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**INVESTMENT IN TALENT DEVELOPMENT KEY TO LOUISIANA'S
RECOVERY**
Regents Host Annual Budget Hearings

BATON ROUGE, La. – A strong message of investment in the education and training of our residents as a state strategy to recover from the pandemic and Hurricane Laura was sent by the Louisiana Board of Regents today during its annual budget hearings. Each of the four public systems of higher education had the opportunity to present their budgets to the Board and field questions concerning their fiscal health and operational status throughout the proceedings.

Regents staff reminded the participants that Louisiana is well-versed in navigating disasters and has strong institutional knowledge of recovery strategies. However, looking back to when the state was similarly devastated by two disasters, Hurricanes Katrina and Rita, the fiscal viability of colleges and universities was much stronger in the years following those storms, with 68% of funding coming from state support and just 32% from students and families in tuition/fees. Today, higher education institutions are much more dependent on student enrollment, with close to 70% of their budgets generated from tuition and fee collections, meaning disruptions in enrollment in this time of uncertainty have major budget ramifications and raise significant concerns, as the System Presidents universally shared.

“As we analyze our available resources today, in the middle of two emergencies, COVID and hurricane recovery, higher education is in a much weaker financial state than we were in 2005,” said Commissioner Reed. “The impact of these disasters is much more significant and our recovery is much more dependent on an investment in our state’s people than ever before. The Katrina/Rita

response was to double down on our education investments – bringing higher education funding, faculty pay and teacher pay to the SREB average and prioritizing new state investments in workforce training to support rebuilding efforts, and we learned our lesson. That approach worked to accelerate our recovery then, and now is the time advocate for that model.” Reed said. “Innovative use of the federal CARES Act dollars to address the digital divide and support the retraining of displaced workers, as well as reducing fees to address student affordability are just a couple examples of the targeted approaches being implemented by higher education today,” Reed noted.

Highlights from the four higher education system budget presentations include:

LCTCS:

- Enrollment is projected to be down by approximately 4,800 students*
- LCTCS expects a shortfall of \$8M.
- COVID impacted enrollment/retention among the LCTCS student population, largely working-age adults with an average age of 27, more significantly compared with traditional students right out of high school, due to life disruptions and childcare/schooling needs.
- The Reboot Louisiana short-term training program invests \$10M in CARES Act funding to train as many as 5,000 students in short-term certification programs for high-demand jobs. A future investment of \$30M could ensure more Louisianians become taxpayers who will continue to contribute to the state’s economy long term.

Southern System:

- Enrollment is expected to increase by approximately 4%*
- Auxiliary services and athletic budgets are expected to decline.
- SUBR is addressing the digital divide by providing all first-year students with a university-assigned laptop. The program is expected to continue supporting all incoming freshmen each year.
- All Southern undergraduate-serving institutions (SUBR, SUSLA and SUNO) report adoption of e-Textbooks for all students commencing Fall 2020 with a projected cost savings of 40-50%.

Louisiana State University:

- Enrollment is projected to be up by 1,542; LSU-Shreveport saw an increase of 1,000 students with new graduate enrollment doubling from the prior year, driven by the online MBA program, which includes completely cost-free e-Textbooks.*
- LSU A&M has moved from 9 to 45 fully online programs.
- LSU-Alexandria and LSU-Shreveport have purchased laptops (350) for loan programs for students.
- LSU A&M implemented a 15% tuition and fee exemption discount; LSU-Shreveport reduced fees by 10%.
- LSU-Alexandria reports its financial health remains unstable.

University of Louisiana System:

- System-wide, enrollment is projected to remain stable compared to 2019.
- Continued, robust professional development activities for faculty as well as a student laptop loan programs will allow for increased online courses based on student demand.
- Flat-rate tuition and no fees used for Compete LA students
- Six of nine system institutions sustained damage from Hurricane Laura; 194

buildings

- McNeese repairs estimated at \$100-\$200M

“We have to educate our way out of this,” said Regents Finance Committee Chairman Blake David. “Now is the time to double down on our investment in higher education and I look forward to sharing our strategies with lawmakers and stakeholders across the state,” said David.

Regents will consider its FY 2020-2021 operating budget during its regular meeting tomorrow, September 23, 2020. That action will complete the final step in the FY 2020-2021 budget cycle. Next month Regents will present a full formula funding request.

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*Enrollment numbers represent a snapshot in time and not the official 14th class day campus counts
