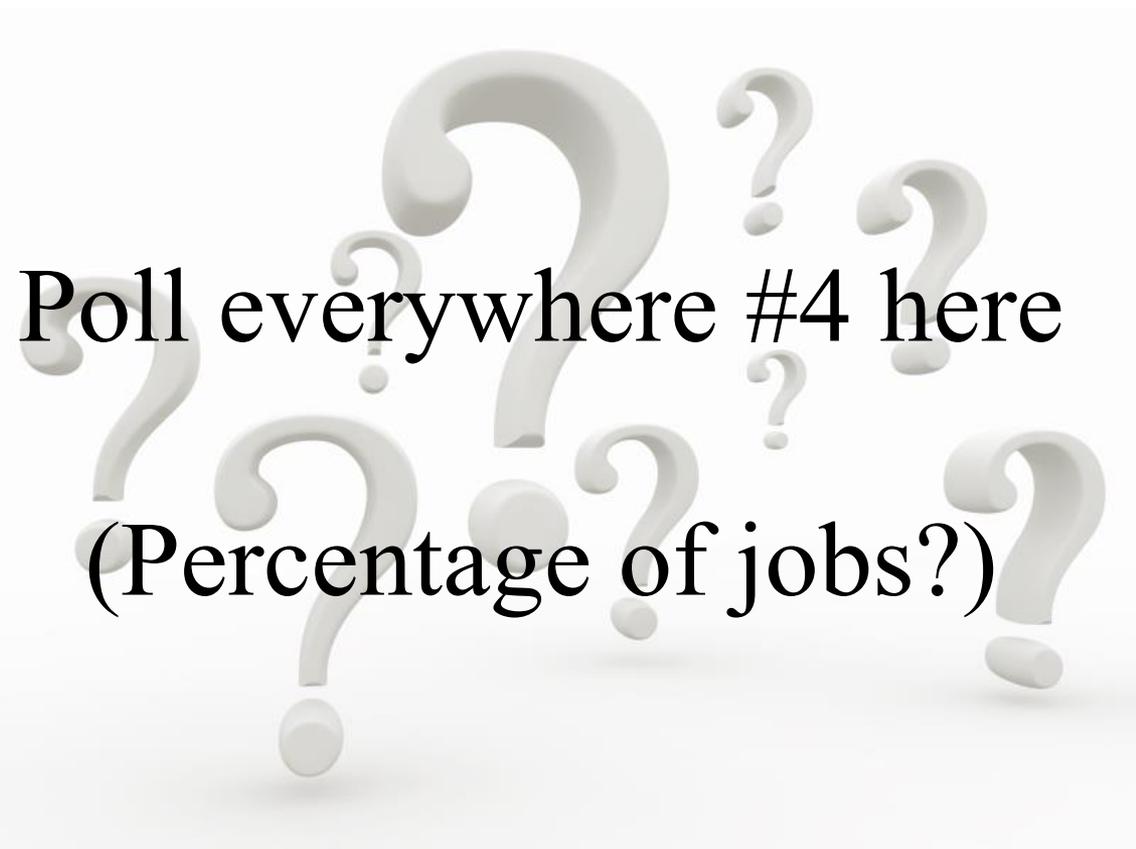




Trends in Louisiana

High wage and high demand jobs



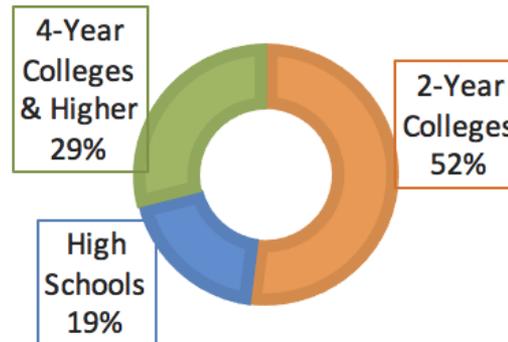


Poll everywhere #4 here
(Percentage of jobs?)



Louisiana Job Market

NEW GOOD JOBS ANNUALLY FOR EACH MINIMUM LEVEL OF EDUCATION



One in five good (3-, 4- and 5 star) jobs that will become available each year will require no formal education beyond a high school diploma.

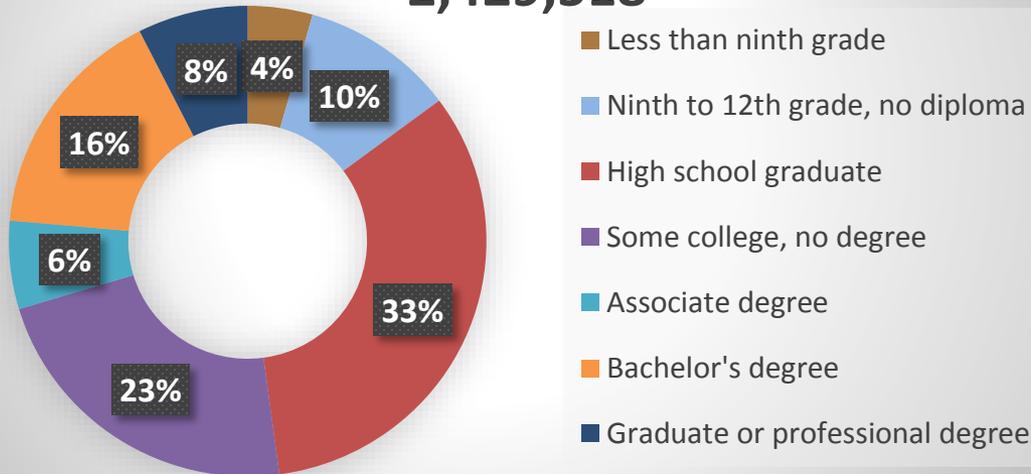
Slightly more than half of the good jobs across Louisiana today and those that will become available each year require a community or technical college degree or other credential.

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



High Wage and High Demand

WORKING AGE POPULATION TOTAL 2,429,518



Source: Lumina Foundation

- 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 49th in educational attainment with only 29.1% 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 148,277 degrees. *Source: NCHEMS***

Sources: National Center for Higher Education Management Systems, Lumina Foundation Stronger Nation Report, 2016 and Georgetown University Center on Education and the Workforce



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	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	N/A
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%
TOTAL		52,468	57,140	38,340	23,920	44%

Source: 2013-14 completer data from the Louisiana Department of Education, Louisiana Board of Regents and 2014-15 completer data from Louisiana Community and Technical College System, and the revised 2022 occupational forecast by the Louisiana Workforce Commission.





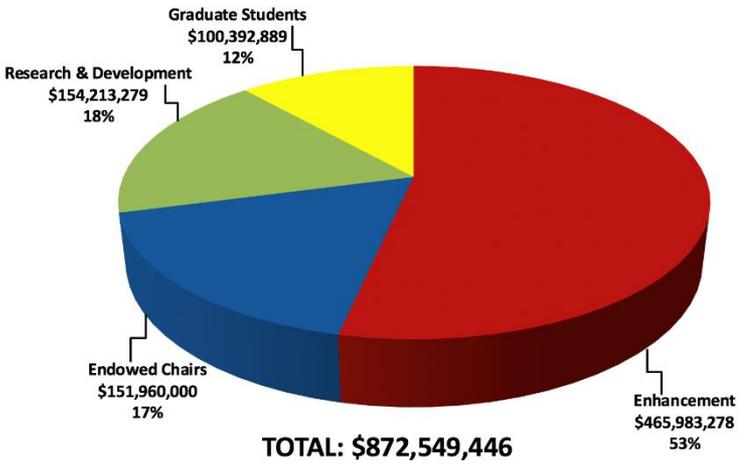
Trends in Louisiana

Decreased funding for sponsored programs

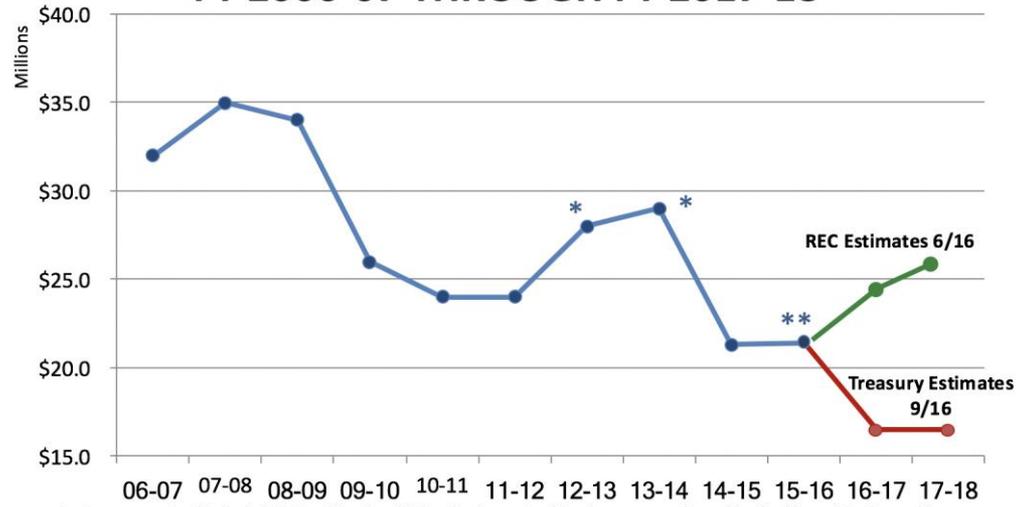


Sponsored Programs Funding Reduction

BoRSF ALLOCATIONS TO FOUR CONSTITUTIONAL PROGRAMS: FYs 1986-87 THROUGH 2015-16



**SUPPORT FUND INCOME
FY 2006-07 THROUGH FY 2017-18**



* Income received included \$3-5+ million in additional gains realized for the purpose of matching backlogged Professorships; receipts minus additional gains totaled \$24.7-\$26.2M
 ** Final income total Includes one-time capital gains realized to accommodate new rules for international investing, along with a 5% reduction to statutory dedications taken to help address the declared deficit in State General Funds



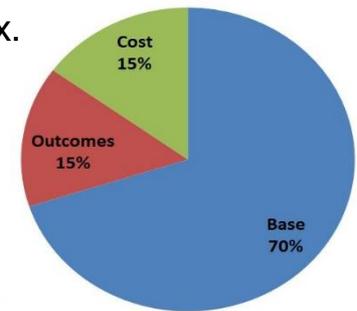
Trends in Louisiana

Outcomes based funding



Outcomes Based Funding

- Act 462 of 2014 requires the Board of Regents to develop an outcomes based funding formula for the 2 and 4 year institutions by FY17.
- The outcomes based formula methodology has been lauded by advocacy groups such as a Council for a Better Louisiana (CABL) and the Louisiana Association of Business & Industry (LABI) as the new model seeks to reward outcomes.
- Since July 23, 2015, the BoR finance team has met regularly with system financial officers, the Workforce Commission and Louisiana Economic Development to collaboratively develop an Outcomes Based funding formula methodology.
- Due to Higher Education being appropriated slightly less in FY17 than the amount provided in FY16, the distribution methodology adopted by board is as follows: 70% weight – base funding, 15% weight – cost formula, 15% weight – outcomes based formula.
- As with any formula model, there are institutions that fare better than others. For those institutions that lost funds, the significant reasons include loss of enrollment and low cost program mix.



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The New Fiscal Realities



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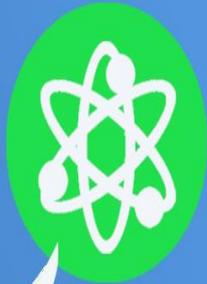
Elevate Louisiana!

Educate & Innovate

Louisiana's goals for higher education



Educate



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.

“Innovate to Build Louisiana's Economy.”

Invest strategically in research that supports innovation and economic development.



The New Realities

Recommendations from Board Staff Response to Act 619

Recommendation 1.2 – The Board of Regents recommends that the Boards of Supervisors of the LSU System, SU System, LCTC System and UL System develop cooperative unification plans for institutions within each of the 8 Louisiana Regional Labor Market Areas and for institutions in proximity between contiguous regions.

Recommendation 4.1 – Aligned with the Think 30 Louisiana Initiative, the Board of Regents will examine existing state funding for dual enrollment, in collaboration with BESE and the LDE, to develop policy or recommend changes to ensure availability of opportunities for eligible high school students to earn up to one year of college credit through dual enrollment agreements, typically 30 credit hours.

Recommendation 5.4—The Board of Regents, in cooperation with LOUIS and LONI will develop a statewide plan for the utilization of Open Educational Resources (OER) throughout postsecondary education.

Recommendation 5.9 – The Board of Regents recommends that the Think 30 Louisiana initiative include TOPS progression requirements beginning with the class of 2018, requiring TOPS recipients to earn 30 credit hours per academic year and meet all other continuation eligibility requirements to maintain the award.



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