

The LSU logo is displayed in a large, bold, purple font. In the background, a faint map of Louisiana is visible, with the state capital building, the Louisiana State Capitol, centered behind the text.

LSU

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.

UNIVERSITY OF
LOUISIANA
SYSTEM

Louisiana Higher Education

#ElevateLouisiana

Dr. Joseph C. Rallo
Commissioner of Higher Education
April 3, 2018

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.

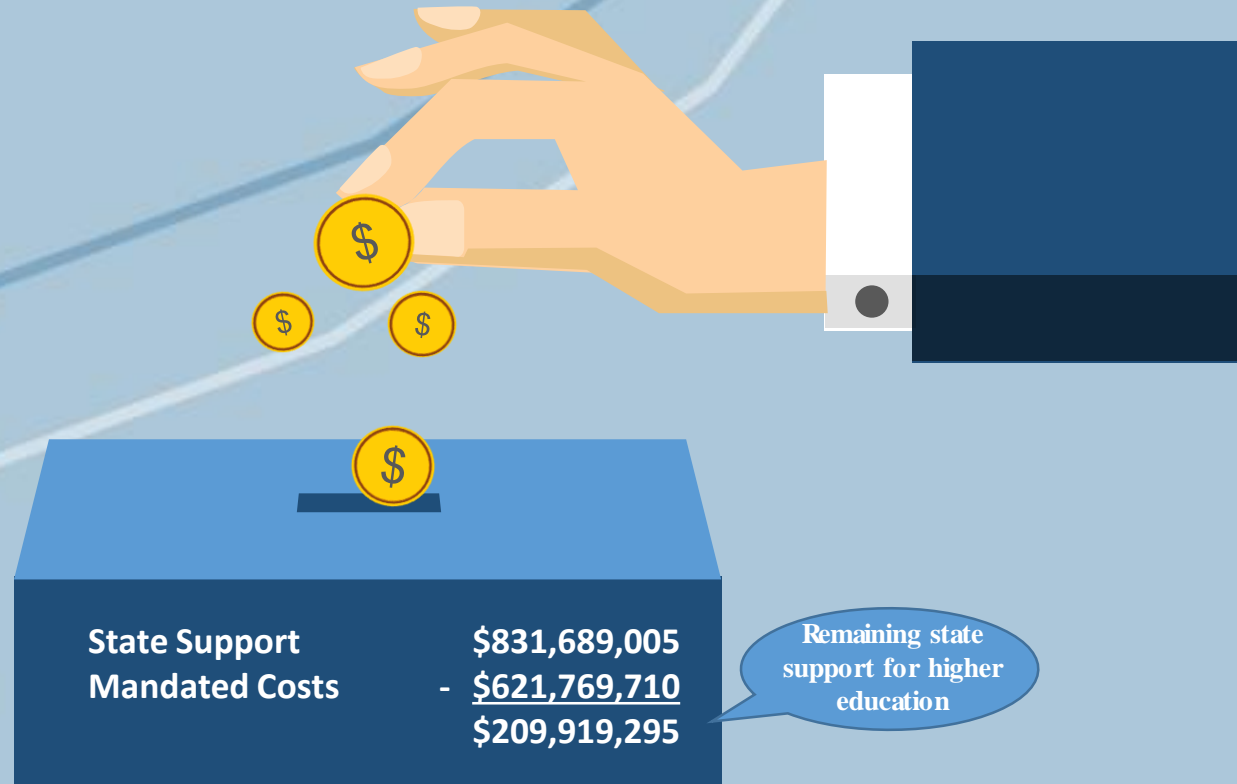
FY 18 Higher Education Mandated Costs	
Teachers Retirement	\$228,608,968
Group Insurance - Actives	\$129,067,308
Group Insurance - Retirees	\$80,871,798
LASERS	\$71,526,143
Office of Risk Management	\$49,873,000
Other Retirement	\$16,918,712
Legislative Auditor	\$5,459,192
FICA/Medicare Tax	\$16,726,809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

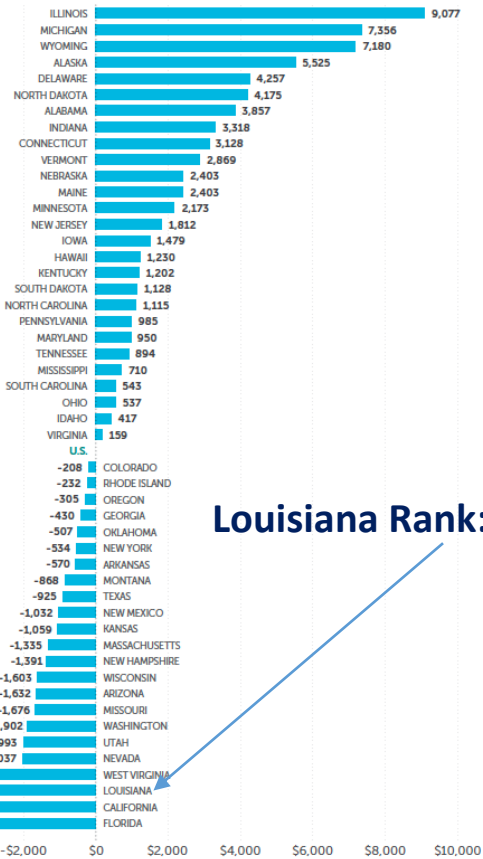
75¢ of every \$1 in state higher education funding goes back to the state for mandated costs



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

How does Louisiana rank nationally?

TOTAL EDUCATIONAL REVENUE PER FTE (ADJUSTED):
DIFFERENCE FROM U.S. AVERAGE, FY 2017



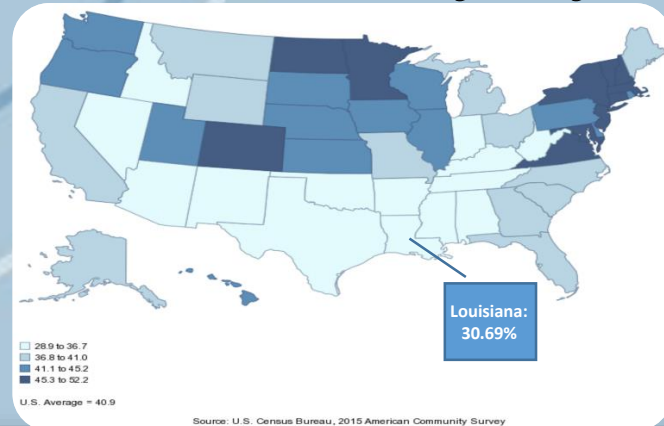
Louisiana Rank: 48th

NOTES: 1. Total Educational Revenue is the sum of educational appropriations and net tuition, excluding net tuition revenue used for capital debt service. 2. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI), Enrollment Mix Index (EMI), and Higher Education Cost Adjustment (HECA). The Cost of Living Index (COLI) is not a measure of inflation over time. 3. For Illinois, a \$1.25 billion back payment in FY 17 to their historically underfunded higher education pension program resulted in past legacy pension funds accounting for 37.8 percent of all educational appropriations. The substantial increase in appropriations per FTE for Illinois between 2016 and 2017 was primarily due to institutions receiving 30 percent of their annual state appropriations (compared to levels in adjacent years).

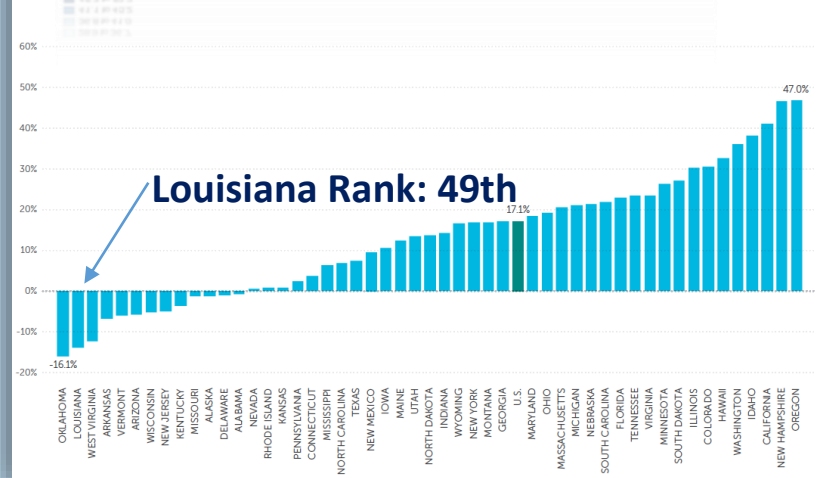
SOURCE: State Higher Education Executive Officers

Note: Rankings includes La. TOPS program data

Louisiana Ranks **49th** Nationally in Educational Attainment
Percent of Adults 25-64 With Associate's Degree or Higher



PUBLIC HIGHER EDUCATION EDUCATIONAL APPROPRIATIONS PER FTE:
PERCENT CHANGE, FY 2012-2017



Louisiana Rank: 49th

NOTES: 1. Educational appropriations are a measure of state and local support available for public higher education operating expenses including ARRA funds, and exclude appropriations for independent institutions, financial aid for students attending independent institutions, research, hospitals, and medical education. 2. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI), Enrollment Mix Index (EMI), and Higher Education Cost Adjustment (HECA). The Cost of Living Index (COLI) is not a measure of inflation over time. 3. For Illinois, a \$1.25 billion back payment in FY 17 to their historically underfunded higher education pension program resulted in past legacy pension funds accounting for 37.8 percent of all educational appropriations. The substantial increase in appropriations per FTE for Illinois between 2016 and 2017 was primarily due to institutions receiving 30 percent of their annual state appropriations (compared to levels in adjacent years).

SOURCE: State Higher Education Executive Officers

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.

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.

Uncertainty has a price.



Uncertainty

?
Enrollment
?

?
Tuition for
Operations
?



Questions?

#ElevateLouisiana

THANK YOU FOR SUPPORTING LOUISIANA HIGHER EDUCATION

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