

The LSU logo is displayed in a large, bold, purple font. In the background, there is a faint map of Louisiana and a photograph of the Louisiana State Capitol building.The Southern University System logo includes a stylized "SU" monogram in yellow and blue, followed by the text "SOUTHERN UNIVERSITY SYSTEM" and "BATON ROUGE • NEW ORLEANS • SHREVEPORT" in a smaller font.The University of Louisiana System logo features the text "UNIVERSITY OF LOUISIANA" in a large serif font, with "SYSTEM" in a smaller font below it, all enclosed in a thin rectangular border.

Louisiana Higher Education

#ElevateLouisiana

Dr. Joseph C. Rallo
Commissioner of Higher Education
The Conference of Louisiana Colleges & Universities



Where we began...

Elevate Louisiana!

Educate & Innovate



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.



BOARD of REGENTS
STATE of LOUISIANA

www.regents.la.gov



Innovate

“Innovate to Build Louisiana’s Economy.”

Invest strategically in research that supports innovation and economic development.

#ElevateLouisiana

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>(\$618,026,878)</i>
<i>*FY 17-18 Scholarships and Fellowships</i>				<i>(\$219,219,708)</i>
<i>Dollars available for operations</i>				<i>\$1,507,299,948</i>
Change in 10 years: \$382M Less for operations				(\$382,698,598)

*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.

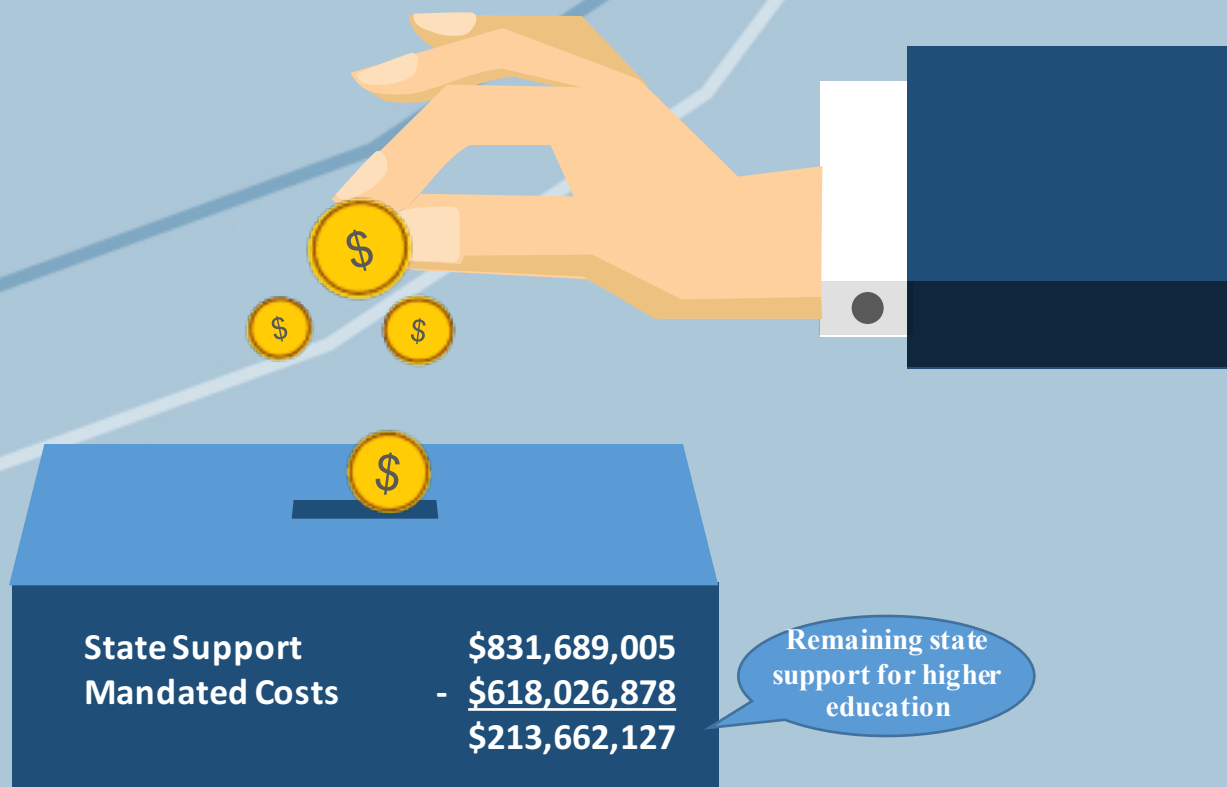
FY 18 Higher Education Mandated Costs	
Teachers Retirement	\$228,608,968
Group Insurance - Actives	\$129,067,308
Group Insurance - Retirees	\$80,871,798
LASERS	\$71,526,143
Office of Risk Management	\$49,873,000
Other Retirement	\$16,918,712
Legislative Auditor	\$5,459,192
FICA/Medicare Tax	\$16,726,809
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.

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



Source: Board of Regents

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

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



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 – responsible for \$5.1 billion in economic impact in Louisiana

(Economics & Policy Research Group, 2018)

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.



Where are we going?

Five Metrics

Indicators of progress toward elevating Louisiana higher education

Readiness

More Louisianans 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

Louisianans will be prepared for life and work.

Social & Economic Impact

Louisiana's communities and economy will benefit.

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 19.5% 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 an average 3.5% prorated cut for institutions under the Higher Ed funding formula.
 - 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.

Questions?



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THANK YOU FOR SUPPORTING LOUISIANA HIGHER EDUCATION

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