

The logo for Louisiana State University (LSU) in a bold, purple, sans-serif font.The logo for the University of Louisiana System, featuring the text "UNIVERSITY OF LOUISIANA" in a serif font above "SYSTEM" in a smaller, spaced-out serif font.

Louisiana Higher Education

#ElevateLouisiana

Dr. Joseph C. Rallo
Commissioner of Higher Education
March 22, 2018

Elevate Louisiana!

Educate & Innovate

Louisiana's goals for higher education



Educate

“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.



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Innovate

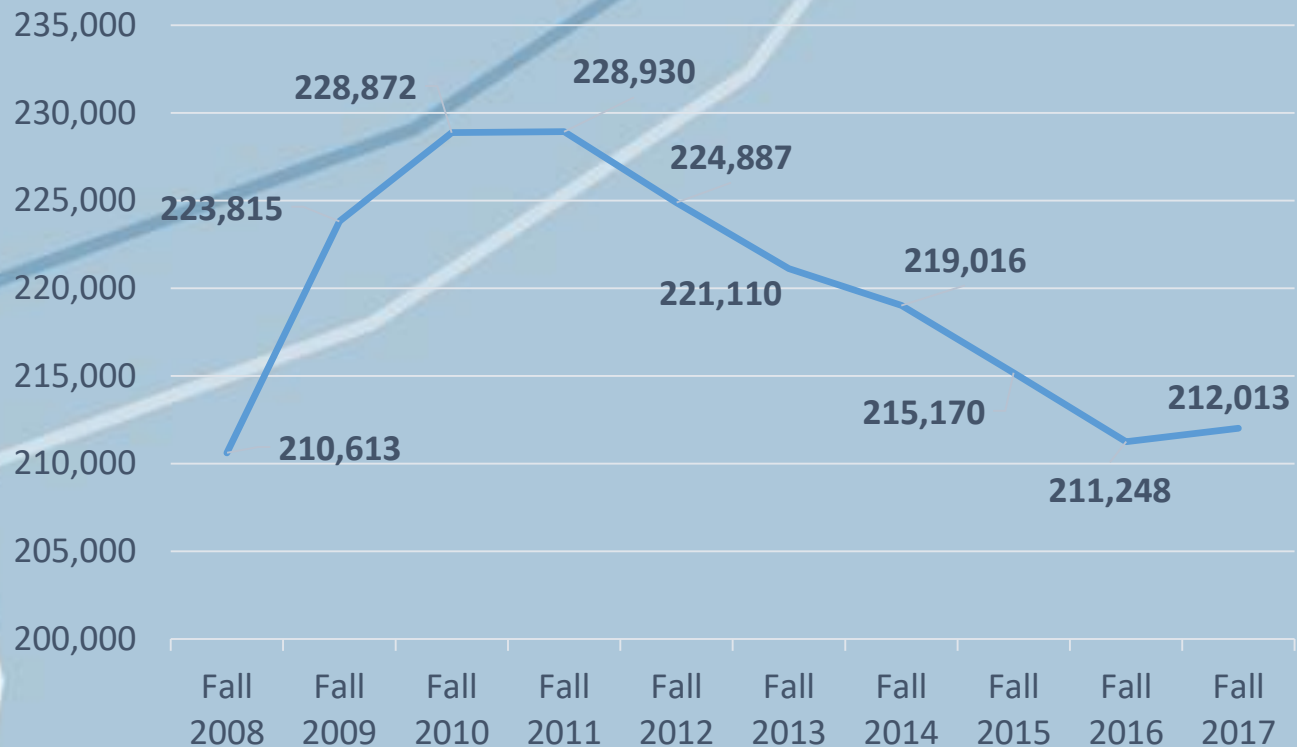
“Innovate to Build Louisiana's Economy.”

Invest strategically in research that supports innovation and economic development.

#ElevateLouisiana

Louisiana Public Higher Education Enrollment

Student Headcount History

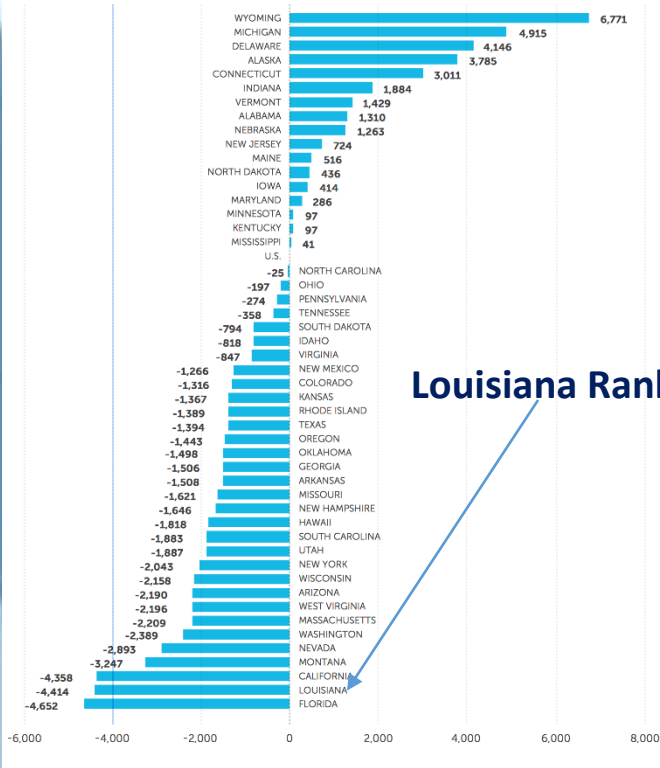


*Based on Preliminary Enrollment Data for Fall 2017; LCTCS enrollment based on final Fall 2016 enrollment
Source: Statewide Student Profile System - Data submitted by institutions*

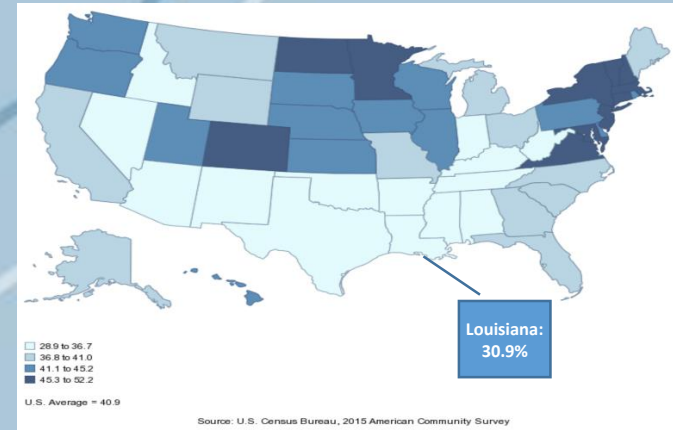
How does Louisiana rank nationally?

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

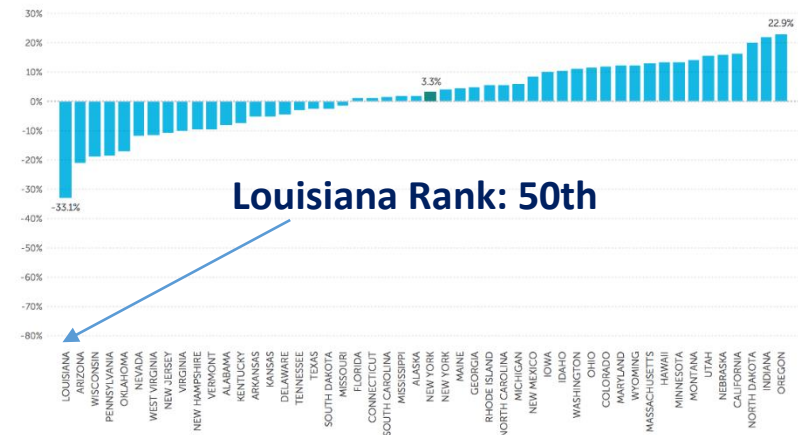
FIGURE 16
 TOTAL EDUCATIONAL REVENUE PER FTE (ADJUSTED) – DIFFERENCE FROM U.S. AVERAGE, FY 2016



Louisiana Rank: 49th



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 used for capital debt service.

SOURCE: State Higher Education Executive Officers

Excludes Illinois

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

2. Educational appropriations measures state and local support available for public higher education operation 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

How does Louisiana rank when compared to SREB peer institutions?



	Public 4-Year Institutions	Public 2-Year Institutions
Funds for Educational and General Operations Per FTE Student	\$12,125 Last in SREB	\$6,837 15th in SREB
Average Salaries, Full-Time Instructional Faculty	\$67,212 Lowest in SREB	\$44,152 Lowest in SREB
6-Year Graduation Rate	45.8% Second Lowest in SREB	N/A
3-Year Graduation Rate	N/A	14.2% 13th in SREB
4-Year Graduation Rate	22.3% Lowest in SREB	N/A
2-Year Graduation Rate	N/A	7.1% 13th in SREB
Progression Rates	67% (6 Years) Second Lowest in SREB	40% (3 Years) Second Lowest in SREB
Average Cost of Attendance For One Year at a Public Four-Year Institution	\$20,822* 8th in SREB	N/A
Average Debt of Graduates with Debt at Public Four-Year Institution	\$20,844 Lowest in SREB	N/A

*Average of costs calculated by LOSFA, based on tuition and fees, room and board, books and supplies, transportation and miscellaneous personal expenses.

Source: SREB 2017 Fact Book

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>(\$100,913,609)</i>
			<i>Dollars available for operations</i>	<i>\$1,889,998,546</i>
Fiscal Year	Total State Funds	Self Generated Funds	Federal Funds and Interagency Transfers	Total
FY 17-18	\$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>(\$621,769,710)</i>
			<i>*FY 17-18 Scholarships and Fellowships</i>	<i>(\$219,219,708)</i>
			<i>Dollars available for operations</i>	<i>\$1,503,557,116</i>
			Change in 10 years: \$386M Less for operations	(\$386,441,430)

*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.

Mandated Costs

Higher Education is the **only** state entity where annual increases in mandated costs are not funded in the Executive Budget.

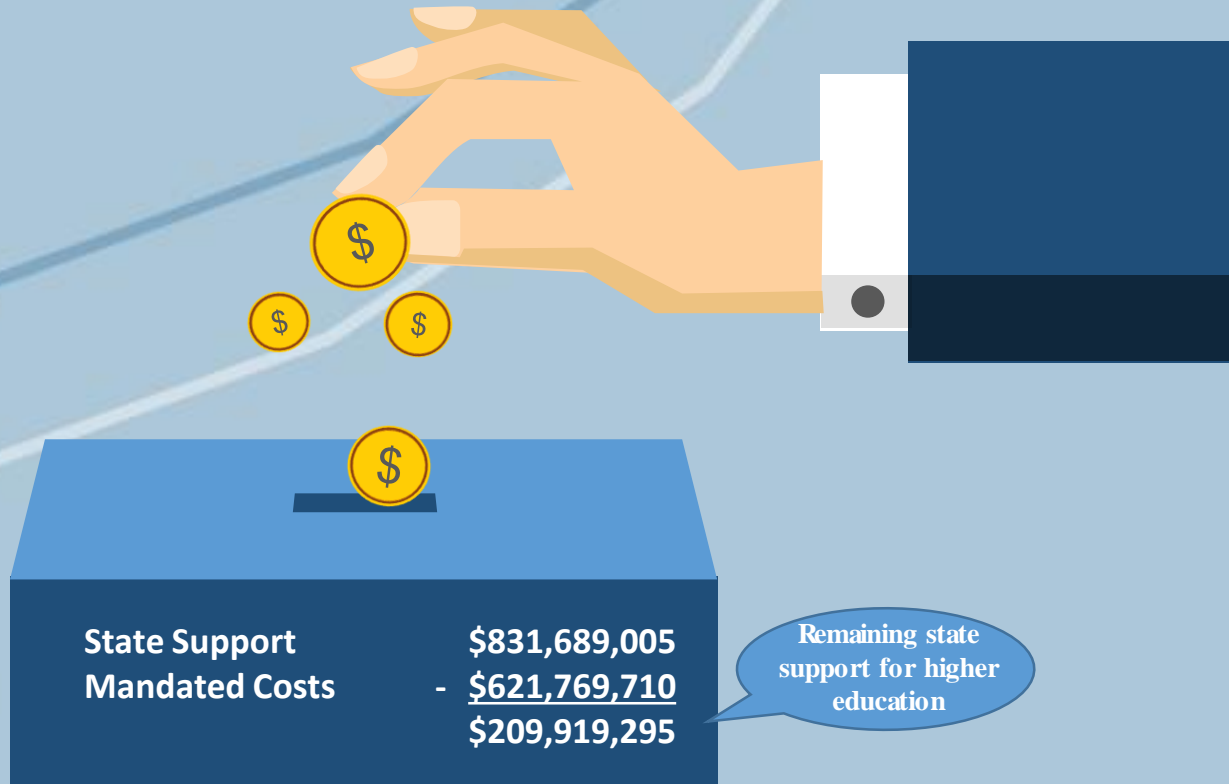
FY 18 Higher Education Mandated Costs	
Teachers Retirement	\$228,608,968
Group Insurance - Actives	\$129,067,308
Group Insurance - Retirees	\$80,871,798
LASERS	\$71,526,143
Office of Risk Management	\$49,873,000
Other Retirement	\$16,918,712
Legislative Auditor	\$5,459,192
FICA/Medicare Tax	\$16,726,809
Civil Service/CPTP	\$1,199,151
Office of State Purchasing (OSP)	\$200,358
Building Rent/Maintenance	\$2,563,377
Group Insurance Life	\$1,486,174
Unemployment Benefits	\$840,752
Office of Telecommunication Services (OTS)	\$664,783
Capital Park Security	\$118,232
Other Related Benefits	\$271,847
UPS	\$6,012
Other	\$11,624,261
TOTAL	\$621,769,710

Mandated Costs Returned to the State

System	Percentage of Funding Returned to the State for Mandated Costs
LCTC System	60.42%
LSU System	71.65%
Southern University System	74.56%
University of Louisiana System	97.51%

For FY 17-18, six institutions give back more to the State for mandated costs than they receive in State appropriated funds.

75¢ of every \$1 in state higher education funding goes back to the state for mandated costs



*State support number includes LCTCS pass through and rapid response funds

True Picture: The Impact On Our Students

Fiscal Year	Total State Funds	Mandated Costs	Dollars Available for Operations
2008-2009	\$1,571,583,691	\$445,116,071	\$1,126,467,620
2017-2018	\$831,689,005	\$621,769,710	\$209,919,295

Change over ten years: **-\$916,548,325**

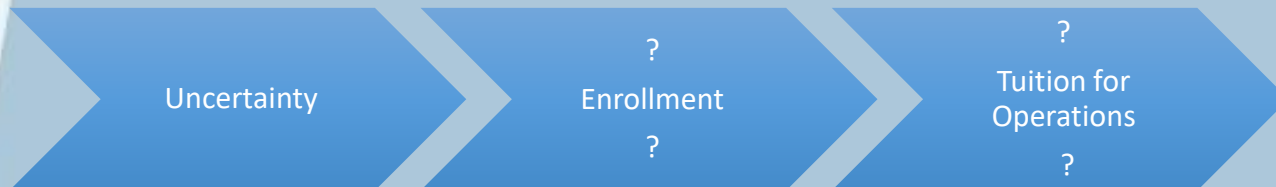


Constant budget cuts directly impact Louisiana's students. In a ten year period, over \$900 M has been taken from the higher education budget. Those cuts mean larger class sizes, fewer faculty, outdated labs and reduced educational opportunities for our students.

FY19 Executive Budget Proposed Cuts to Higher Education

- **\$233 M from TOPS** – This reduction represents the entire state general fund appropriation for TOPS. However, the TOPS fund statutory dedication amount (approximately \$58M) will remain, which will leave the program funded at 20%.
 - LOSFA estimates that a projected 50,814 recipients will receive approximately 20% of the maximum award amount (including stipend amounts for Honors and Performance awards).
- **\$13 M from GO Grants** - This represents a reduction of approximately half of the annual allocation.
 - Funding for FY19 totals \$13.4 M, a \$13 M reduction from FY 18 (\$26.4 M) and represents 21% of actual need to fund all eligible GO Grant recipients (\$62.5 M).
- **\$25.7 M Base funding reduction** - This reduction will affect general operating funds of the institutions. The amount represents a 3.5% prorated cut for institutions within higher ed.
 - This will increase the number of institutions that give back more to the state than what they receive in state appropriated funds from six to eight.

Uncertainty has a price.





Questions?

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