



Louisiana Senate Finance Committee



FY2019-2020 Budget

19A – Higher Education

May 2019

Sen. John A. Alario, President
Sen. Eric LaFleur, Chairman



FY20 Proposed Budget

Schedule 19A — Higher Education



Pursuant to Act 314 of 2016, LOSFA and LUMCON are no longer individual budget units and are programs within the Board of Regents (BoR). Other significant BoR funding initiatives included within the Board of Regents budget unit are the Louisiana Optical Network Infrastructure (LONI) and the Louisiana Library Network (LOUIS).



Louisiana Universities Marine Consortium

BOARD of REGENTS
STATE OF LOUISIANA



- Louisiana State University A&M (includes LSU Board of Supervisors & Law Center)
- LSU Alexandria
- LSU Eunice
- LSU Shreveport
- LSU Health Sciences Center at New Orleans
- LSU Health Sciences Center at Shreveport
- LSU Agriculture Center
- Pennington Biomedical Research Center



- Southern University Board of Supervisors
- Southern University A&M
- Southern University Law Center
- Southern University New Orleans
- Southern University Shreveport
- Southern Agriculture Center



- University of LA Board of Supervisors
- Grambling State University
- Louisiana Tech University
- McNeese State University
- Nicholls State University
- Northwestern State University
- Southeastern Louisiana University
- University of Louisiana – Lafayette
- University of Louisiana – Monroe
- University of New Orleans

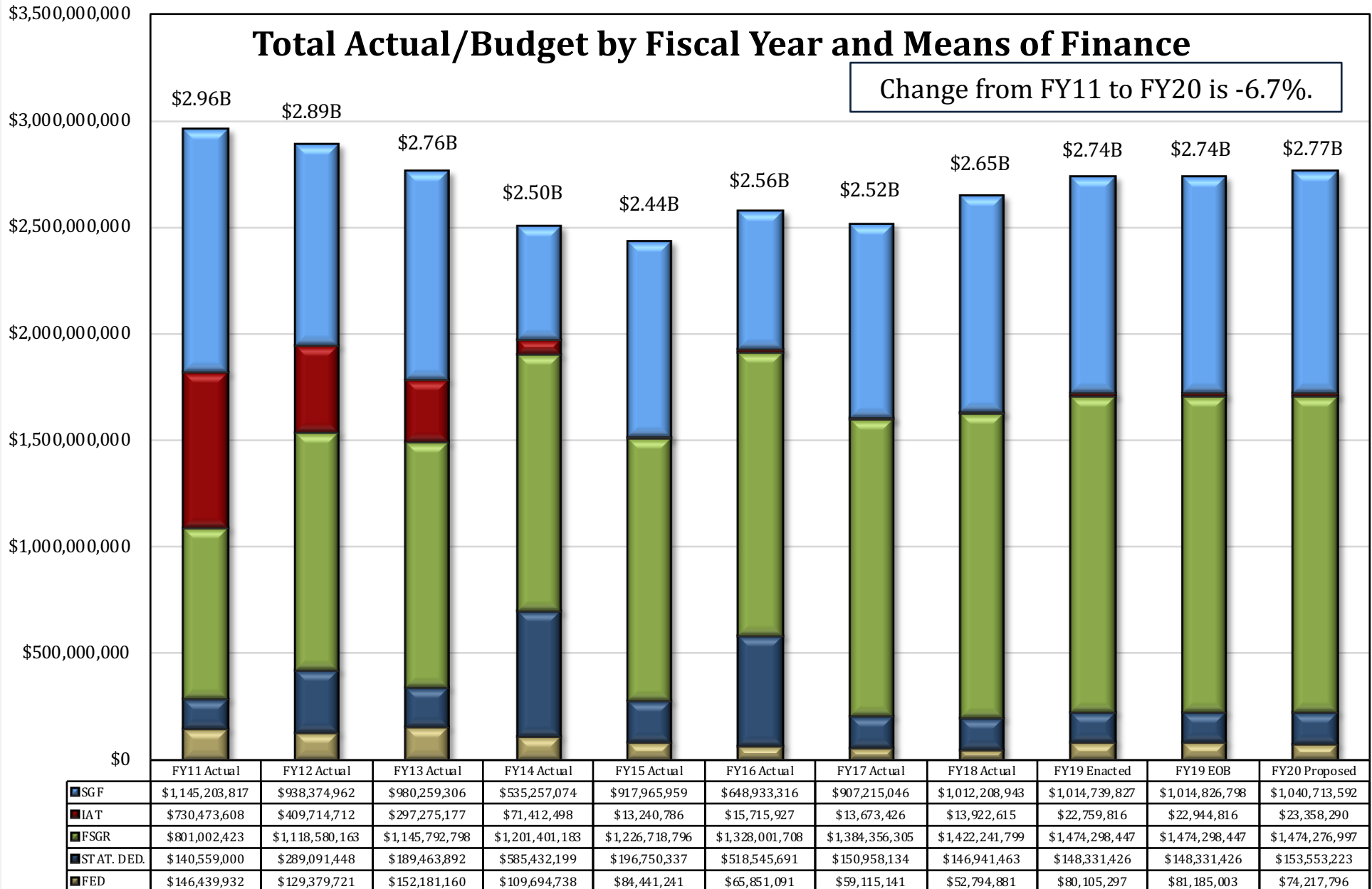


- LCTCS Board of Supervisors
- Baton Rouge Community College
- Bossier Parish Community College
- Central LA Technical Community College
- Delgado Community College
- Fletcher Technical Community College
- LA Delta Community College
- Northwest Technical (LTC)
- Nunez Community College
- Northshore Technical Community College
- River Parishes Community College
- South LA Community College
- SOWELA Technical Community College



Higher Education

Changes in Funding since FY11



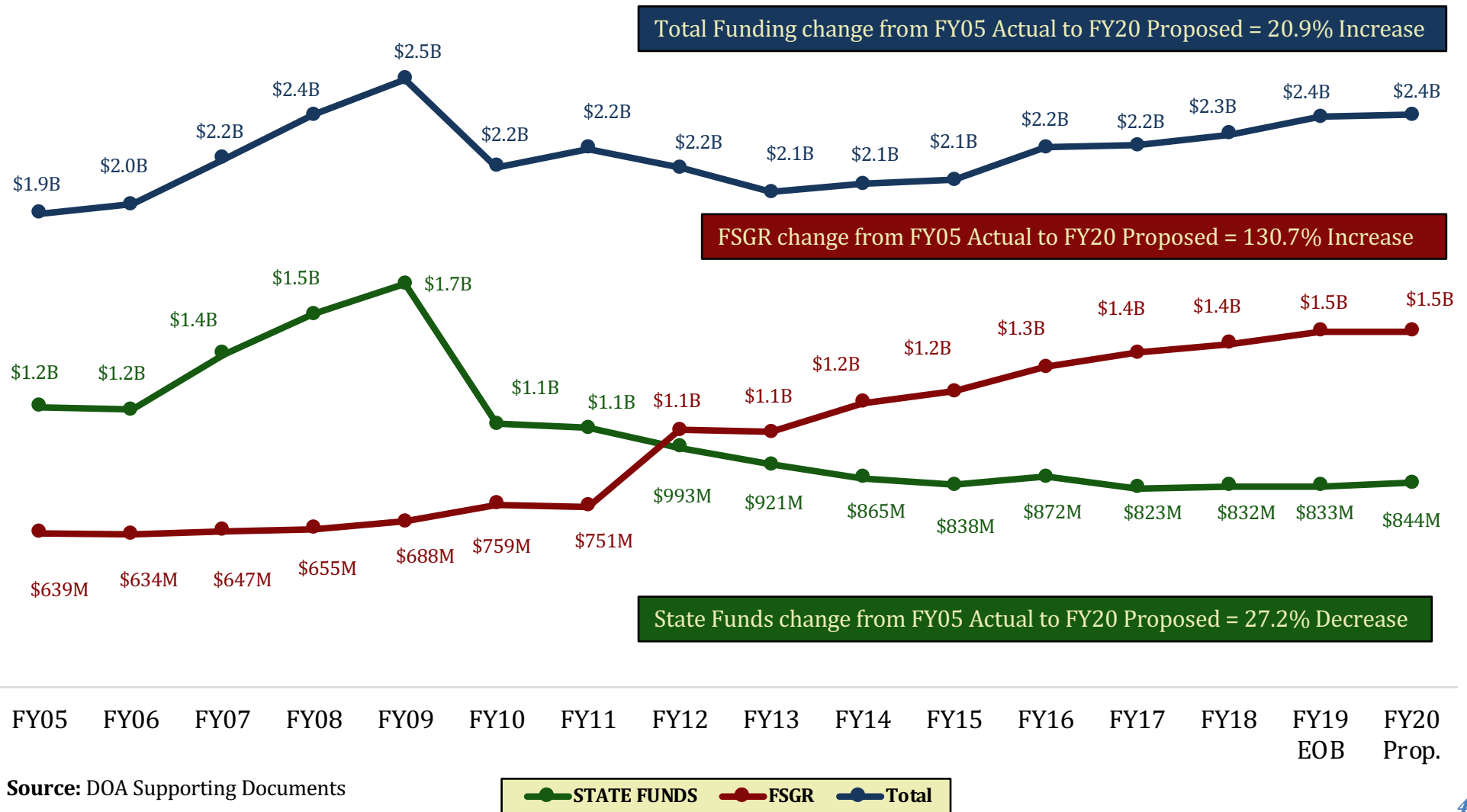


Higher Education Funding

Actuals FY05-FY18, FY19 EOB, FY20 Proposed

Nominal Actuals

Excludes Hospitals & LOSFA Program



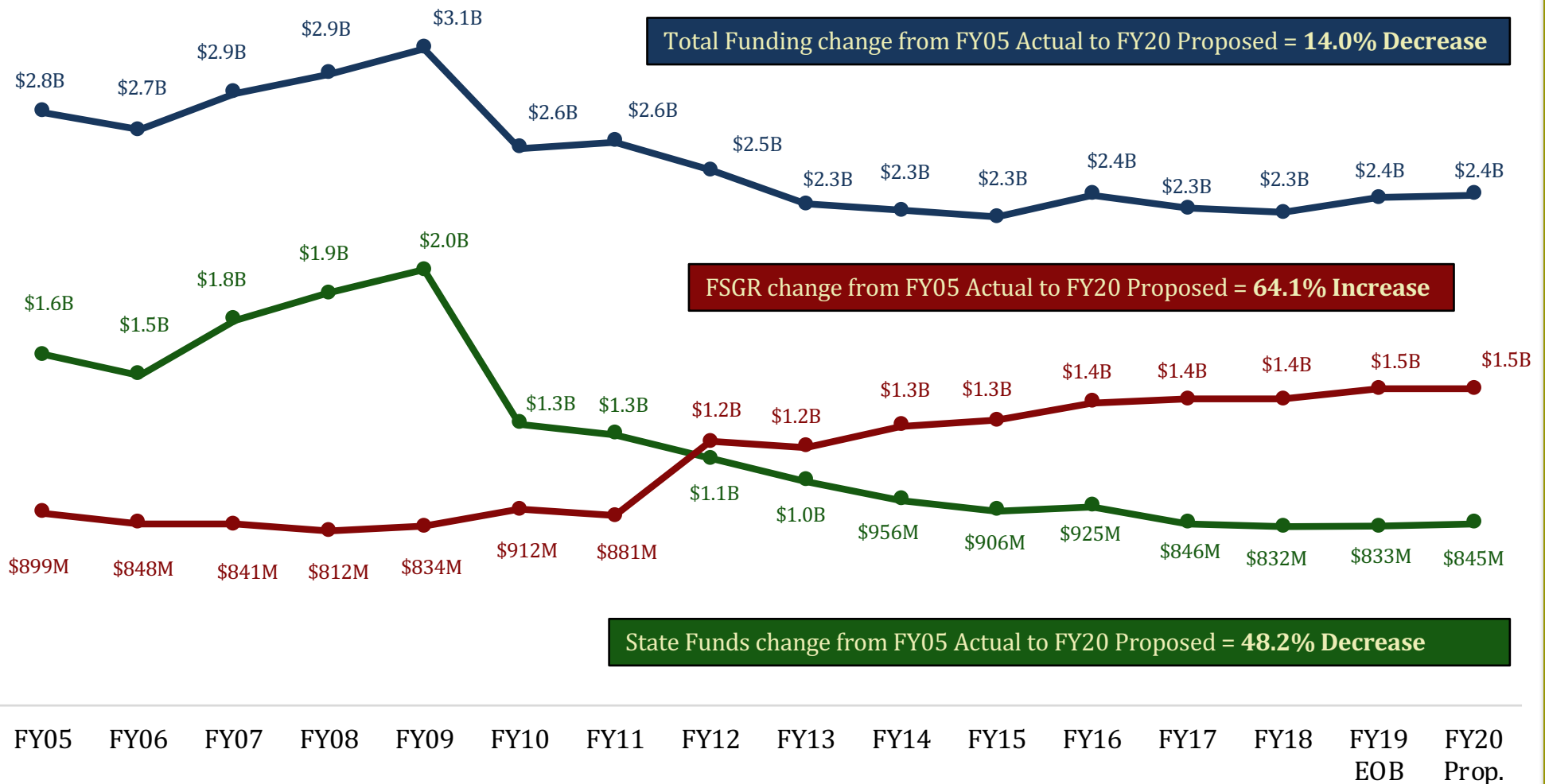
Source: DOA Supporting Documents



Higher Education Funding Actuals FY05-FY18, FY19 EOB, FY20 Proposed

Actuals Adjusted for Inflation* (HEPI) *Excludes Hospitals & LOSFA Program*

*The Commonfund Higher Education Price Index (HEPI) was utilized to calculate.

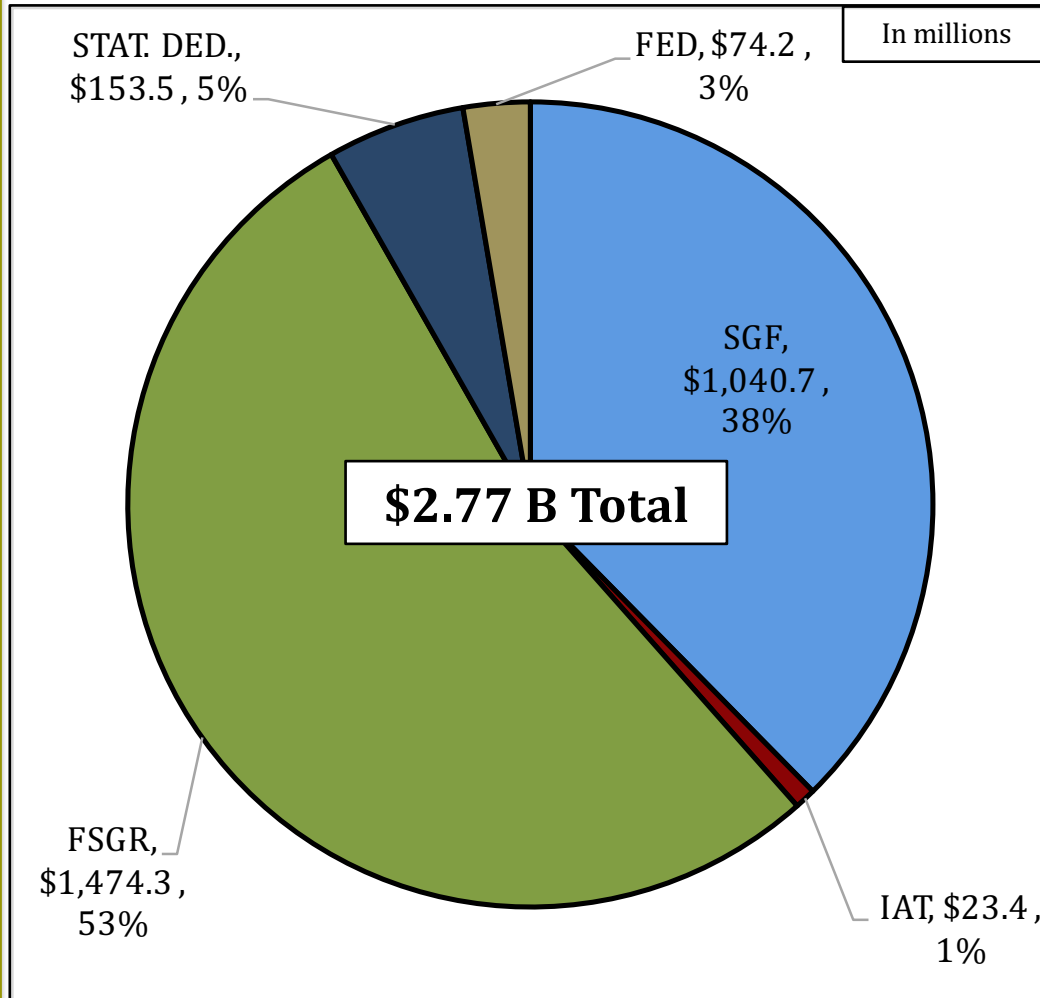


Source: DOA Supporting Documents

● STATE FUNDS ● FSGR ● Total



Higher Education FY20 Proposed Means of Finance



Major Non-SGF Sources of Funding:

Interagency Transfers

- Board of Regents - \$5.3M from DOA/CDBG for WISE Program (*Excess budget authority removed in the House*)
- Board of Regents - \$3.5M from LA Library Consortium (LOUIS) members
- Board of Regents - \$0.4M from LA State Racing Commission
- LSU A&M/SU A&M - \$10.6M from DOE/MFP for the SU Lab School and LSU Lab School
- Nicholls State University - \$0.25M from LED/Coastal for the Coastal Technical Assistance Center

Fees & Self-generated Revenues

- Tuition & Fees - \$1,474.3M at public institutions

Federal

- Federal Family Education Loans Program - \$37.2M for student loan claims payments, account maintenance, default aversion and administrative costs
- LA Gear Up - \$5.1M for Gaining Early Awareness & Readiness for Undergraduate Programs (GEAR UP)
- USDA Grants - \$13M for agricultural extension stations, cooperative extension services and research

Significant Statutory Dedications

- TOPS Fund [C] - \$62.1M for TOPS awards
- SELF Fund [S] - \$43.4M for faculty salaries
- 8G Fund [C] - \$22.2M for research, endowed chairs, scholars and graduate student recruitment
- Workforce Training Rapid Response Fund [S] - \$10M



FY20 Continuation, Standstill and Proposed Budgets

Higher Education	FY19 EOB	FY20 Proposed Budget	FY20 Continuation Budget	FY20 Standstill Budget	DIFFERENCE					
					CONTINUATION OVER/(UNDER) FY19 EOB	STANDSTILL OVER/(UNDER) FY19 EOB	CONTINUATION OVER/(UNDER) STANDSTILL	PROPOSED OVER/(UNDER) CONTINUATION	PROPOSED OVER/(UNDER) STANDSTILL	PROPOSED OVER/(UNDER) FY19 EOB
STATE GENERAL FUND	\$1,014,826,798	\$1,040,713,592	\$1,053,583,911	\$1,037,862,027	\$38,757,113	\$23,035,229	\$15,721,884	(\$12,870,319)	\$2,851,565	\$25,886,794

Continuation Budget, Standstill Budget, and Proposed Budget

The differences between the FY20 Proposed Budget, the FY20 Continuation Budget and the FY20 Standstill Budget results from variations to both statewide and agency-specific adjustments. The major variances in Higher Education are as follows:

- Approximately \$17.1M of statewide adjustments (higher education mandated costs) are included in the FY20 Continuation Budget and not in the FY20 Proposed Budget.
- A means of finance substitution relative to the TOPS Fund originally required \$12,924 SGF in the FY20 Continuation Budget. However, in the FY20 Proposed Budget this means of finance substitution was updated as a reduction of SGF in the amount of \$4,181,929 due to the DOA using the proposed DOA REC forecast for the TOPS Fund (February 2019 DOA proposed forecast – not adopted by the REC). *Note: HB105 ReEngrossed provides SGF adjustments to reflect the April adopted REC forecast for the TOPS Fund.*
- There are Higher Education enhancements in the total approximate amount of \$8.5M SGF provided in the FY20 Proposed Budget and not in the FY20 Continuation Budget. The SGF enhancements included in the FY20 Proposed Budget and not the FY20 Continuation Budget are as follows: \$1.0M – LSU Ag Center, \$1.0M – Pennington Biomedical, \$0.3M – SU Ag Center, \$6.2M – increase for higher education. The Board of Regents has not determined the distribution of the \$6.2M of additional SGF.



Total Funding – All Means of Finance FY18, FY19, and FY20 Proposed Budget Comparison

Total Funding — All Means of Finance

Total Funding	FY18 Actual	FY19 EOB as of 12-1-2018	FY20 Proposed	FY20 Recommended Over/(Under) FY19 EOB
Board of Regents	\$413,610,951	\$456,236,197	\$1,207,467,543	\$751,231,346
LSU System	\$946,267,832	\$964,417,479	\$612,848,790	(\$351,568,689)
SU System	\$140,308,239	\$143,447,234	\$100,311,295	(\$43,135,939)
UL System	\$858,263,552	\$873,158,296	\$658,725,477	(\$214,432,819)
LCTCS	\$289,659,127	\$304,327,284	\$186,766,793	(\$117,560,491)
TOTAL	\$2,648,109,701	\$2,741,586,490	\$2,766,119,898	\$24,533,408

TOTAL MOF NET Adjustments to Higher Education	
Additional SGF for Higher Education (Allocation TBD in June 2019)	\$6,200,728
TOPS SGF	\$13,534,755
Pennington Biomedical SGF - Recruitment of faculty/researchers	\$1,000,000
LSU Agriculture Center SGF	\$1,000,000
SU Agriculture Center SGF	\$300,000
LSU Health Sciences New Orleans SGF - Lease with Cancer Research Center	\$2,187,129
Various net Dedicated Fund adjustments to balance to proposed forecast	\$1,039,868
Nicholls State University IAT from LED - Coastal Technical Assistance Center	\$250,000
LSU Lab School/SU Lab School IAT from MFP	\$171,624
LOSFA Program - LA Gear Program - Federal Authority	\$45,581
Non-recur Carryforward BA-7	(\$1,166,677)
Board of Regents IAT from LA State Racing Commission	(\$8,150)
LOSFA Program Donations - FSGR	(\$21,450)
FY20 PROPOSED TOTAL MOF NET INCREASE	\$24,533,408



Higher Education FY20 Proposed Budget – SGF Adjustments

	SGF EOB, 12-1-2018	Non-Recur BoR CF BA-7	LOSFA MOF Swap - TOPS Fund	LOSFA MOF Swap - Federal Student Loan Reserve	TOPS	Pennington Biomedical	LSU Ag Center	LSU HSC- New Orleans	SU Ag Center	Higher Education Funding Formula	ROLL UP to BoR	FY 20 Proposed Budget
Board of Regents (BoR)	\$13,158,977	(\$86,971)	(\$4,181,929)	\$0	\$0	\$0	\$0	\$0	\$0	\$6,200,728	\$1,025,622,787	\$1,040,713,592
LOSFA Program (BoR)	\$271,730,499	\$0	\$0	\$5,933,082	\$13,534,755	\$0	\$0	\$0	\$0	\$0	(\$291,198,336)	\$0
LUMCON Program (BoR)	\$2,277,892	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,277,892)	\$0
LCTCS	\$117,793,071	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$117,793,071)	\$0
LSU System	\$351,477,172	\$0	\$0	\$0	\$0	\$1,000,000	\$1,000,000	\$2,187,129	\$0	\$0	(\$355,664,301)	\$0
SU System	\$43,166,221	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$300,000	\$0	(\$43,466,221)	\$0
UL System	\$215,222,966	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$215,222,966)	\$0
TOTAL SGF	\$1,014,826,798	(\$86,971)	(\$4,181,929)	\$5,933,082	\$13,534,755	\$1,000,000	\$1,000,000	\$2,187,129	\$300,000	\$6,200,728	\$0	\$1,040,713,592

Pursuant to language contained in the Higher Education preamble of the appropriations bill, for purposes of developing the FY20 Proposed Budget the Division of Administration (DOA) transfers all SGF from the institutions and management boards to the Board of Regents to be distributed at a later date. This approach began during the FY10 budget development process (2009 Regular Legislative Session).

The Board of Regents does not spread the SGF to the institutions until the 2-year/4-year Higher Education Funding Formula is **calculated, finalized and distribution decisions are made by the Board**, which will likely occur in June 2019.

NOTE: Pursuant to Article VIII, Section 12 and prior to the FY10 budget development process, the SGF was allocated to the higher education management boards in the Executive Budget as well as in the appropriations bill. Article VIII, Section 12 states: *Appropriations for the institutions of higher education shall be made to their managing boards. The funds appropriated shall be administered by the managing boards and used solely as provided by law.*

NOTE: Pursuant to Act 454 of 2014, each management board may redirect an amount not to exceed 5% of the allocation specified by the formula for each institution under its control to address specific issues that might arise during the budget allocation process.



Higher Education Preamble Significant Items

Higher Education Preamble (Page 108, Line 10 of HB 105 ReEngrossed)

- The preamble acknowledges the Board of Regents' constitutional authority (Article VIII, Section 5) to formulate and revise a master plan for higher education including a *"formula for the equitable distribution of funds to the institutions of postsecondary education pursuant to Article VIII, Section 5(D)(4)"* (Page 108, lines 12 – 28)
- Although in HB105 all the SGF (Direct) is currently allocated to the Board of Regents and not distributed to the management boards or institutions, higher education preamble language provides authority that stipulates that appropriations contained in the Higher Education schedule shall be deemed to be appropriated to the management boards. The preamble language reads that the appropriations from the State General Fund (Direct) *"are and shall be deemed to be appropriated to the Board of Supervisors for the University of Louisiana System, the Board of Supervisors of the Louisiana State University and Agricultural and Mechanical College, the Board of Supervisors of Southern University and Agricultural and Mechanical College, the Board of Supervisors of Community and Technical Colleges, their respective institutions, the Louisiana Universities Marine Consortium Programs and the Office of Student Financial Assistance Program within the Board of Regents and in the amounts and for the purposes as specified in a plan and formula for the distribution of said funds as approved by the Board of Regents"* (Page 108, lines 17 – 28)
- *"The plan and formula distribution shall be implemented by the Division of Administration"* (Page 108, lines 25 – 26)



Adopted House Amendments to HB 105

Difference between the Governor's Proposed Budget and House Bill No. 105 by Rep. Henry

For Higher Education, the differences between the FY20 budget proposed by the governor and the amount contained in HB 105 Original is approximately \$25.9M SGF reduction. The changes adopted by the House to HB105 are listed below by MOF.

House Amendments to HB105

HB 105	State General Fund	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal	TOTAL
Original	\$1,014,826,798	\$23,358,290	\$1,474,276,997	\$153,553,223	\$74,217,796	\$2,740,233,104
Appropriations Amendments:	State General Fund	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal	TOTAL
Regents: Non-Recurring SGF Carry Forward BA-7 (Regents)	(\$86,971)	\$0	\$0	\$0	\$0	(\$86,971)
Regents: SGF for public institutions - included in the FY20 Proposed Budget	\$6,200,728	\$0	\$0	\$0	\$0	\$6,200,728
Regents: Louisiana Cybersecurity Talent Initiative Fund - HB 511 of 2019 (SGF is deposited into the anticipated created fund in 20-XXX section of HB105).	\$0	\$0	\$0	\$1,000,000	\$0	\$1,000,000
Regents: IAT excess authority elimination	\$0	(\$5,378,522)	\$0	\$0	\$0	(\$5,378,522)
LOSFA Program: Federal excess authority elimination	\$0	\$0	\$0	\$0	(\$4,000,000)	(\$4,000,000)
LOSFA Program: SGF need for LOSFA Admin Activity (SGF portion of a Federal MOF swap - included in FY20 Proposed)	\$5,933,082	\$0	\$0	\$0	\$0	\$5,933,082
TOPS: SGF originally provided in FY20 Proposed	\$9,352,826	\$0	\$0	\$0	\$0	\$9,352,826
TOPS: Additional SGF needed due to increased TOPS projections	\$2,935,813	\$0	\$0	\$0	\$0	\$2,935,813
TOPS: TOPS Fund MOF Swap due to updated adopted projection	\$2,899,542	\$0	\$0	(\$2,899,542)	\$0	\$0



Adopted House Amendments to HB 105

Continued from the previous slide

HB 105	State General Fund	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal	TOTAL
LSU System: Tobacco Tax Health Care Fund updated adopted forecast	\$0	\$0	\$0	\$325,012	\$0	<i>\$325,012</i>
LSU System: Fireman's Training Fund updated adopted forecast	\$0	\$0	\$0	(\$77,364)	\$0	<i>(\$77,364)</i>
LSU System: Various increases in FSGR due to enrollment	\$0	\$0	\$23,017,982	\$0	\$0	<i>\$23,017,982</i>
LSU System: Additional \$200 teacher pay raise and an additional \$100 pay raise for non-certificated personnel at the LSU Lab School	\$0	\$28,269	\$0	\$0	\$0	<i>\$28,269</i>
LSU Health Sciences Center New Orleans: Master Lease agreement - included in the FY20 Proposed Budget	\$2,187,129	\$0	\$0	\$0	\$0	<i>\$2,187,129</i>
LSU Pennington Biomedical: included in the FY20 Proposed Budget	\$1,000,000	\$0	\$0	\$0	\$0	<i>\$1,000,000</i>
LSU Agriculture Center: included in the FY20 Proposed Budget	\$1,000,000	\$0	\$0	\$0	\$0	<i>\$1,000,000</i>
LSU Agriculture Center: additional funding provided above FY20 Proposed Budget amount	\$2,000,000	\$0	\$0	\$0	\$0	<i>\$2,000,000</i>



Adopted House Amendments to HB 105

Continued from the previous slide

HB 105	State General Fund	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal	TOTAL
SU System: Various increases in FSGR due to enrollment	\$0	\$0	\$15,815,062	\$0	\$0	\$15,815,062
SU System: Additional \$200 teacher pay raise and an additional \$100 pay raise for non-certified personnel at the SU Lab School.	\$0	\$6,057	\$0	\$0	\$0	\$6,057
SU Agriculture Center: balances with FY20 Proposed Budget	\$300,000	\$0	\$0	\$0	\$0	\$300,000
UL System: Calcasieu Parish Fund updated adopted forecast	\$0	\$0	\$0	(\$9,133)	\$0	(\$9,133)
UL System: Various increases in FSGR due to enrollment	\$0	\$0	\$29,500,000	\$0	\$0	\$29,500,000
University of Louisiana-Monroe: College of Pharmacy	\$3,000,000	\$0	\$0	\$0	\$0	\$3,000,000
LCTCS: Decrease in FSGR	\$0	\$0	(\$2,370,000)	\$0	\$0	(\$2,370,000)
LCTCS: Calcasieu Parish Fund updated adopted forecast	\$0	\$0	\$0	(\$3,044)	\$0	(\$3,044)
LCTCS: Orleans Parish Excellence Fund updated adopted forecast	\$0	\$0	\$0	(\$15,536)	\$0	(\$15,536)
LCTCS: Various increase in FSGR due to enrollment	\$0	\$0	\$4,450,000	\$0	\$0	\$4,450,000
Engrossed	\$1,051,548,947	\$18,014,094	\$1,544,690,041	\$151,873,616	\$70,217,796	\$2,836,344,494



Adopted House Amendments to HB 105

Continued from the previous slide

House Floor Amendments:	State General Fund	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal	TOTAL
Regents: Jobs Now Fund (Fund created via 619 of 2018 & SGF is deposited into this fund in HB286 - Funds Bill)	\$0	\$0	\$0	\$1,000,000	\$0	\$1,000,000
Re-engrossed	\$1,051,548,947	\$18,014,094	\$1,544,690,041	\$152,873,616	\$70,217,796	\$2,837,344,494
Difference HB105 Original to HB105 ReEngrossed	\$36,722,149	(\$5,344,196)	\$70,413,044	(\$679,607)	(\$4,000,000)	\$97,111,390
FY20 Proposed	\$1,040,713,592	\$23,358,290	\$1,474,276,997	\$153,553,223	\$74,217,796	\$2,766,119,898
Difference HB105 Original to FY20 Proposed	(\$25,886,794)	\$0	\$0	\$0	\$0	(\$25,886,794)
Difference HB105 ReEngrossed to FY20 Proposed	\$10,835,355	(\$5,344,196)	\$70,413,044	(\$679,607)	(\$4,000,000)	\$71,224,596



Higher Education FY20 State General Fund Comparison



BOARD of REGENTS
STATE OF LOUISIANA



System	Institution Name	FY19 EOB	FY20 PROPOSED	HB 105 ORIG	HB 105 ENG	HB 105 ReEng	HB105 REENG OVER/(UNDER) HB105 ORIG	HB 105 REENG OVER/(UNDER) FY20 PROPOSED	HB 105 REENG OVER/(UNDER) FY19 EOB
BOR	Board of Regents	\$13,158,977	\$1,040,713,592	\$1,014,826,798	\$753,969,514	\$753,969,514	(\$260,857,284)	(\$286,744,078)	\$740,810,537
	LOSFA Admin	\$4,759,458			\$5,933,082	\$5,933,082	\$5,933,082	\$5,933,082	\$1,173,624
	TOPS	\$236,641,933			\$251,830,114	\$251,830,114	\$251,830,114	\$251,830,114	\$15,188,181
	Go Grants	\$28,429,108			\$28,429,108	\$28,429,108	\$28,429,108	\$28,429,108	\$0
	START	\$1,900,000			\$1,900,000	\$1,900,000	\$1,900,000	\$1,900,000	\$0
	LUMCON	\$2,277,892					\$0	\$0	(\$2,277,892)
	Auxiliary	\$0					\$0	\$0	\$0
BoR Total		\$287,167,368	\$1,040,713,592	\$1,014,826,798	\$1,042,061,818	\$1,042,061,818	\$27,235,020	\$1,348,226	\$754,894,450
LCTC SYS	Baton Rouge CC	\$14,226,583					\$0	\$0	(\$14,226,583)
	Bossier Parish CC	\$11,146,011					\$0	\$0	(\$11,146,011)
	Central LA Tech. CC	\$5,283,485					\$0	\$0	(\$5,283,485)
	Delgado CC	\$25,445,776					\$0	\$0	(\$25,445,776)
	L.E. Fletcher Tech. CC	\$4,316,670					\$0	\$0	(\$4,316,670)
	LCTC BOS	\$7,099,163					\$0	\$0	(\$7,099,163)
	LCTCS Online	\$1,286,145					\$0	\$0	(\$1,286,145)
	Louisiana Delta CC	\$7,266,592					\$0	\$0	(\$7,266,592)
	Louisiana Tech. College	\$3,824,986					\$0	\$0	(\$3,824,986)
	Nunez CC	\$3,906,985					\$0	\$0	(\$3,906,985)
	Northshore Tech. CC	\$5,866,707					\$0	\$0	(\$5,866,707)
	River Parishes CC	\$5,243,285					\$0	\$0	(\$5,243,285)
	South Louisiana CC	\$14,183,422					\$0	\$0	(\$14,183,422)
	Sowela Technical CC	\$8,697,261					\$0	\$0	(\$8,697,261)
LCTC SYS Total		\$117,793,071	\$0	\$0	\$0	\$0	\$0	\$0	(\$117,793,071)
LSU SYS	LSU Ag Center	\$67,696,729			\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	(\$64,696,729)
	LSU Alexandria	\$4,962,613					\$0	\$0	(\$4,962,613)
	LSU A&M	\$115,801,563					\$0	\$0	(\$115,801,563)
	LSU Eunice	\$4,722,805					\$0	\$0	(\$4,722,805)
	LSU HSC - NO	\$75,847,984			\$2,187,129	\$2,187,129	\$2,187,129	\$2,187,129	(\$73,660,855)
	LSU HSC - S	\$58,202,700					\$0	\$0	(\$58,202,700)
	LSU Shreveport	\$8,060,119					\$0	\$0	(\$8,060,119)
	Pennington	\$16,182,659			\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	(\$15,182,659)
LSU SYS Total		\$351,477,172	\$0	\$0	\$6,187,129	\$6,187,129	\$6,187,129	\$6,187,129	(\$345,290,043)
SU SYS	Southern Ag. Ctr.	\$3,448,222			\$300,000	\$300,000	\$300,000	\$300,000	(\$3,148,222)
	Southern BR A&M	\$18,254,465					\$0	\$0	(\$18,254,465)
	Southern Law	\$4,016,328					\$0	\$0	(\$4,016,328)
	Southern N.O.	\$8,891,959					\$0	\$0	(\$8,891,959)
	Southern S'port	\$5,396,063					\$0	\$0	(\$5,396,063)
	SU BOS	\$3,159,184					\$0	\$0	(\$3,159,184)
SU SYS Total		\$43,166,221	\$0	\$0	\$300,000	\$300,000	\$300,000	\$300,000	(\$42,866,221)
UL SYS	Grambling State	\$13,654,237					\$0	\$0	(\$13,654,237)
	Louisiana Tech	\$27,167,396					\$0	\$0	(\$27,167,396)
	McNeese State	\$16,627,553					\$0	\$0	(\$16,627,553)
	Nicholls State	\$13,818,395					\$0	\$0	(\$13,818,395)
	Northwestern State	\$20,194,770					\$0	\$0	(\$20,194,770)
	Southeastern La	\$27,150,053					\$0	\$0	(\$27,150,053)
	UL BOS	\$1,025,487					\$0	\$0	(\$1,025,487)
	Univ. of La - Lafayette	\$45,619,806					\$0	\$0	(\$45,619,806)
	Univ. of La - Monroe	\$24,316,359			\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	(\$21,316,359)
	Univ. of New Orleans	\$25,648,910					\$0	\$0	(\$25,648,910)
UL SYS Total		\$215,222,966	\$0	\$0	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	(\$212,222,966)
Grand Total		\$1,014,826,798	\$1,040,713,592	\$1,014,826,798	\$1,051,548,947	\$1,051,548,947	\$36,722,149	\$10,835,355	\$36,722,149

Every means of finance is allocated in the FY20 budget to each higher education budget except the SGF. The SGF is allocated to the Board of Regents for distribution in June. The SGF distributed by the Board of Regents will be reflected in the FY20 Appropriations Letters.



Higher Education FY20 Proposed Budget



BOARD of REGENTS
STATE OF LOUISIANA



LSU



UNIVERSITY OF
LOUISIANA
SYSTEM

FY20 PROPOSED	SGF	IAT	FSGR	Dedications	Federal	TOTAL
Board of Regents (BoR)	\$1,040,713,592	\$11,159,738	\$2,730,299	\$22,772,000	\$12,172,314	\$1,089,547,943
LOSFA	\$0	\$670,998	\$0	\$260,000	\$41,338,331	\$42,269,329
TOPS - LOSFA	\$0	\$0	\$0	\$62,101,968	\$0	\$62,101,968
GO Grants - LOSFA	\$0	\$0	\$0	\$0	\$0	\$0
START enhancement - LOSFA	\$0	\$0	\$0	\$0	\$0	\$0
LUMCON	\$0	\$375,000	\$6,070,000	\$38,636	\$2,934,667	\$9,418,303
LUMCON - Aux	\$0	\$0	\$3,030,000	\$0	\$1,100,000	\$4,130,000
Baton Rouge CC	\$0	\$0	\$22,900,000	\$745,816	\$0	\$23,645,816
Bossier Parish CC	\$0	\$0	\$23,000,000	\$378,322	\$0	\$23,378,322
Central LA Tech. CC	\$0	\$0	\$4,750,000	\$337,807	\$0	\$5,087,807
Delgado CC	\$0	\$0	\$50,870,000	\$1,636,970	\$0	\$52,506,970
L.E. Fletcher Tech. CC	\$0	\$0	\$6,500,000	\$130,727	\$0	\$6,630,727
LCTCS BOS	\$0	\$0	\$0	\$10,000,000	\$0	\$10,000,000
LCTCS Online	\$0	\$0	\$0	\$0	\$0	\$0
Louisiana Delta CC	\$0	\$0	\$9,970,000	\$402,157	\$0	\$10,372,157
Northwest Technical (LTC)	\$0	\$0	\$2,730,000	\$456,128	\$0	\$3,186,128
Nunez CC	\$0	\$0	\$6,100,000	\$145,966	\$0	\$6,245,966
Northshore Tech. CC	\$0	\$0	\$8,900,000	\$223,816	\$0	\$9,123,816
River Parishes CC	\$0	\$0	\$7,000,000	\$137,730	\$0	\$7,137,730
South Louisiana CC	\$0	\$0	\$18,250,000	\$651,561	\$0	\$18,901,561
Sowela Technical CC	\$0	\$0	\$9,600,000	\$949,793	\$0	\$10,549,793
LSU Ag Center	\$0	\$0	\$6,807,967	\$4,149,824	\$13,018,275	\$23,976,066
LSU Alexandria	\$0	\$0	\$16,391,127	\$267,407	\$0	\$16,658,534
LSU A&M	\$0	\$7,614,116	\$413,816,716	\$13,030,912	\$0	\$434,461,744
LSU Eunice	\$0	\$0	\$9,328,383	\$248,891	\$0	\$9,577,274
LSU HSC - NO	\$0	\$0	\$60,996,024	\$4,116,350	\$0	\$65,112,374
LSU HSC - S	\$0	\$0	\$21,409,079	\$7,090,507	\$0	\$28,499,586
LSU Shreveport	\$0	\$0	\$32,994,397	\$629,390	\$0	\$33,623,787
Pennington Biomedical	\$0	\$0	\$845,561	\$93,864	\$0	\$939,425
Southern Ag. Ctr.	\$0	\$0	\$0	\$1,805,414	\$3,654,209	\$5,459,623
Southern BR A&M	\$0	\$3,028,515	\$55,248,353	\$1,849,219	\$0	\$60,126,087
Southern Law	\$0	\$0	\$9,997,275	\$201,881	\$0	\$10,199,156
Southern N.O.	\$0	\$0	\$14,199,833	\$578,577	\$0	\$14,778,410
Southern S'port	\$0	\$0	\$9,558,838	\$189,181	\$0	\$9,748,019
SU BOS	\$0	\$0	\$0	\$0	\$0	\$0
Grambling State	\$0	\$0	\$32,970,043	\$1,040,456	\$0	\$34,010,499
Louisiana Tech	\$0	\$0	\$103,355,648	\$1,969,279	\$0	\$105,324,927
McNeese State	\$0	\$0	\$48,889,120	\$3,362,814	\$0	\$52,251,934
Nicholls State	\$0	\$250,000	\$41,817,731	\$1,115,040	\$0	\$43,182,771
Northwestern State	\$0	\$74,923	\$57,551,127	\$1,300,807	\$0	\$58,926,857
Southeastern La	\$0	\$0	\$90,372,099	\$2,061,293	\$0	\$92,433,392
UL BOS	\$0	\$0	\$2,414,000	\$0	\$0	\$2,414,000
Univ. of La - Lafayette	\$0	\$185,000	\$126,939,525	\$2,655,243	\$0	\$129,779,768
Univ. of La - Monroe	\$0	\$0	\$66,227,710	\$1,879,249	\$0	\$68,106,959
Univ. of New Orleans	\$0	\$0	\$69,746,142	\$2,548,228	\$0	\$72,294,370
TOTAL	\$1,040,713,592	\$23,358,290	\$1,474,276,997	\$153,553,223	\$74,217,796	\$2,766,119,898



Higher Education FY20 Budget HB105 ReEngrossed Non-SGF MOF



BOARD of REGENTS
STATE OF LOUISIANA



LSU



FY20 PROPOSED	IAT	FSGR	Dedications	Federal	TOTAL
Board of Regents (BoR)	\$5,781,216	\$2,730,299	\$24,772,000	\$12,172,314	\$45,455,829
LOSFA	\$670,998	\$0	\$260,000	\$37,338,331	\$38,269,329
TOPS - LOSFA	\$0	\$0	\$59,202,426	\$0	\$59,202,426
GO Grants - LOSFA	\$0	\$0	\$0	\$0	\$0
START enhancement - LOSFA	\$0	\$0	\$0	\$0	\$0
LUMCON	\$375,000	\$6,070,000	\$38,636	\$2,934,667	\$9,418,303
LUMCON - Aux	\$0	\$3,030,000	\$0	\$1,100,000	\$4,130,000
Baton Rouge CC	\$0	\$22,900,000	\$745,816	\$0	\$23,645,816
Bossier Parish CC	\$0	\$21,500,000	\$378,322	\$0	\$21,878,322
Central LA Tech. CC	\$0	\$4,750,000	\$337,807	\$0	\$5,087,807
Delgado CC	\$0	\$50,000,000	\$1,621,434	\$0	\$51,621,434
L.E. Fletcher Tech. CC	\$0	\$6,905,000	\$130,727	\$0	\$7,035,727
LCTCS BOS	\$0	\$0	\$10,000,000	\$0	\$10,000,000
LCTCS Online	\$0	\$0	\$0	\$0	\$0
Louisiana Delta CC	\$0	\$10,370,000	\$402,157	\$0	\$10,772,157
Northwest Technical (LTC)	\$0	\$3,330,000	\$456,128	\$0	\$3,786,128
Nunez CC	\$0	\$6,200,000	\$145,966	\$0	\$6,345,966
Northshore Tech. CC	\$0	\$9,790,000	\$223,816	\$0	\$10,013,816
River Parishes CC	\$0	\$8,755,000	\$137,730	\$0	\$8,892,730
South Louisiana CC	\$0	\$18,250,000	\$651,561	\$0	\$18,901,561
Sowela Technical CC	\$0	\$9,900,000	\$946,749	\$0	\$10,846,749
LSU Ag Center	\$0	\$6,807,967	\$4,259,625	\$13,018,275	\$24,085,867
LSU Alexandria	\$0	\$16,641,127	\$267,407	\$0	\$16,908,534
LSU A&M	\$7,642,385	\$425,616,716	\$12,953,548	\$0	\$446,212,649
LSU Eunice	\$0	\$10,628,383	\$248,891	\$0	\$10,877,274
LSU HSC - NO	\$0	\$65,414,006	\$4,116,350	\$0	\$69,530,356
LSU HSC - S	\$0	\$21,659,079	\$7,305,718	\$0	\$28,964,797
LSU Shreveport	\$0	\$37,994,397	\$629,390	\$0	\$38,623,787
Pennington Biomedical	\$0	\$845,561	\$93,864	\$0	\$939,425
Southern Ag. Ctr.	\$0	\$0	\$1,805,414	\$3,654,209	\$5,459,623
Southern BR A&M	\$3,034,572	\$65,424,557	\$1,849,219	\$0	\$70,308,348
Southern Law	\$0	\$14,438,421	\$201,881	\$0	\$14,640,302
Southern N.O.	\$0	\$14,947,545	\$578,577	\$0	\$15,526,122
Southern S'port	\$0	\$10,008,838	\$189,181	\$0	\$10,198,019
SU BOS	\$0	\$0	\$0	\$0	\$0
Grambling State	\$0	\$33,970,043	\$1,040,456	\$0	\$35,010,499
Louisiana Tech	\$0	\$103,355,648	\$1,969,279	\$0	\$105,324,927
McNeese State	\$0	\$51,889,120	\$3,353,681	\$0	\$55,242,801
Nicholls State	\$250,000	\$44,317,731	\$1,115,040	\$0	\$45,682,771
Northwestern State	\$74,923	\$61,651,127	\$1,300,807	\$0	\$63,026,857
Southeastern La	\$0	\$96,872,099	\$2,061,293	\$0	\$98,933,392
UL BOS	\$0	\$2,814,000	\$0	\$0	\$2,814,000
Univ. of La - Lafayette	\$185,000	\$136,939,525	\$2,655,243	\$0	\$139,779,768
Univ. of La - Monroe	\$0	\$68,227,710	\$1,879,249	\$0	\$70,106,959
Univ. of New Orleans	\$0	\$69,746,142	\$2,548,228	\$0	\$72,294,370
TOTAL	\$18,014,094	\$1,544,690,041	\$152,873,616	\$70,217,796	\$1,785,795,547



Higher Education FY20 Budget

HB105 ReEngrossed – Non-SGF Adopted House Changes



HB105 REENGROSSED - HIGHER EDUCATION NON-SGF MOF HOUSE CHANGES					
FY20 PROPOSED	IAT	FSGR	Dedications	Federal	TOTAL
Board of Regents (BoR)	(\$5,378,522)	\$0	\$2,000,000	\$0	(\$3,378,522)
LOSFA	\$0	\$0	\$0	(\$4,000,000)	(\$4,000,000)
TOPS - LOSFA	\$0	\$0	(\$2,899,542)	\$0	(\$2,899,542)
GO Grants - LOSFA	\$0	\$0	\$0	\$0	\$0
START enhancement - LOSFA	\$0	\$0	\$0	\$0	\$0
LUMCON	\$0	\$0	\$0	\$0	\$0
LUMCON - Aux	\$0	\$0	\$0	\$0	\$0
Baton Rouge CC	\$0	\$0	\$0	\$0	\$0
Bossier Parish CC	\$0	(\$1,500,000)	\$0	\$0	(\$1,500,000)
Central LA Tech. CC	\$0	\$0	\$0	\$0	\$0
Delgado CC	\$0	(\$870,000)	(\$15,536)	\$0	(\$885,536)
L.E. Fletcher Tech. CC	\$0	\$405,000	\$0	\$0	\$405,000
LCTCS BOS	\$0	\$0	\$0	\$0	\$0
LCTCS Online	\$0	\$0	\$0	\$0	\$0
Louisiana Delta CC	\$0	\$400,000	\$0	\$0	\$400,000
Northwest Technical (LTC)	\$0	\$600,000	\$0	\$0	\$600,000
Nunez CC	\$0	\$100,000	\$0	\$0	\$100,000
Northshore Tech. CC	\$0	\$890,000	\$0	\$0	\$890,000
River Parishes CC	\$0	\$1,755,000	\$0	\$0	\$1,755,000
South Louisiana CC	\$0	\$0	\$0	\$0	\$0
Sowela Technical CC	\$0	\$300,000	(\$3,044)	\$0	\$296,956
LSU Ag Center	\$0	\$0	\$109,801	\$0	\$109,801
LSU Alexandria	\$0	\$250,000	\$0	\$0	\$250,000
LSU A&M	\$28,269	\$11,800,000	(\$77,364)	\$0	\$11,750,905
LSU Eunice	\$0	\$1,300,000	\$0	\$0	\$1,300,000
LSU HSC - NO	\$0	\$4,417,982	\$0	\$0	\$4,417,982
LSU HSC - S	\$0	\$250,000	\$215,211	\$0	\$465,211
LSU Shreveport	\$0	\$5,000,000	\$0	\$0	\$5,000,000
Pennington Biomedical	\$0	\$0	\$0	\$0	\$0
Southern Ag. Ctr.	\$0	\$0	\$0	\$0	\$0
Southern BR A&M	\$6,057	\$10,176,204	\$0	\$0	\$10,182,261
Southern Law	\$0	\$4,441,146	\$0	\$0	\$4,441,146
Southern N.O.	\$0	\$747,712	\$0	\$0	\$747,712
Southern S'port	\$0	\$450,000	\$0	\$0	\$450,000
SU BOS	\$0	\$0	\$0	\$0	\$0
Grambling State	\$0	\$1,000,000	\$0	\$0	\$1,000,000
Louisiana Tech	\$0	\$0	\$0	\$0	\$0
McNeese State	\$0	\$3,000,000	(\$9,133)	\$0	\$2,990,867
Nicholls State	\$0	\$2,500,000	\$0	\$0	\$2,500,000
Northwestern State	\$0	\$4,100,000	\$0	\$0	\$4,100,000
Southeastern La	\$0	\$6,500,000	\$0	\$0	\$6,500,000
UL BOS	\$0	\$400,000	\$0	\$0	\$400,000
Univ. of La - Lafayette	\$0	\$10,000,000	\$0	\$0	\$10,000,000
Univ. of La - Monroe	\$0	\$2,000,000	\$0	\$0	\$2,000,000
Univ. of New Orleans	\$0	\$0	\$0	\$0	\$0
TOTAL	(\$5,344,196)	\$70,413,044	(\$679,607)	(\$4,000,000)	\$60,389,241

\$1M – Jobs Now Fund
\$1M – Cybersecurity Talent Initiative Fund (HB511 of 2019)

Excess Authority Reduction

House changes to HB105 increased FSGR authority for various 2-year and 4-year institutions due to enrollment changes (\$70.4M FSGR Increase).



Higher Education FY20 Budget Request

An additional \$167.7M SGF requested above the FY19 SGF Base Budget

In November 2018, the Board of Regents, on behalf of Higher Education, requested \$167.7M of additional SGF for FY20 and the breakdown of the request is as follows:

- **\$60.4M SGF** – SGF for the **Tuition/Fee Buy-down Program**, which would allow higher education institutions to utilize the additional state dollars in lieu of fee increases. Act 293 of 2017, which allows the management boards to increase fees, sunsets on June 30, 2020. **This item is not provided in the FY20 Proposed Budget or HB105 ReEngrossed.**
- **\$34.0M SGF** – Full funding of the **GO Grant Program** to the current financial aid packaging policy level. To fully fund the GO Grant Program to the maximum award amount of \$3,000/student, the total cost would be \$164M, or an additional \$136M SGF for FY20. There is approximately \$28.4M provided in FY19, which includes a \$2M SGF increase from the FY18 funding level (\$26.4M). **The FY20 Proposed Budget and HB105 ReEngrossed include \$28,429,108 SGF for the Go Grant Program.**
- **\$12.0M SGF** – Funding to provide **all faculty in Higher Education with a \$1,000/year pay raise** (including related benefits). **Funding is not provided in the FY20 Proposed Budget or HB 105 ReEngrossed.**
- **\$6.8M SGF** – Funding for **TOPS** as well as the administrative needs of the **Louisiana Office of Financial Assistance (LOSFA) Program**. **Based on updated FY20 projections, TOPS awards are fully funded in HB105 ReEngrossed.**
- **\$2.5M SGF** – Additional funding for open source documents and eTextbooks. **This item is not provided in the FY20 Proposed Budget or HB105 ReEngrossed.**
- **\$32.0M SGF** – Additional funding to be utilized in the **2-year/4-year higher education outcomes based funding formula**. The additional increase in funds would allow the Board of Regents to consider an aggregate 5 percentage point increase in the outcomes/cost weights of the funding formula. **This item is not specifically provided in the FY20 Proposed Budget, but approximately \$6.2M SGF is included in FY20 Proposed and HB105 ReEngrossed. However, it is unknown how the Board of Regents will distribute these funds in FY20.**
- **\$10.0M SGF** – Increased funding for the specialized units within Louisiana Higher Education including the LSU Medical Centers, the Agricultural Centers and Pennington Biomedical. **The FY20 Proposed budget includes: an additional \$1M for Pennington Biomedical, an additional \$1M for LSU Ag Center and an additional \$0.3M SU Ag Center. HB105 ReEngrossed includes these SGF additions along with another \$2M for the LSU Ag Center for a total enhancement of \$3M SGF.**
- **\$10.0M SGF** – Provide funds for **innovation** in public higher education focused on system change, improved student outcomes, better workforce alignment and accreditation needs for institutions. **The FY20 Proposed Budget and HB105 ReEngrossed do not provide funding for this initiative.**



Higher Education Dedicated Funds FY18, FY19 and FY20

Fund	Source of Funding	FY18 Actual	FY19 EOB	FY20 Proposed
Calcasieu Parish Fund	Taxes/Gaming, R.S. 27:392; R.S. 33:9571	\$523,243	\$523,243	\$668,004
Calcasieu Parish Higher Education Improvement Fund	Sales & Use Tax, R.S. 47:302.14	\$1,430,889	\$1,546,998	\$2,122,498
Equine Health Studies Program Fund	Taxes/Gaming, R.S. 27:392(B)	\$750,000	\$750,000	\$750,000
Fireman Training Fund	Taxes/Insurance, R.S. 22:837	\$3,271,690	\$3,487,649	\$3,434,625
Higher Education Initiatives Fund	Appropriation, R.S. 17:3129.6	\$0	\$342,000	\$342,000
LA Quality Education Support Fund	Settlements/Judgments, Art. VII, Sect. 10.1, R.S. 17:3801	\$21,080,179	\$21,730,000	\$22,230,000
Medical & Allied Health Professional Education School & Loan Fund	Fees/R.S. 40:1300.8.2	\$200,000	\$200,000	\$200,000
Orleans Parish Excellence Fund	Taxes/Gaming, R.S. 27:392	\$298,280	\$312,311	\$364,777
Pari-mutual Live Racing Facility Gaming Control Fund	Taxes/Gaming, R.S. 27:392(C)(1),(2)	\$0	\$50,000	\$50,000
Proprietary School Students Protection Fund	Fees, R.S. 17:3141.16	\$4,622	\$200,000	\$200,000
Rockefeller Wildlife Refuge Trust & Protect Fund	Royalties & Interest, Article VII, Sect. 14, R.S. 56:797	\$51,500	\$60,000	\$60,000
SU Ag Center Program Fund	Taxes/Gaming, R.S. 27:392(B)	\$750,000	\$750,000	\$750,000
Support Education in LA First (SELF)	Taxes/Gaming, R.S. 17:421.7	\$43,497,731	\$43,404,070	\$43,404,070
Tobacco Tax Health Care Fund	Taxes/Tobacco, R.S. 47:841.1(A)	\$7,017,842	\$6,845,116	\$6,665,281
TOPS Fund	Settlements/Judgments, Art. VII, Section 10.10, R.S. 39:98.5, R.S. 39.99.1	\$57,855,487	\$57,920,039	\$62,101,968
2% Fire Insurance Fund	Taxes/Insurance, R.S. 22:347	\$210,000	\$210,000	\$210,000
Workforce Training Rapid Response Fund	Taxes/SGF, R.S. 17:1874	\$10,000,000	\$10,000,000	\$10,000,000
TOTAL		\$146,941,463	\$148,331,426	\$153,553,223



Higher Education Dedicated Funds FY18, FY19 and FY20

2018 Dedicated Fund Review Subcommittee recommendations and *any subsequent legislative action taken during the 2018 Regular Session:*

Calcasieu Parish Fund = No Change

Calcasieu Parish Higher Education Improvement Fund = No Change

Equine Health Studies Program Fund = No Change

Fireman Training Fund = No Change

Higher Education Initiatives Fund = Elimination (This Fund still exists due to adopted amendments to Act 612 of the 2018 Regular Legislative Session)

Orleans Parish Excellence Fund = No Change

Pari-mutuel Live Racing Facility Gaming Control Fund = No Change

Proprietary School Students Protection Fund = Reclassify as FSGR (This Fund still exists due to adopted amendments to Act 612 of the 2018 Regular Legislative Session)

SU AgCenter Program Fund = No Change

Support Education in Louisiana First Fund (SELF) = No Change

Tobacco Tax Health Care Fund = No Change

2% Fire Insurance Fund = No Change

Workforce Training Rapid Response Fund = No Change

2019 Dedicated Fund Review Subcommittee recommendations:

Louisiana Quality Education Support Fund = No Change

TOPS Fund = No Change



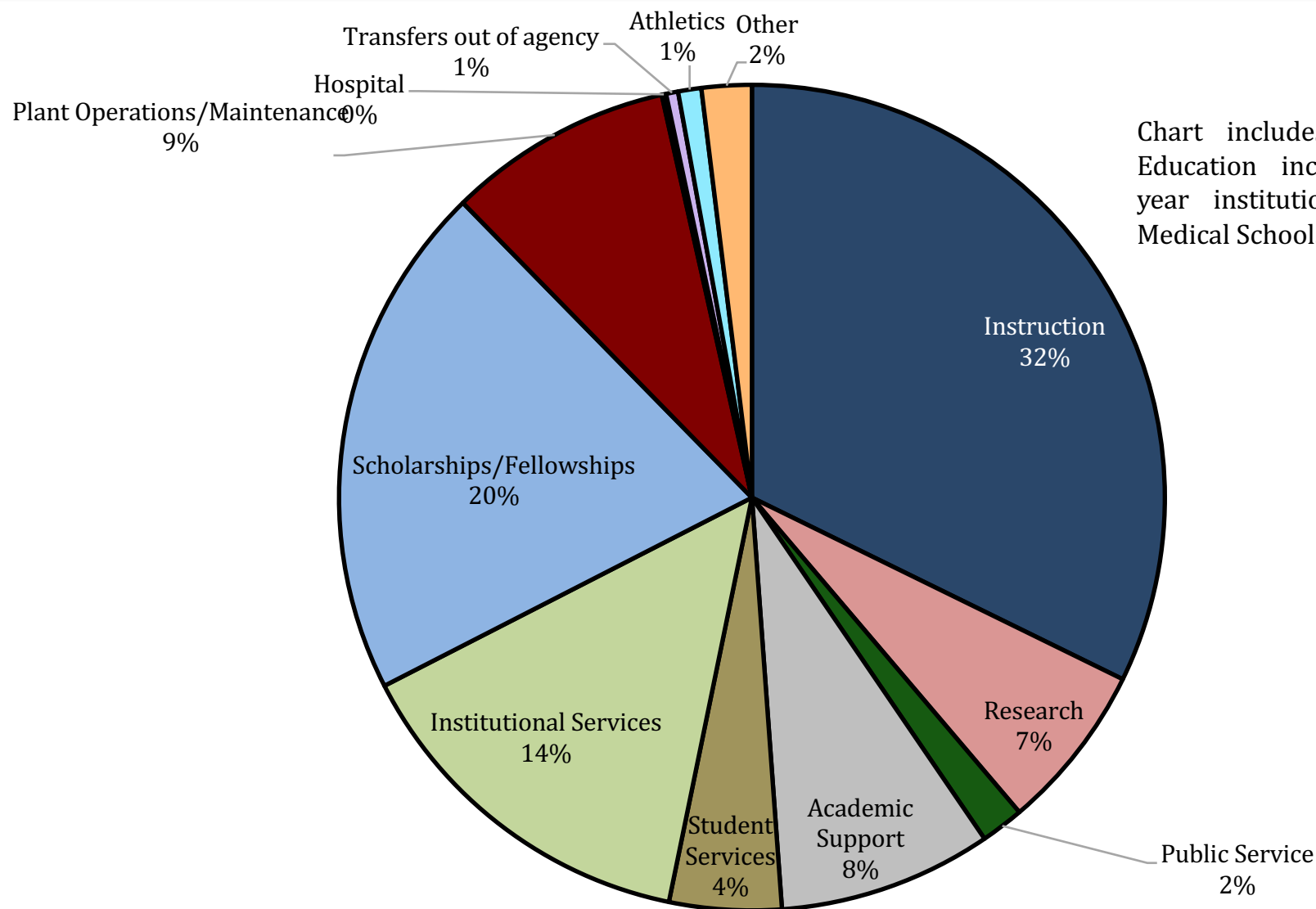
Higher Education Expenditures FY18, FY19, and FY20

Expenditure Category	FY18 Actual	FY19 EOB (as of 12-1-2018)	FY20		Difference FY19 to FY20
			Recommended Budget	Category as Percent of Total	
Personal Services:	\$1,613,386,445	\$1,673,768,436	\$0	0%	(\$1,673,768,436)
Salaries	\$1,076,482,396	\$1,121,943,383	\$0	0%	(\$1,121,943,383)
Other Compensation	\$53,399,120	\$49,584,390	\$0	0%	(\$49,584,390)
Related Benefits	\$483,504,929	\$502,240,663	\$0	0%	(\$502,240,663)
Operating Expenses:	\$265,764,045	\$258,862,544	\$0	0%	(\$258,862,544)
Travel	\$12,751,728	\$12,307,232	\$0	0%	(\$12,307,232)
Operating Services	\$202,512,356	\$198,630,449	\$0	0%	(\$198,630,449)
Supplies	\$50,499,961	\$47,924,863	\$0	0%	(\$47,924,863)
Professional Services	\$39,081,964	\$37,933,991	\$0	0%	(\$37,933,991)
Other Charges:	\$698,262,033	\$753,475,890	\$2,766,119,898	100%	\$2,012,644,008
Other Charges	\$656,768,628	\$696,131,633	\$2,766,119,898	100%	\$2,069,988,265
Debt Service	\$0	\$0	\$0	0%	\$0
Interagency Transfers	\$41,493,405	\$57,344,257	\$0	0%	(\$57,344,257)
Acquisitions & Major Repairs:	\$31,615,214	\$17,545,629	\$0	0%	(\$17,545,629)
Acquisitions	\$25,217,847	\$16,738,449	\$0	0%	(\$16,738,449)
Major Repairs	\$6,397,367	\$807,180	\$0	0%	(\$807,180)
Total Expenditures	\$2,648,109,701	\$2,741,586,490	\$2,766,119,898	100%	\$24,533,408

The FY20 Proposed Budget recommends all Higher Education funding be allocated to the Other Charges expenditure category. Annually, the official expenditure spread of the higher education management boards is approved by the Board of Regents at its September board meeting. Thus, Higher Education's FY20 expenditure spread will not be reported until September 2019.

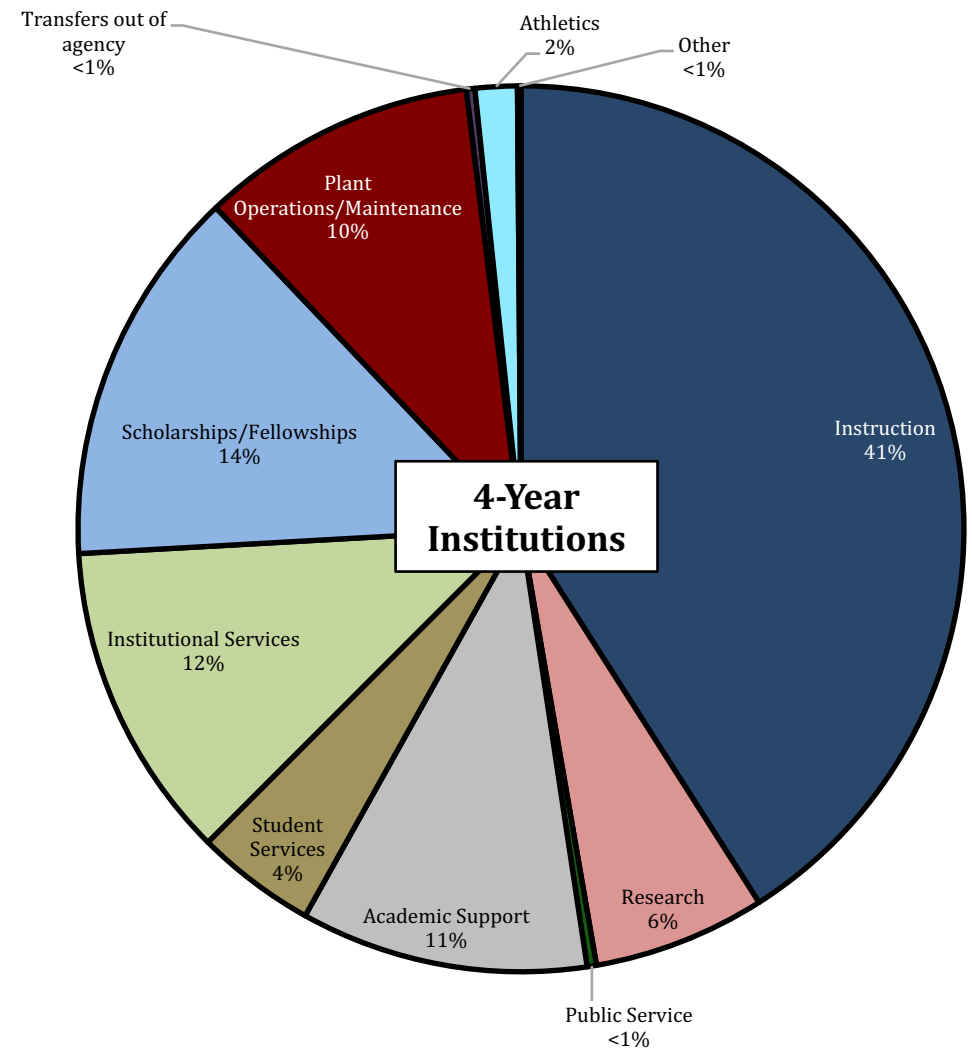
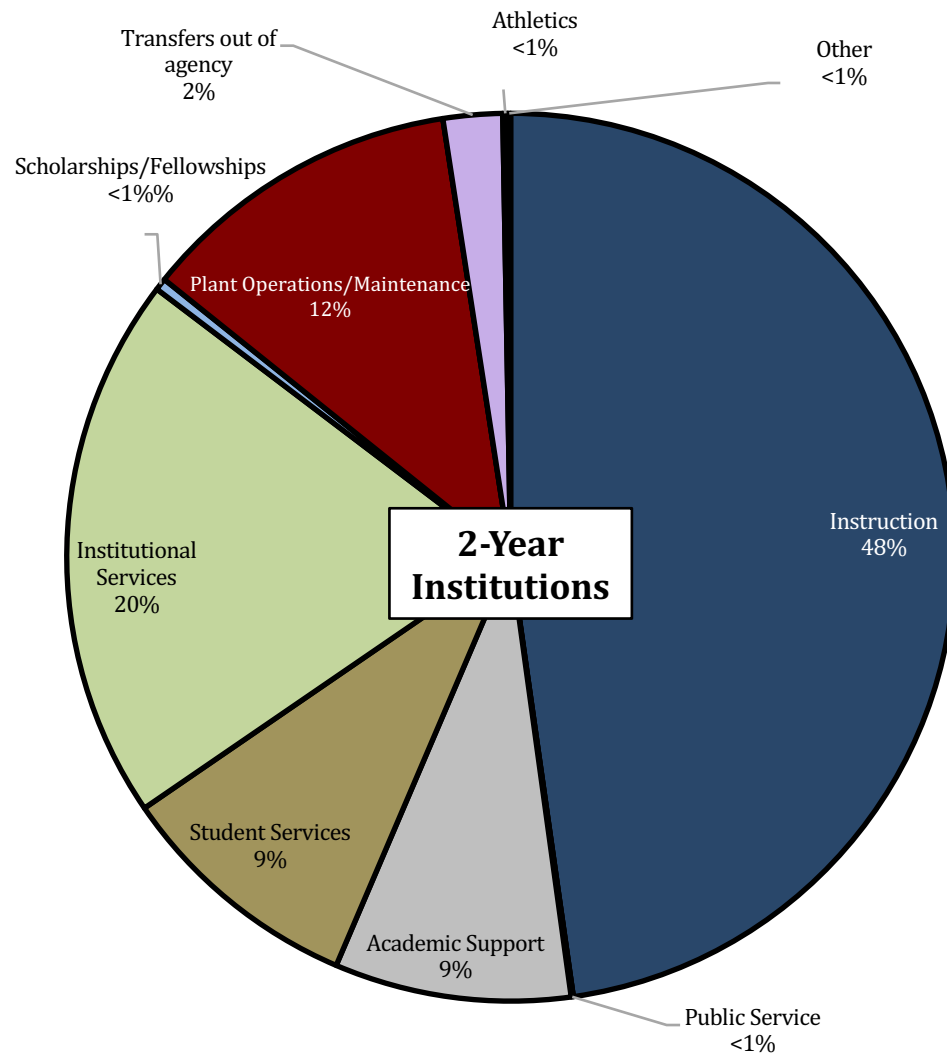


FY19 ALL Higher Education Expenditures BY FUNCTION





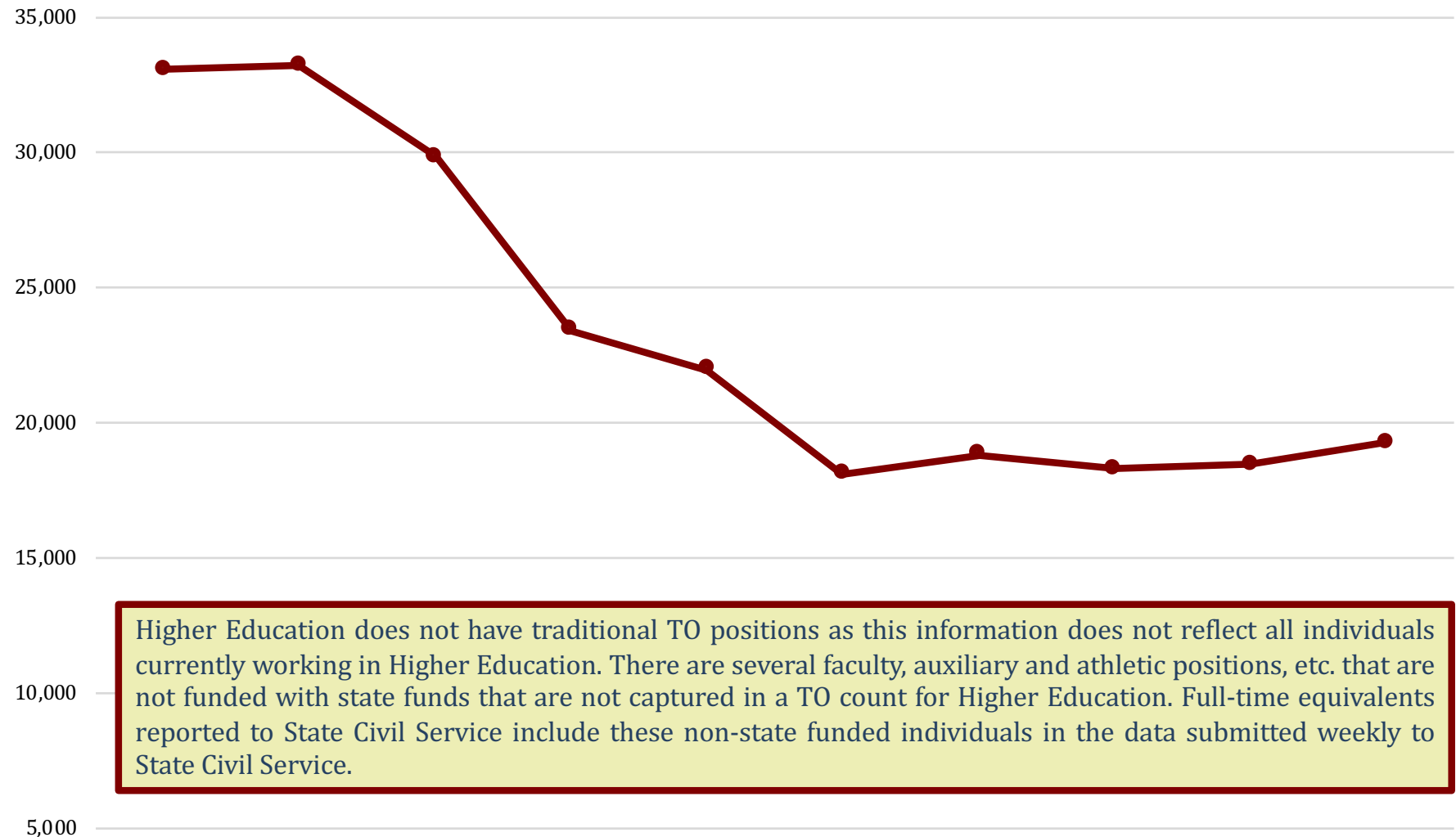
FY19 Higher Education Expenditures BY FUNCTION





Higher Education Full-Time Equivalents (FTEs)

Source: State Civil Service Commission

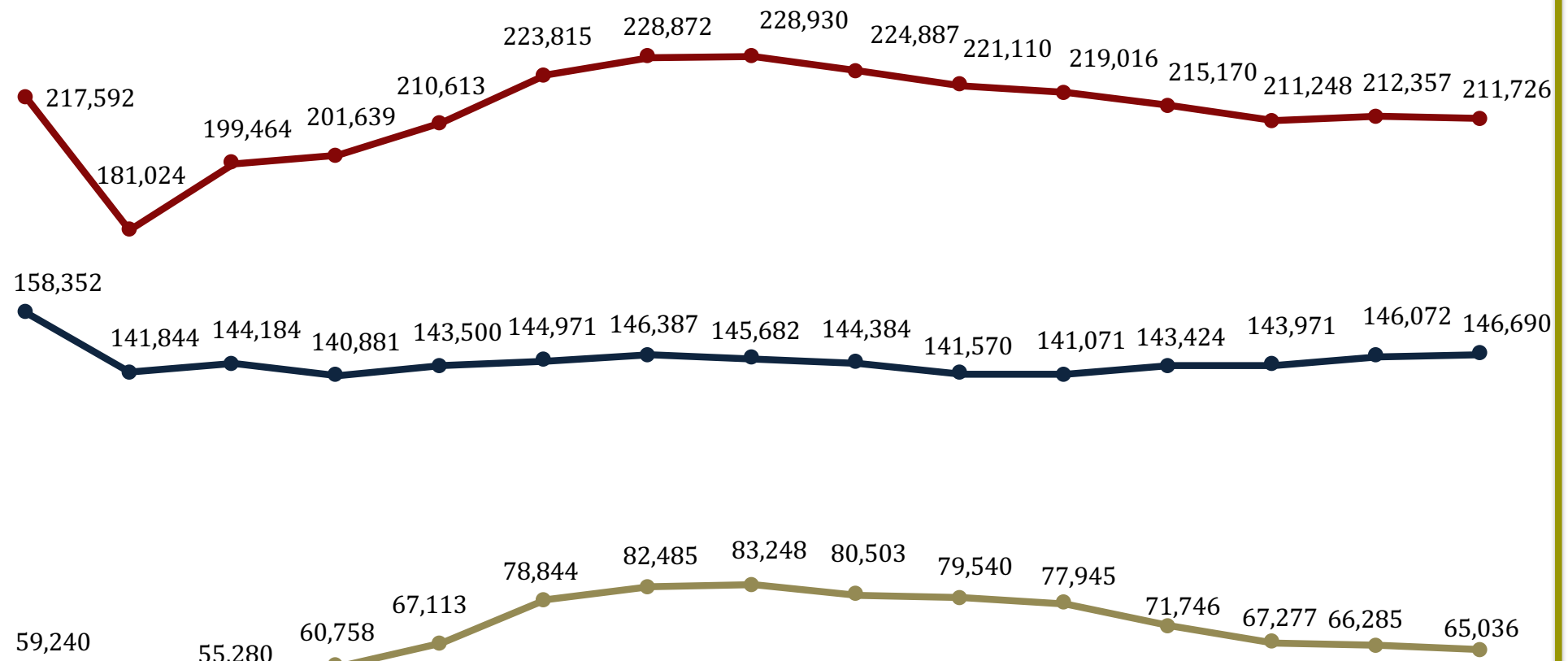


Higher Education does not have traditional TO positions as this information does not reflect all individuals currently working in Higher Education. There are several faculty, auxiliary and athletic positions, etc. that are not funded with state funds that are not captured in a TO count for Higher Education. Full-time equivalents reported to State Civil Service include these non-state funded individuals in the data submitted weekly to State Civil Service.

	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
Total FTEs	33,062	33,238	29,862	23,421	21,973	18,112	18,829	18,289	18,466	19,258



Public Higher Education Enrollment (Headcount) Fall-to-Fall Comparison



LCTCS COMPREHENSIVE ENROLLMENT				
Enrollment Category	2014-2015	2015-2016	2016-2017	2017-2018
Credit (Annual Unduplicated Headcount)	101,252	91,894	84,148	82,888
Workforce	21,942	22,644	25,802	33,951
WorkReadyU (non-credit)	28,287	31,102	35,510	42,108
LCTCS TOTAL	151,481	145,640	145,460	158,947

Source: 2018-2019 Board of Regents Fact Book for Higher Education

2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018

— 2-Years/Technical — 4-Years/Professional — Total Enrollment



Schedule 19A — Higher Education

TAYLOR OPPORTUNITY PROGRAM FOR STUDENTS (TOPS)

GO GRANT PROGRAM



Taylor Opportunity Program for Students (TOPS)

Recent TOPS History

	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Actual	FY19 EOB	FY20 Proposed	FY20 HB105 REENG
SGF	\$164,954,070	\$193,090,899	\$149,116,312	\$234,899,171	\$236,641,933	\$245,994,759	\$251,830,114
TOPS Fund	\$85,041,360	\$62,398,192	\$52,510,370	\$57,855,487	\$57,920,039	\$62,101,968	\$59,202,426
TOTAL	\$249,995,430	\$255,489,091	\$201,626,682	\$292,754,658	\$294,561,972	\$308,096,727	\$311,032,540

- Total FY16 aggregate awards = \$284.5M
- Institutions required to absorb the \$29M difference

- Program funded at a 70% level in FY17
- Total FY17 awards = \$291.9M

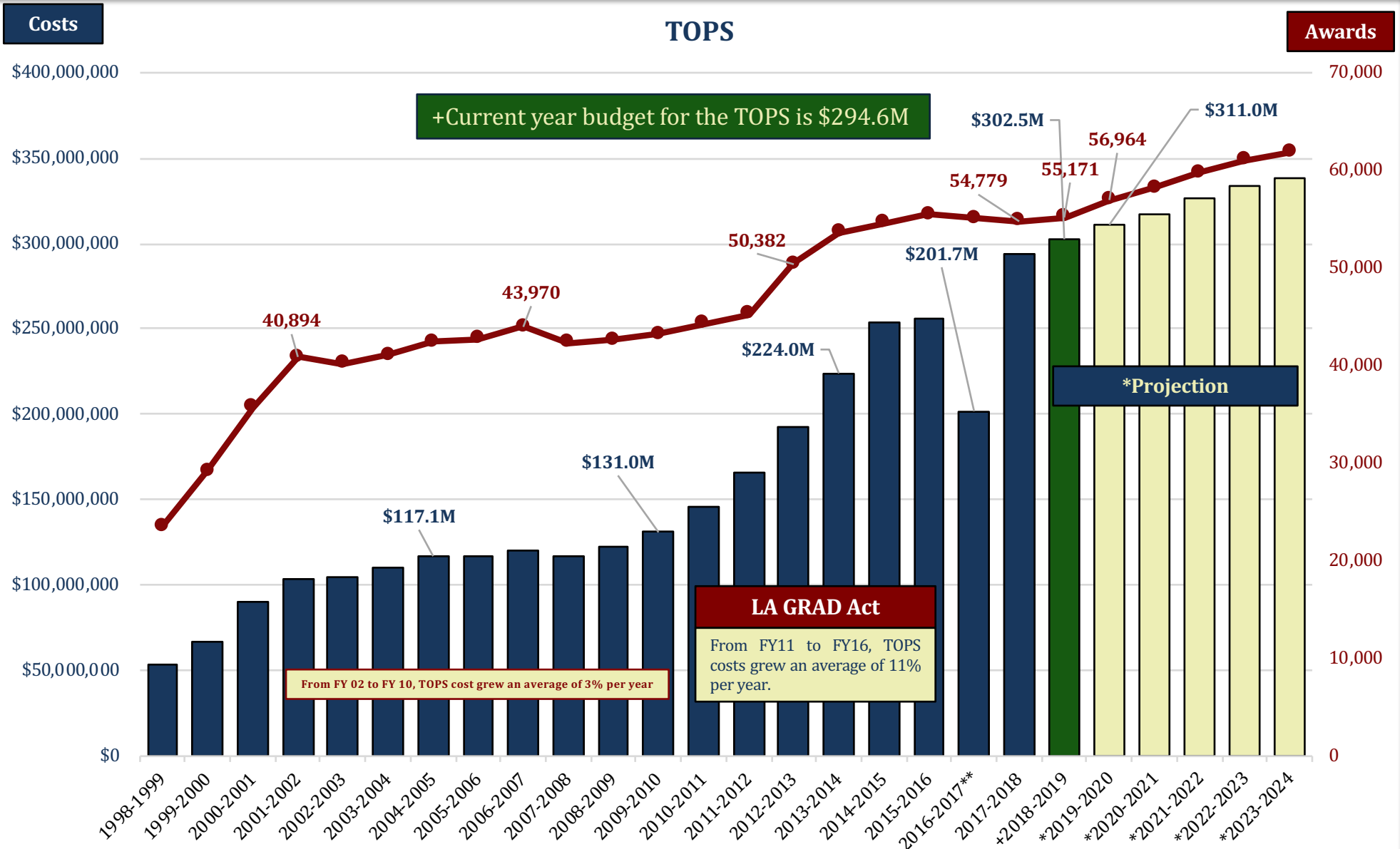
Fully funded

Fully funded at enactment. Based on updated current year projections, TOPS is approximately \$7M short in the current year with projected total expenditures of \$302M. **HB392 ReEngrossed provides funding to fill this shortfall in FY19.**

FY20 TOPS projected need has increased to \$311M.



Taylor Opportunity Program for Students (TOPS) History



Source: Louisiana Office of Student Financial Assistance Program within the Board of Regents

■ Total Program Cost ● Number of Awards

**70% Funded Level

*LOSFA Projections



TOPS Shortfall

Factors Contributing to FY19 shortfall & FY20 increase

TOPS FY18-19 Projections

\$236.6M = FY19 SGF appropriation
\$57.9M = FY19 TOPS Fund appropriation
\$294.6M = FY19 Total appropriation
(\$294.2M) = FY19 expended to date
\$0.322M = FY19 Resources still available
(\$8.3M) = FY19 additional projected expenditures
(\$7.968M) = FY19 TOPS Shortfall
\$1.4M = Additional FY19 TOPS Fund (updated REC)

(\$6.6M) = Revised FY19 SGF TOPS Shortfall*

***HB392 ReEngrossed includes \$6.6M SGF in order to cover the FY19 projected shortfall for the program.**

TOPS FY19-20 Projections

\$311.0M = FY20 Projected Need

\$236.6M = FY20 SGF – HB 105
\$59.34M = FY20 TOPS Fund (updated REC)
\$296M = FY20 Total

(\$15.1M) = FY20 TOPS SGF Need

\$15.1M = HB105 SGF House Amendments

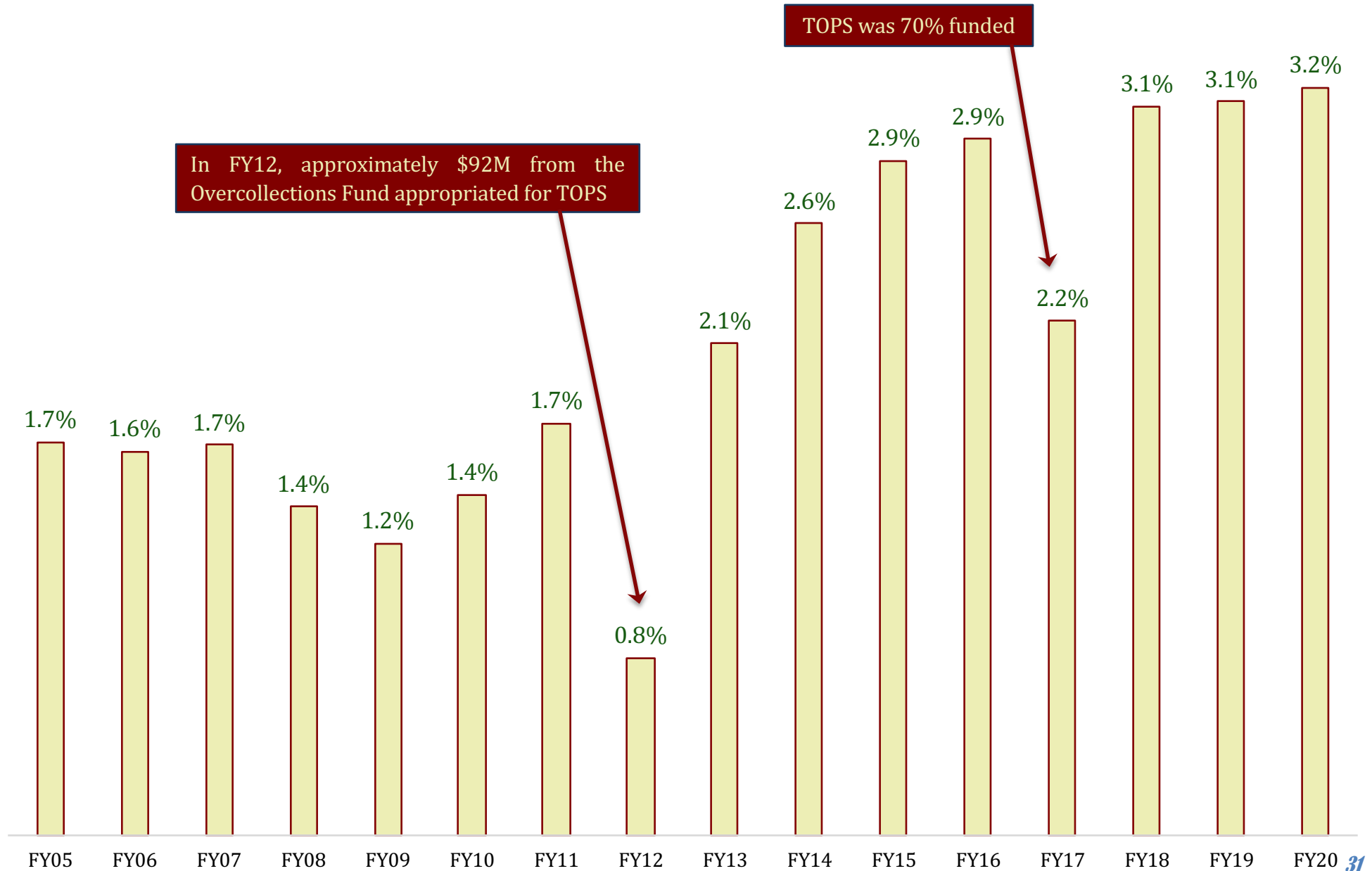
HB105 ReEngrossed fully funds TOPS

Factors contributing to increased projections

- **77.1%** of Louisiana high school seniors completed the 2018-2019 FAFSA, while in the prior year 52% of high school seniors completed the FAFSA. Pursuant to a revision to **Bulletin 741 by BESE**, beginning with the 2017-2018 school year, each graduating senior shall as a requirement for graduation, complete at least one of the following steps: 1.) TOPS application, 2.) Complete FAFSA;
- **8.2%** increase in ACT test takers in 2018 from 51,486 in 2017 to 55,711 in 2018;
- **3.2% increase** in the number of awards comparing Fall 2017 to Fall 2018 (historic awards increase rate = 0.9%);
- **11% increase** in students eligible for a TOPS Performance or Honors Award (2013 to 2018), which results in a larger award as well as higher annual retention rates.



Percentage of Total SGF Allocated for TOPS FY20 Proposed Budget





Go Grant

Recent Go Grant History

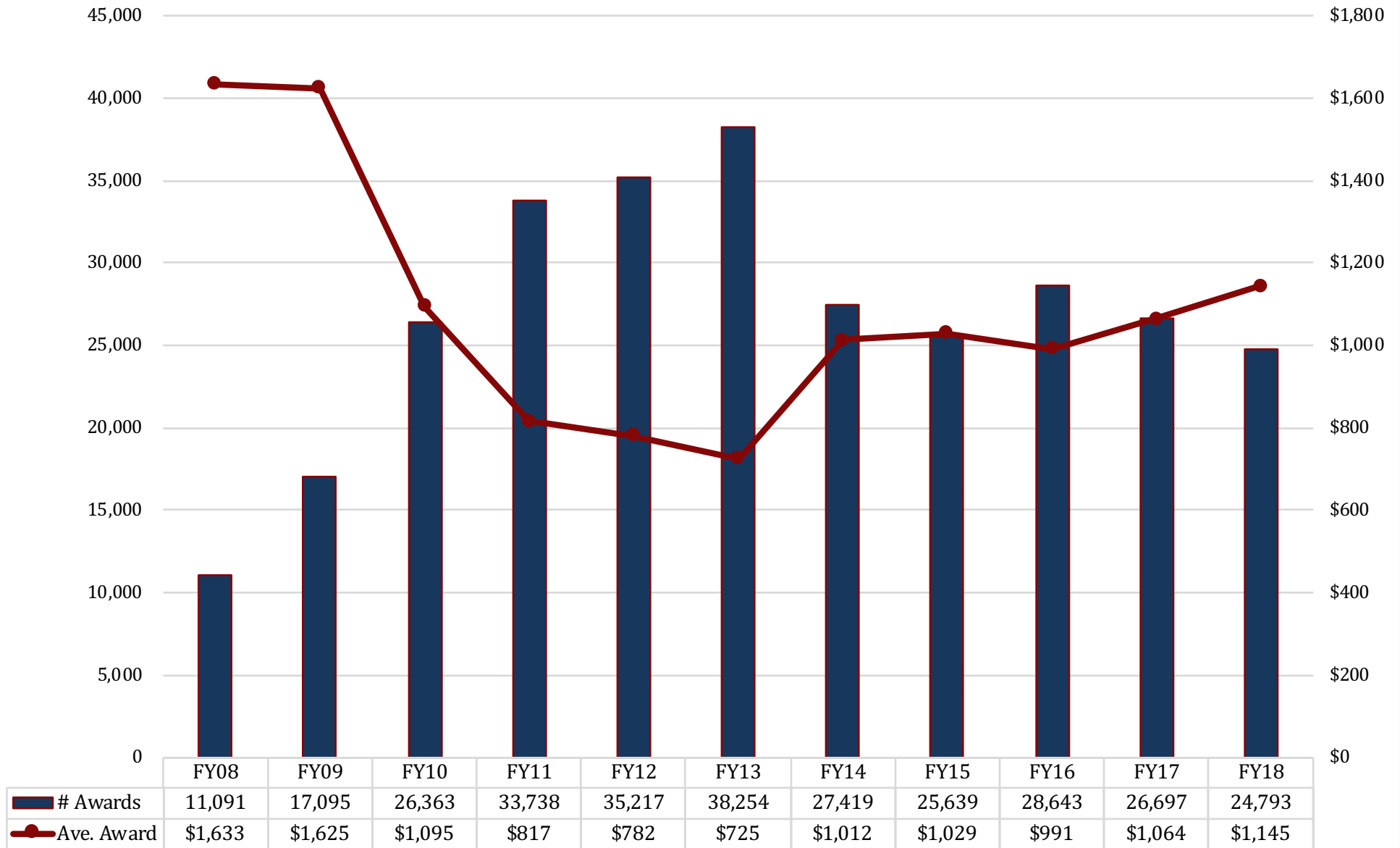
	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Actual	FY19 EOB	FY20 Proposed	FY20 HB105 REENG
SGF	\$24,641,573	\$26,458,620	\$26,390,146	\$26,407,963	\$28,429,108	\$28,429,108	\$28,429,108

FY19 budget includes an additional \$2M SGF

- Total SGF need to fully fund Go Grants up to current packaging policy is \$62.5M, or an additional \$34.0M SGF.
- Total SGF need to fully Fund Go Grants up to fund all students at the maximum award of \$3,000 is \$164.4M, or an additional \$136.0M SGF.
- HB105 ReEngrossed does not change funding level for Go Grant.



Go Grant History



Source: Louisiana Office of Student Financial Assistance Program within the Board of Regents



TOPS & Go Grant Recipients by Senate District Academic Year 2018-2019

TOPS

Senate District	Opportunity	Performance	Honor	Tech	Total
Senate District 1	426	217	209	10	862
Senate District 2	451	202	141	37	831
Senate District 3	470	191	174	32	867
Senate District 4	352	134	201	24	711
Senate District 5	170	59	108	7	344
Senate District 6	677	401	400	42	1,520
Senate District 7	480	212	172	29	893
Senate District 8	576	305	265	48	1,194
Senate District 9	494	283	456	13	1,246
Senate District 10	698	369	420	17	1,504
Senate District 11	833	594	705	24	2,156
Senate District 12	407	237	153	31	828
Senate District 13	775	429	337	48	1,589
Senate District 14	323	131	216	23	693
Senate District 15	443	178	146	31	798
Senate District 16	697	395	675	10	1,777
Senate District 17	513	266	201	48	1,028
Senate District 18	865	536	517	48	1,966
Senate District 19	638	387	309	54	1,388
Senate District 20	522	322	293	60	1,197
Senate District 21	633	394	352	42	1,421
Senate District 22	570	340	211	37	1,158
Senate District 23	819	531	567	22	1,939
Senate District 24	459	253	165	38	915
Senate District 25	637	417	325	83	1,462
Senate District 26	549	376	245	55	1,225
Senate District 27	525	301	228	62	1,116
Senate District 28	409	273	156	46	884
Senate District 29	354	183	146	23	706
Senate District 30	385	273	190	67	915
Senate District 31	526	380	251	33	1,190
Senate District 32	376	258	172	21	827
Senate District 33	537	363	243	33	1,176
Senate District 34	288	139	95	12	534
Senate District 35	575	475	384	31	1,465
Senate District 36	504	373	284	65	1,226
Senate District 37	415	270	294	46	1,025
Senate District 38	497	300	254	31	1,082
Senate District 39	260	118	70	38	486
Unknown	3,581	1,894	1,417	272	7,164
TOTAL	23,709	13,759	12,147	1,693	51,308

Go Grant

Senate District	Total
Senate District 1	677
Senate District 2	854
Senate District 3	1,694
Senate District 4	1,649
Senate District 5	982
Senate District 6	993
Senate District 7	1,494
Senate District 8	1,518
Senate District 9	828
Senate District 10	1,037
Senate District 11	790
Senate District 12	656
Senate District 13	658
Senate District 14	1,264
Senate District 15	1,531
Senate District 16	896
Senate District 17	681
Senate District 18	695
Senate District 19	1,029
Senate District 20	658
Senate District 21	851
Senate District 22	754
Senate District 23	896
Senate District 24	953
Senate District 25	670
Senate District 26	618
Senate District 27	821
Senate District 28	545
Senate District 29	1,176
Senate District 30	567
Senate District 31	788
Senate District 32	627
Senate District 33	855
Senate District 34	984
Senate District 35	870
Senate District 36	697
Senate District 37	916
Senate District 38	1,026
Senate District 39	981
Unknown	5,142
TOTAL	41,321

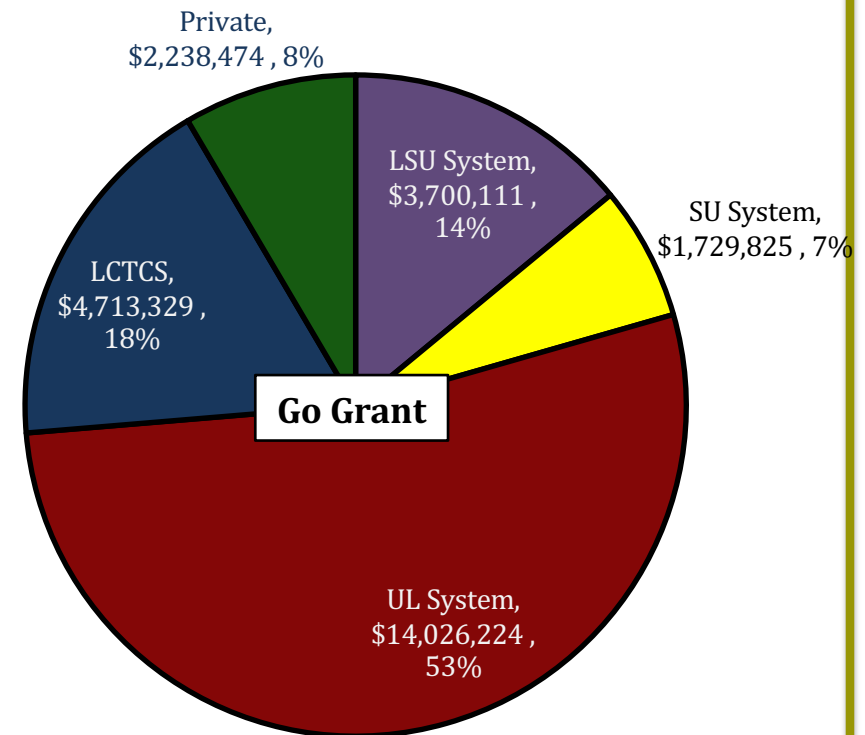
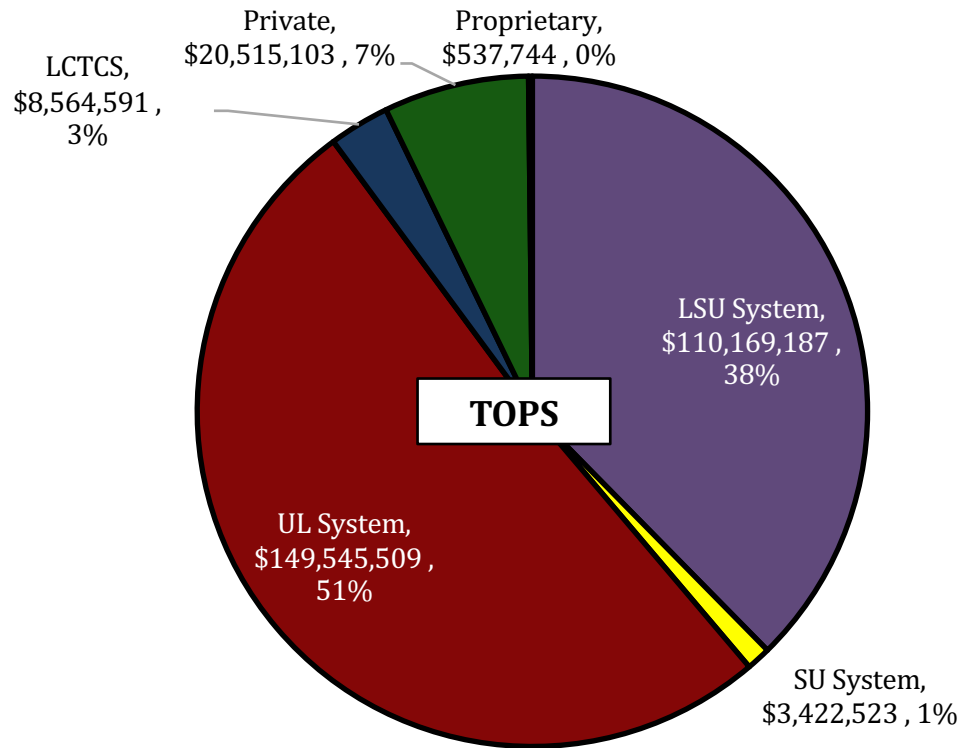
Source: TOPS Senate District Data from LOSFA based on residential address as self-reported on FAFSA at eligibility determination.

As of February 2019

Source: Louisiana Office of Student Financial Assistance Program within the Board of Regents



TOPS & GO GRANT AWARD DISTRIBUTION 2017-2018 Academic Year





Schedule 19A — Higher Education

OTHER HIGHER EDUCATION ISSUES

- FY19 Restricted/Unrestricted Funds
- Tuition Increase Authority & Fee Autonomy
- Tuition & Fee Changes Since 2008 – Fall 2008 to Fall 2018
Comparison (Annual Board of Regents Tuition & Fee Survey)



FY19 Higher Education Restricted/Unrestricted Funds

RESTRICTED REVENUE SOURCE	FY19 Budgeted Restricted	%
Gifts, Grants, & Contracts	\$667,420,485	28.24%
Other Federal Grants	\$305,794,623	12.94%
Auxiliaries (Excluding Athletics)	\$314,433,279	13.30%
Pell Grants	\$333,960,571	14.13%
Student Fees	\$202,526,390	8.57%
Athletics Other Than Student Fees	\$215,976,740	9.14%
State Grants & Contracts	\$151,816,474	6.42%
Other Self-generated Funds	\$105,795,175	4.48%
Sales & Services of Educational Activities	\$41,316,764	1.75%
Physician Practice Plans	\$12,118,000	0.51%
Endowment Income	\$9,520,355	0.40%
Federal Program Administration	\$2,672,012	0.11%
TOTAL RESTRICTED	\$2,363,350,868	100.00%

UNRESTRICTED REVENUE SOURCE	FY19 Budgeted Unrestricted	%
Fees & Self-generated Revenues	\$1,474,468,447	53.80%
State General Fund	\$1,014,739,828	37.03%
Dedicated Funds	\$148,331,426	5.41%
Federal	\$80,105,297	2.92%
Interagency Transfer (IAT)	\$22,759,816	0.83%
TOTAL UNRESTRICTED (HB 1)	\$2,740,404,814	100.00%

Total FY19 Higher Education	FY19 Budget	%
Total Unrestricted Revenues (HB 1)	\$2,740,404,814	53.7%
Total Restricted Revenues	\$2,363,350,868	46.3%
Total	\$5,103,755,682	100%

Unrestricted funds are resources eligible for any purpose in carrying out the mission, duties and responsibilities of the institution. These funds include state appropriations (SGF, dedicated funds), tuition and fees and other funds not restricted by a donor or grant. **The legislature appropriates unrestricted funds.**

Restricted funds are utilized for the operation and support of programs, but are restricted by donors, state or federal agencies as to the purposes for which these funds can be expended. These funds are traditionally referred to as "off budget."

Restricted fund examples include: student housing, dining services, student union, student health services, parking, athletics, faculty research, residence halls, etc.

The FY20 restricted funds information will be reported to the Board of Regents in September 2019.



Higher Education Other Issues

Tuition Increases – Due to the expiration of the LA GRAD Act, there are no tuition increases in the current year budget (FY19) or proposed tuition increases for FY20. FY17 was the last year tuition increases were possible under the LA GRAD Act. **Therefore, institutions no longer have the authority to raise tuition without legislative approval.**

Fee Autonomy – Act 293 of 2017 by Representative Broadwater extended the sunset provision of higher education's fee autonomy to June 30, 2020. Previous statute (Act 377 of 2015) provided for fee autonomy to sunset on June 30, 2017. This fee autonomy has been in place for 4 fiscal years (FY16, FY17, FY18, FY19).



Tuition & Fee Change Since 2008

Fall 2008 to Fall 2018 Comparison

Note: The UL System Board of Supervisors approved fee increases in the Fall of 2018 effective in January 2019. These fee increases are not included in this table.

Full Time - 15 Hours Per Semester (Annual)	Fall 2008	Fall 2018	Difference	% Change
Grambling State University	\$3,816	\$7,443	\$3,627	95%
Louisiana Tech University	\$4,941	\$9,645	\$4,704	95%
McNeese State University	\$3,423	\$7,859	\$4,436	130%
Nicholls State University	\$3,771	\$7,981	\$4,210	112%
Northwestern State University	\$3,648	\$8,610	\$4,962	136%
Southeastern Louisiana University	\$3,401	\$8,267	\$4,866	143%
University of Louisiana-Lafayette	\$3,632	\$10,604	\$6,972	192%
University of Louisiana at Monroe	\$3,812	\$8,734	\$4,922	129%
University of New Orleans	\$4,306	\$9,354	\$5,048	117%
LSU at Alexandria	\$3,402	\$6,963	\$3,561	105%
LSU A&M College	\$5,086	\$11,950	\$6,864	135%
LSU in Shreveport	\$3,687	\$7,519	\$3,832	104%
Southern University A&M	\$3,906	\$9,116	\$5,210	133%
Southern University in New Orleans	\$2,989	\$7,261	\$4,272	143%
4-YEAR Average Tuition & Fees	\$3,844	\$8,665	\$4,820	125%
Full Time - 15 Hours Per Semester (Annual)	Fall 2008	Fall 2018	Difference	% Change
LSU at Eunice	\$2,355	\$4,778	\$2,423	103%
Southern University in Shreveport	\$2,318	\$4,380	\$2,062	89%
Baton Rouge Community College	\$1,854	\$4,221	\$2,367	128%
Bossier Parish Community College	\$1,848	\$4,283	\$2,435	132%
Delgado Community College	\$2,002	\$4,279	\$2,277	114%
Elaine P. Nunez Community Coll.	\$1,858	\$4,247	\$2,389	129%
River Parishes Community Coll.	\$1,976	\$4,094	\$2,118	107%
South Louisiana Community Coll.	\$1,936	\$4,205	\$2,269	117%
Louisiana Delta Community Coll.	\$2,078	\$4,159	\$2,081	100%
L.E. Fletcher Technical Comm. Coll.	\$1,552	\$4,089	\$2,537	163%
Sowela Technical Community Coll.	\$1,522	\$4,185	\$2,663	175%
Central LA Tech Community College	N/A	\$4,099	N/A	N/A
Northshore Technical Community College	N/A	\$4,103	N/A	N/A
LTC (SCLTC & NWLTC)	\$804	\$2,976	\$2,172	270%
2-YEAR Average Tuition & Fees	\$1,842	\$4,150	\$2,308	125%

Source: The annual Board of Regents Tuition & Fee Survey (September 2018)



FY20 Proposed Budget Schedule 19A — Higher Education

LOUISIANA HIGHER EDUCATION DATA COMPARISON TO PEERS



FY20 Proposed Budget Schedule 19A — Higher Education



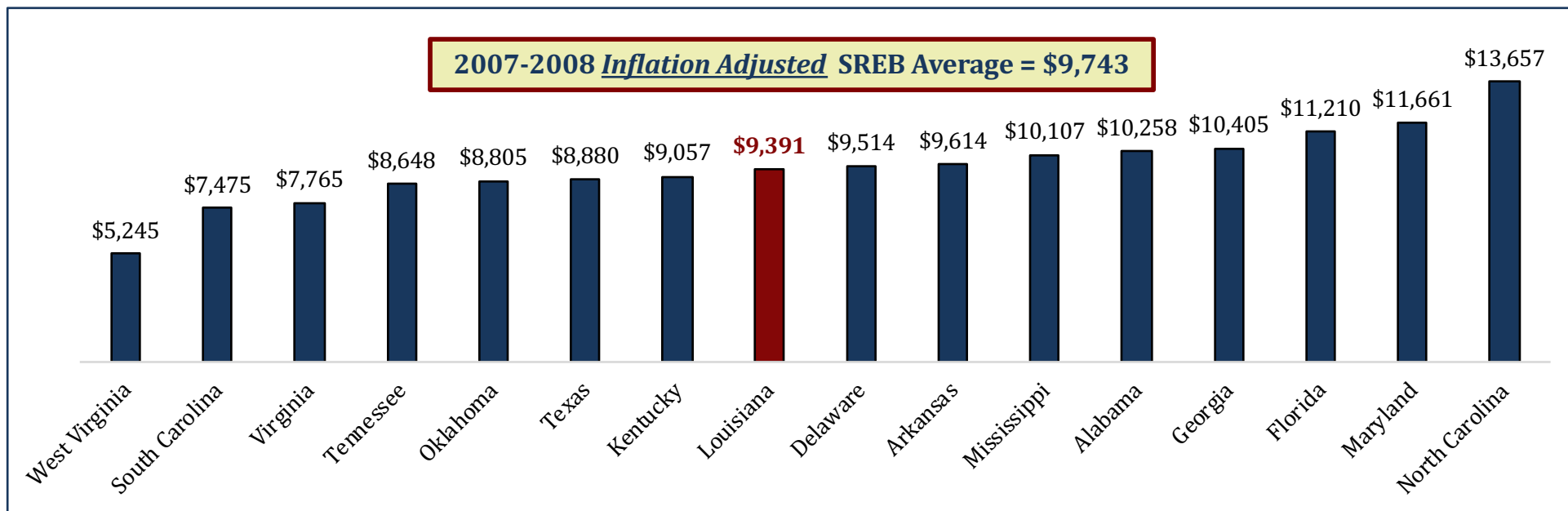
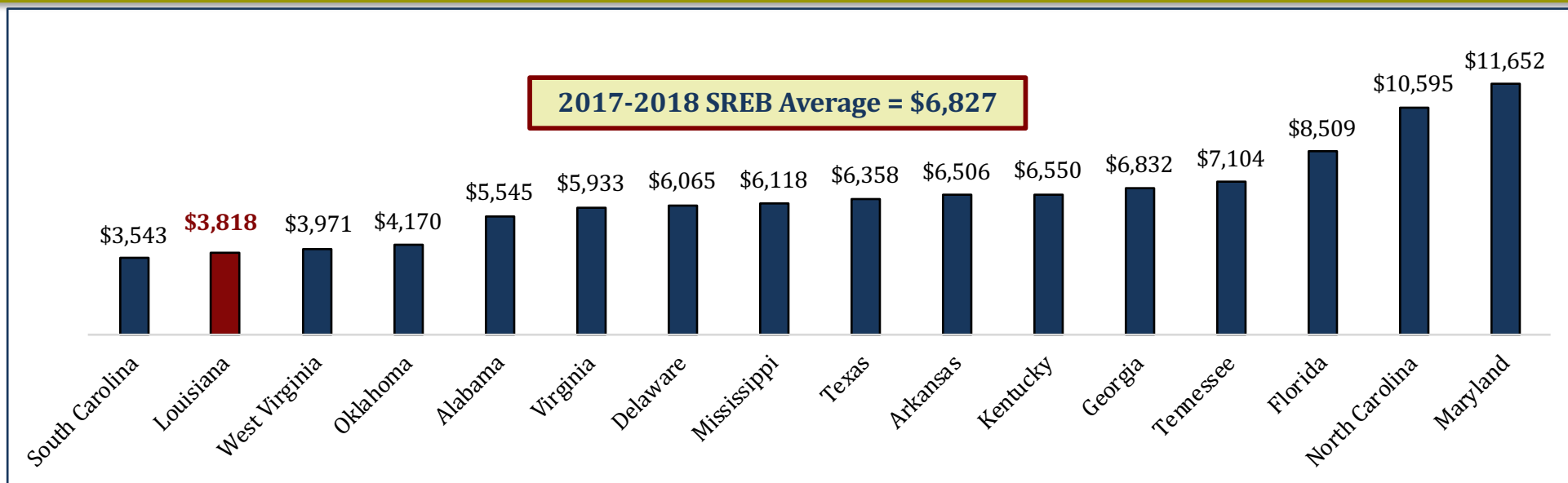
SREB-State Data Exchange

4-Year Institutions and 2-Year Institutions

- Compares 2017-2018 State Appropriations Per FTE to 2007-2008 State Appropriations Per FTE **adjusted for inflation**
- Compares 2017-2018 Tuition & Fees Per FTE to 2007-2008 Tuition Fees Per FTE **adjusted for inflation**
- Compares 2017-2018 Total Funding Per FTE to 2007-2008 Total Funding Per FTE **adjusted for inflation**



4-Year Institutions – State Appropriations Per FTE SREB Data Exchange



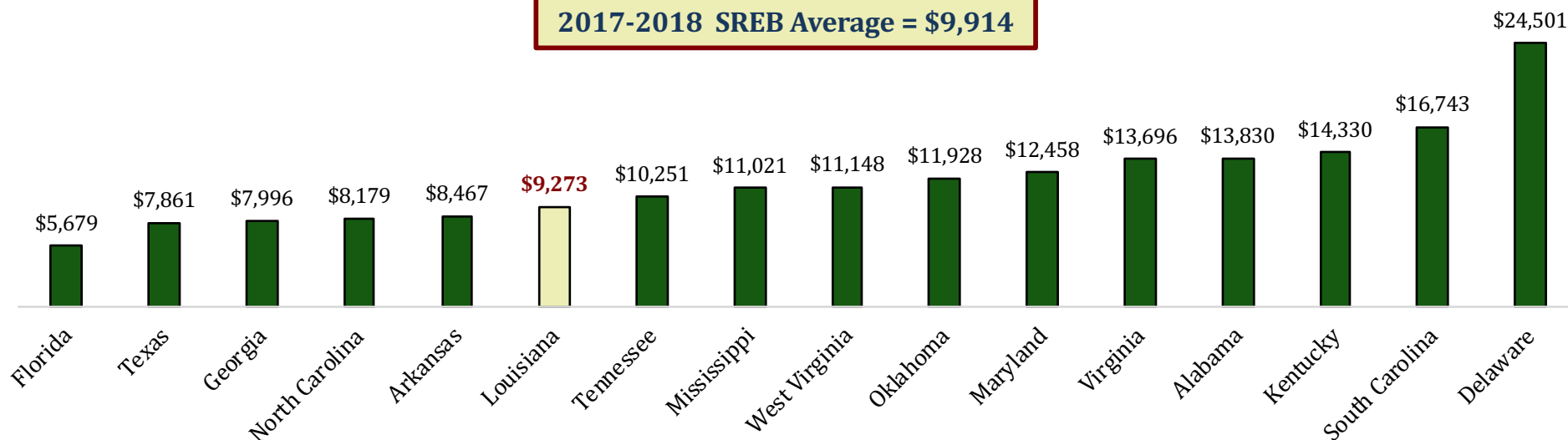
Note: Utilized the Commonfund Higher Education Price Index to calculate the 2007-2008 Adjusted SREB Average.



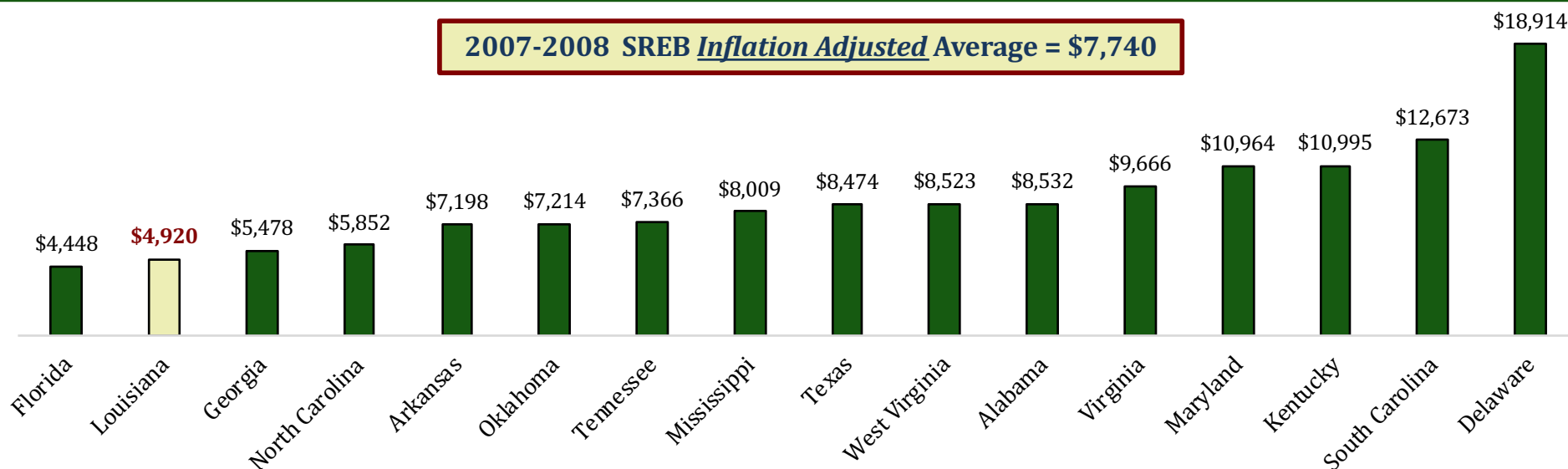
4-Year Institutions – Tuition & Fees Per FTE

SREB Data Exchange

2017-2018 SREB Average = \$9,914



2007-2008 SREB *Inflation Adjusted* Average = \$7,740



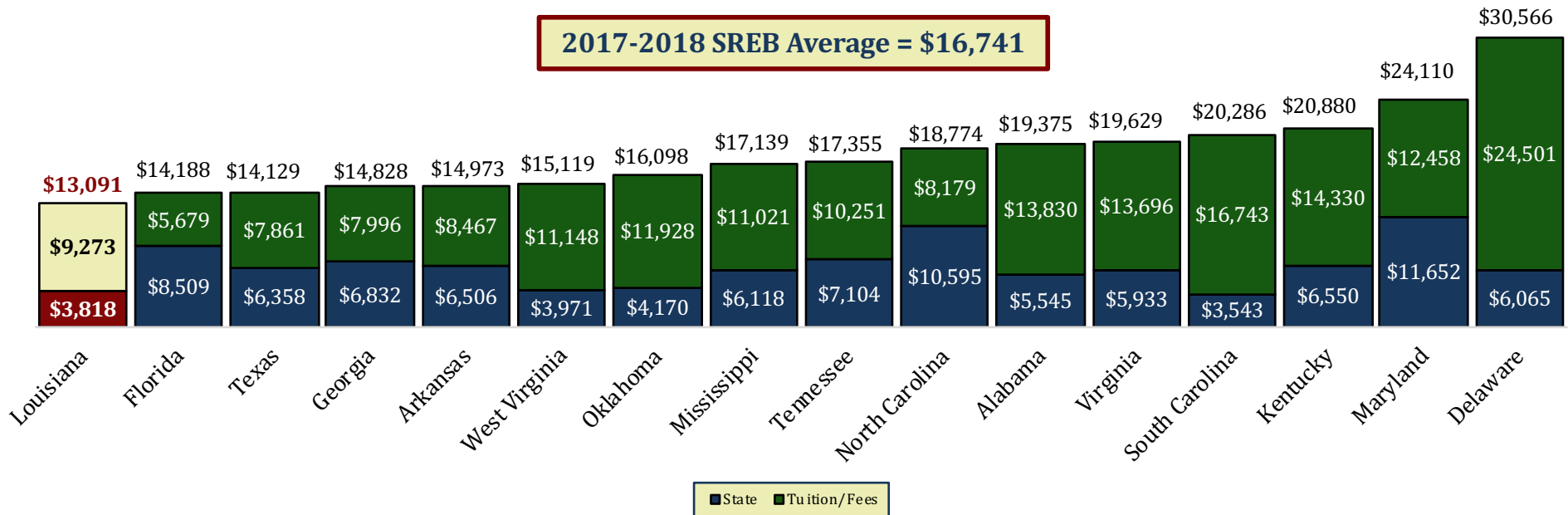
Note: Utilized the Commonfund Higher Education Price Index to calculate the 2007-2008 Adjusted SREB Average.



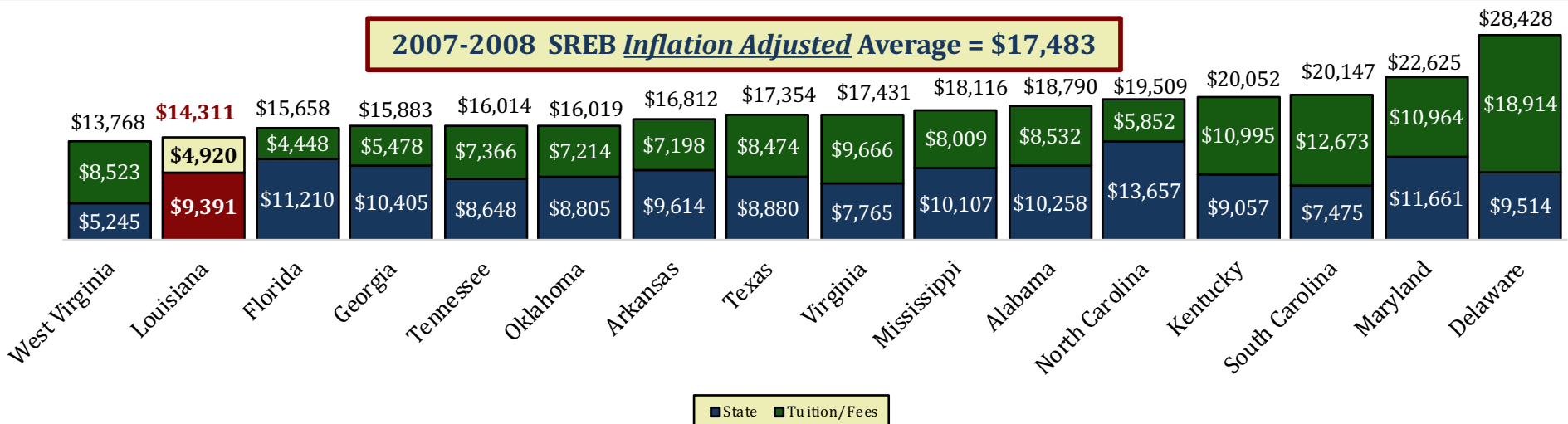
4-Year Institutions – Total Funding Per FTE

SREB Data Exchange

2017-2018 SREB Average = \$16,741



2007-2008 SREB *Inflation Adjusted* Average = \$17,483

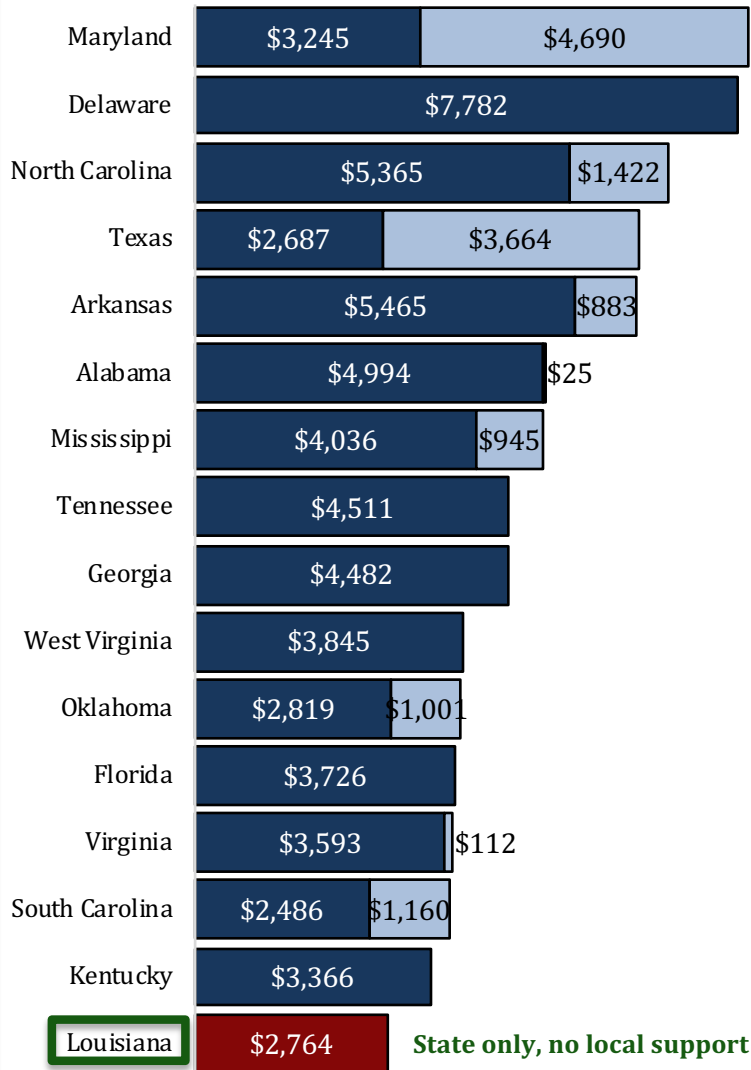


Note: Utilized the Commonfund Higher Education Price Index to calculate the 2007-2008 Adjusted SREB Average.



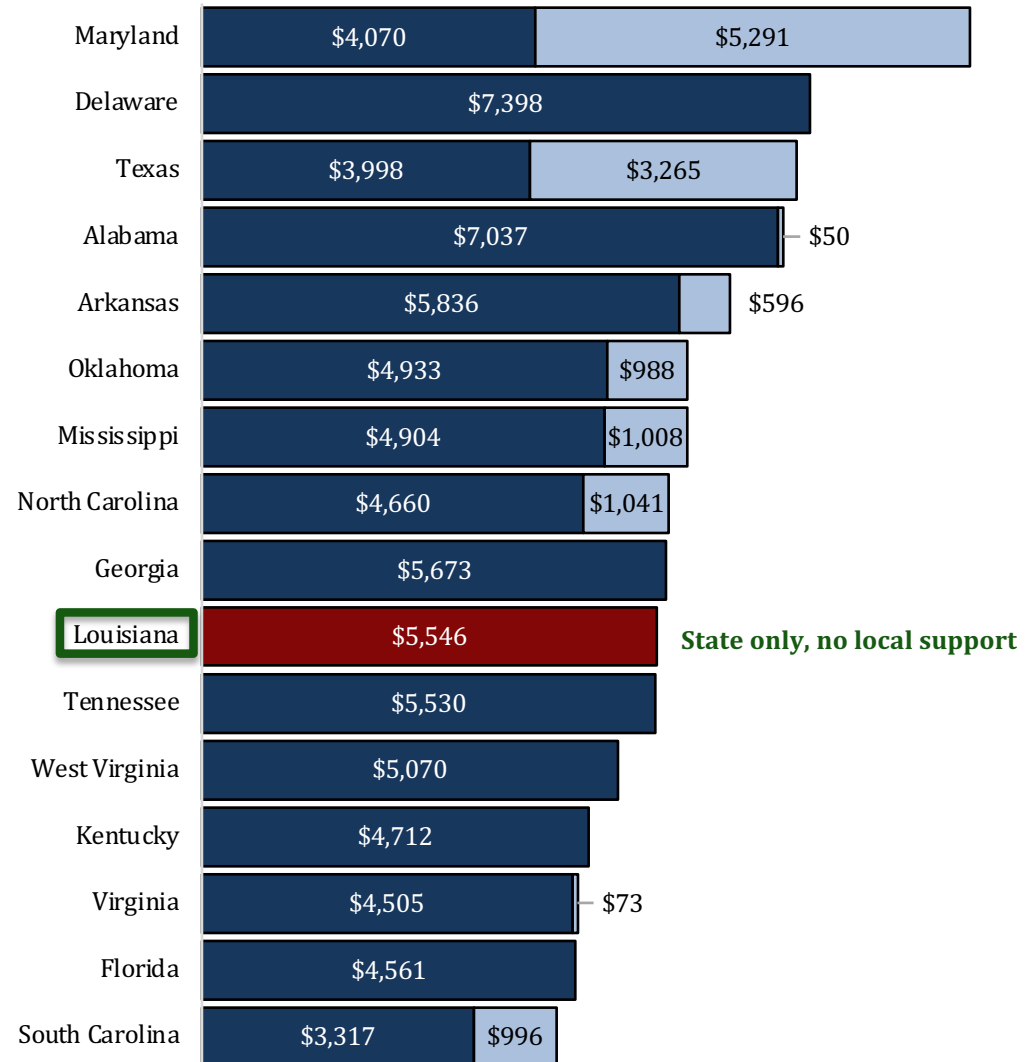
2-Year Institutions State & Local Appropriations Per FTE SREB Data Exchange

2017-2018 SREB Average = \$5,262 (State = \$3,618, Local = \$1,644)



■ State ■ Local

2007-2008 *Inflation Adjusted* SREB Average = \$5,980 (State = \$4,614, Local = \$1,366)



■ State ■ Local

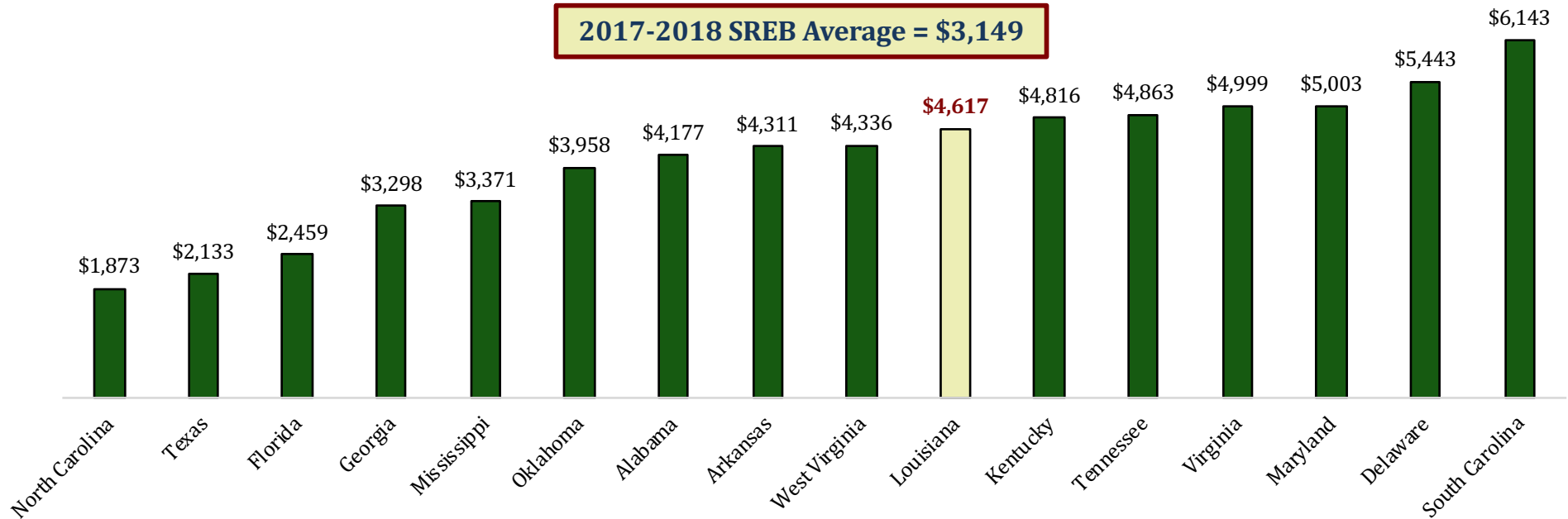
Note: Utilized the Commonfund Higher Education Price Index to calculate the 2007-2008 Adjusted SREB Average.



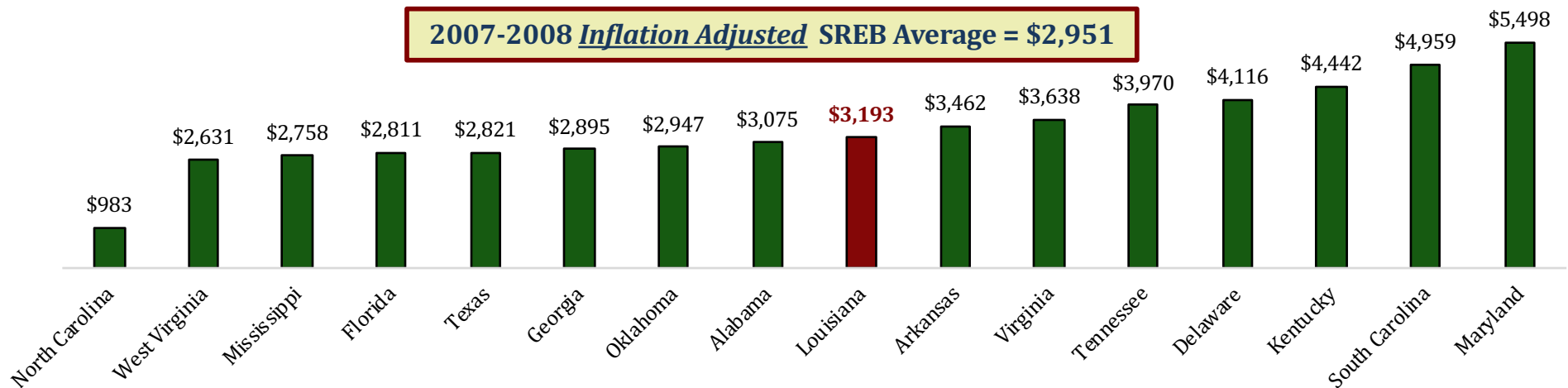
2-Year Institutions – Tuition & Fees Per FTE

SREB Data Exchange

2017-2018 SREB Average = \$3,149



2007-2008 Inflation Adjusted SREB Average = \$2,951



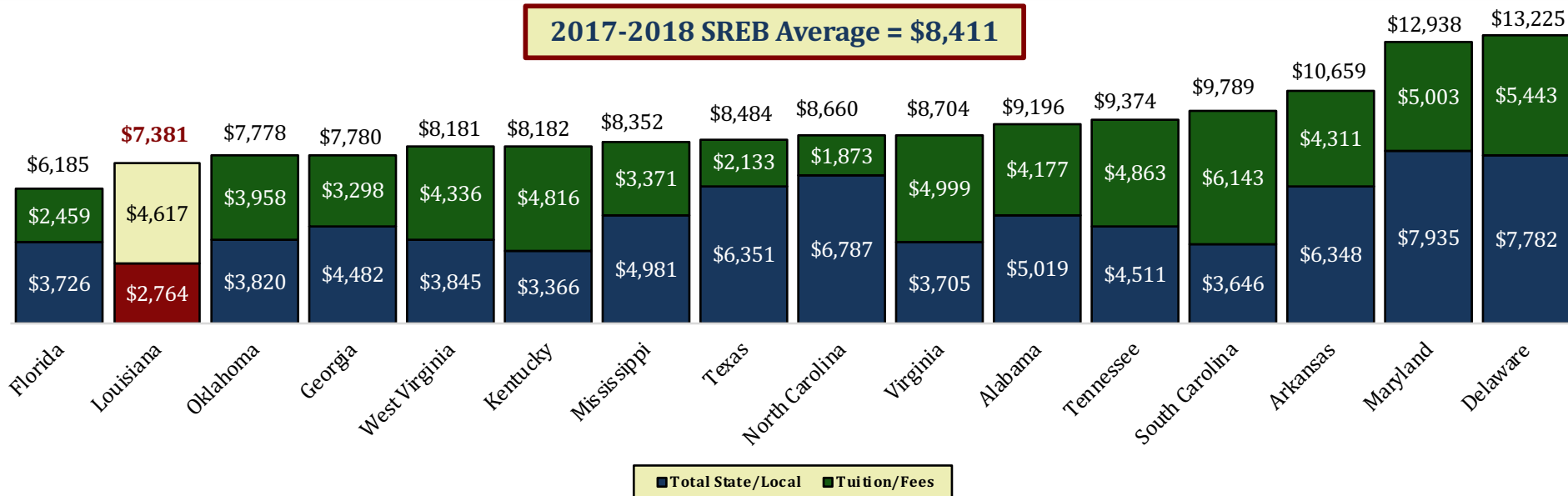
Note: Utilized the Commonfund Higher Education Price Index to calculate the 2007-2008 Adjusted SREB Average.



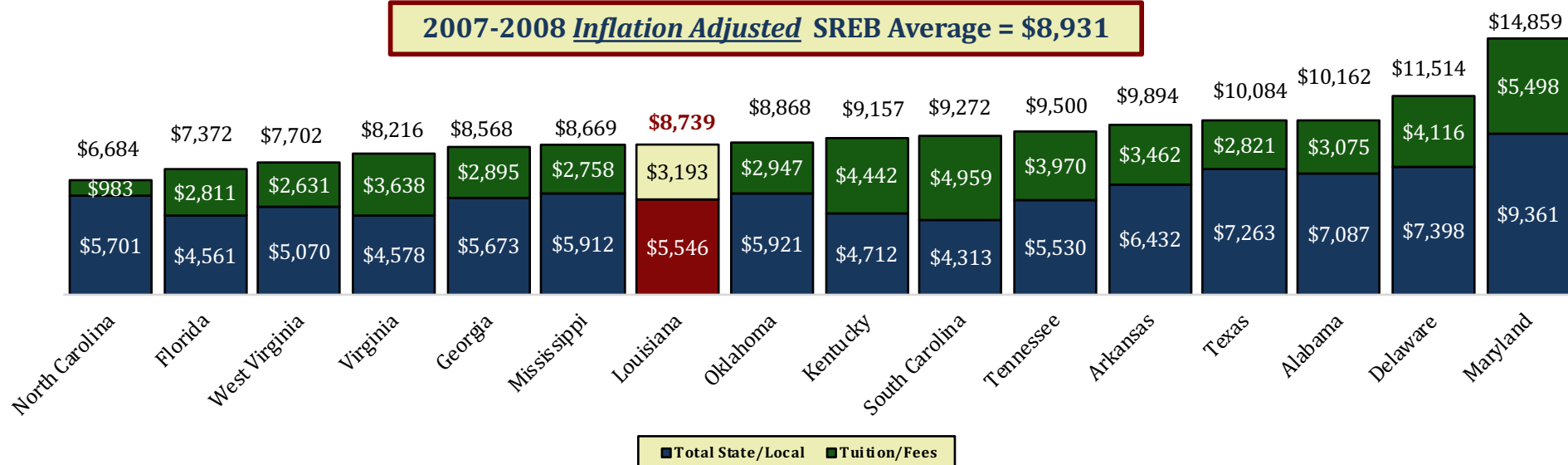
2-Year Institutions – Total Funding Per FTE

SREB Data Exchange

2017-2018 SREB Average = \$8,411



2007-2008 Inflation Adjusted SREB Average = \$8,931



Note: Utilized the Commonfund Higher Education Price Index to calculate the 2007-2008 Adjusted SREB Average.



Schedule 19A — Higher Education

Report Summary – Released April 2019



SHEEO

STATE HIGHER EDUCATION EXECUTIVE OFFICERS ASSOCIATION

SHEF: FY 2018

STATE HIGHER EDUCATION FINANCE

Annually, the State Higher Education Executive Officers Association (SHEEO) releases the State Higher Education Finance (SHEF) Report, which provides comparative data for all 50 states for state appropriations/FTE, tuition & fees/FTE and total funding/FTE. From a national perspective, highlights of the report include:

- Educational Appropriations per FTE are flat in 2018 increasing by only 0.2% up to \$7,853 from \$7,841 in 2017;
- Net tuition revenue per FTE was flat at \$6,788, or no increase over 2017;
- Total educational revenue per FTE is 6.4% above 2008 pre-recession levels.

Louisiana Results From Report

- Louisiana ranks second to last in percent change since the recession (2008) in educational appropriations per FTE (Louisiana -40% decrease, U.S. Average -11%).
- Louisiana ranks second to first in percent change since the recession (2008) in net tuition per FTE (Louisiana, 84.7% increase, U.S. Average 38.6% increase).
- Louisiana ranks third to last in percent change since the recession (2008) in total educational revenue per FTE (Louisiana -11.3% decrease, U.S. Average 6.4% increase).

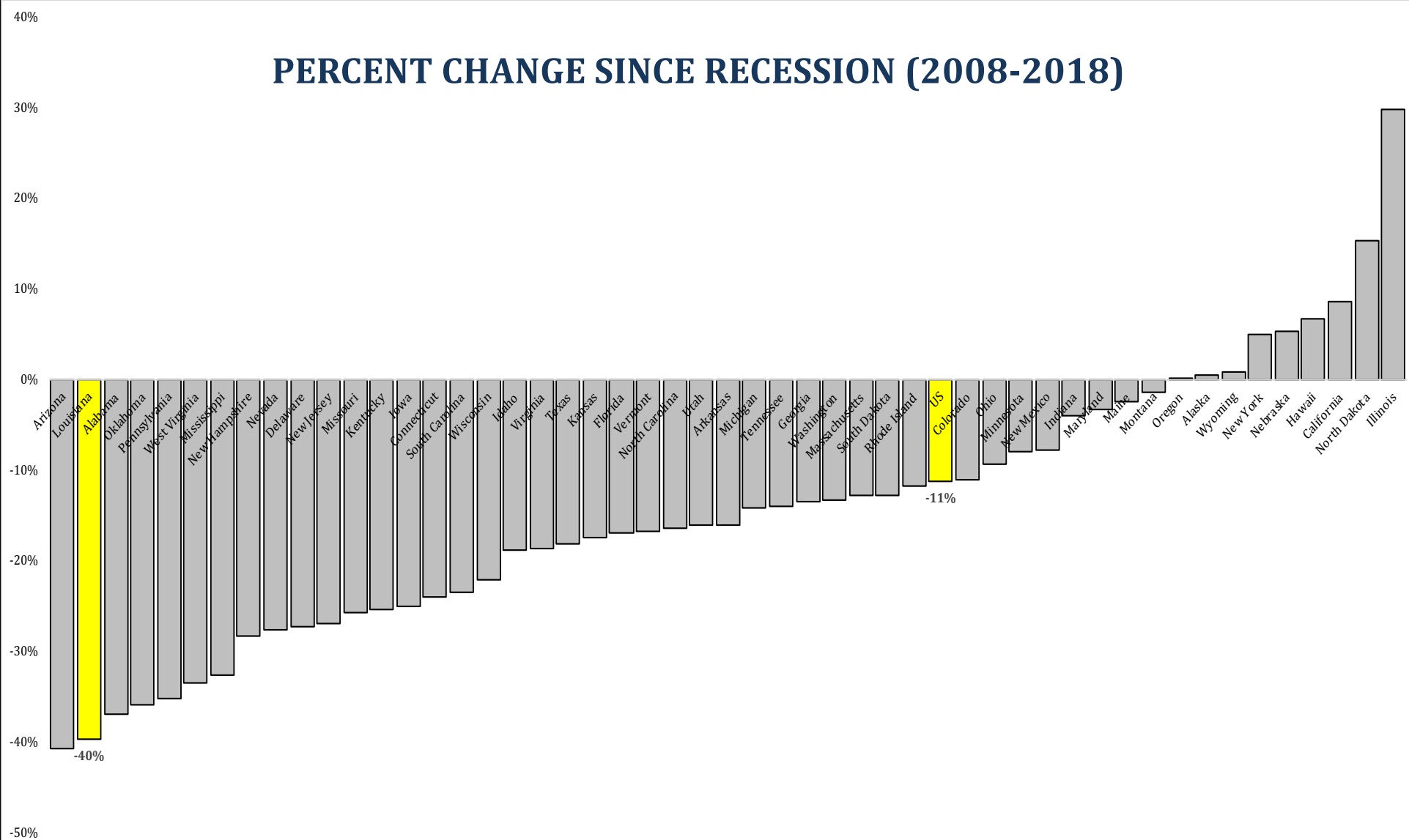


Educational State Appropriations Per FTE

State Higher Education Executive Officers Association (SHEEO)

2018 State Higher Education Finance (SHEF)

PERCENT CHANGE SINCE RECESSION (2008-2018)



Note: The SHEEO Data has been adjusted for a cost of living adjustment, enrollment mix and higher education cost adjustment in order to provide comparison among states. The data has been adjusted to 2018 using these three different indexes.

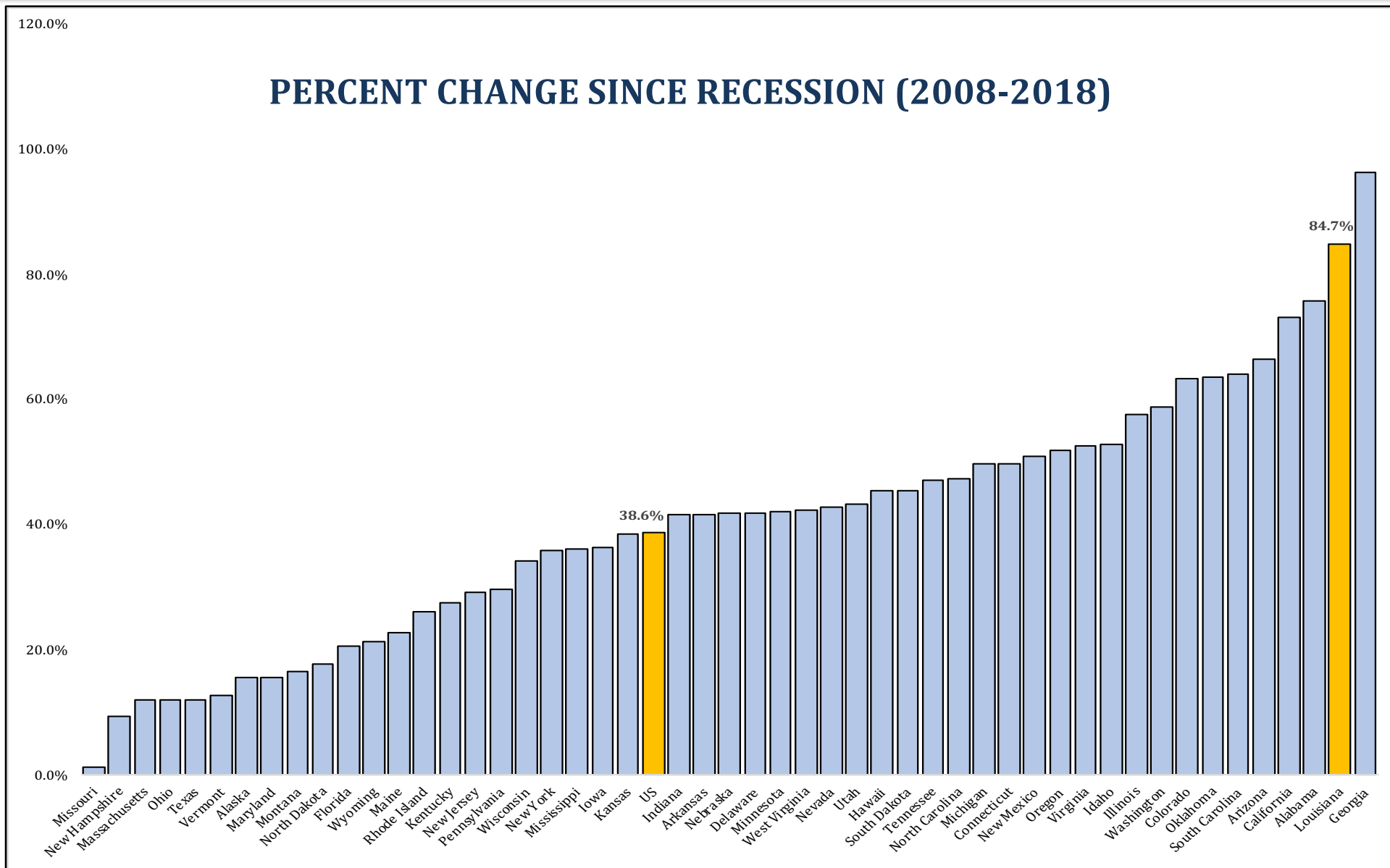


Net Tuition & Fees Per FTE

State Higher Education Executive Officers Association (SHEEO)

2018 State Higher Education Finance (SHEF)

PERCENT CHANGE SINCE RECESSION (2008-2018)



Note: The SHEEO Data has been adjusted for a cost of living adjustment, enrollment mix and higher education cost adjustment in order to provide a comparison among states. The data has been adjusted to 2018 using these three different indexes.

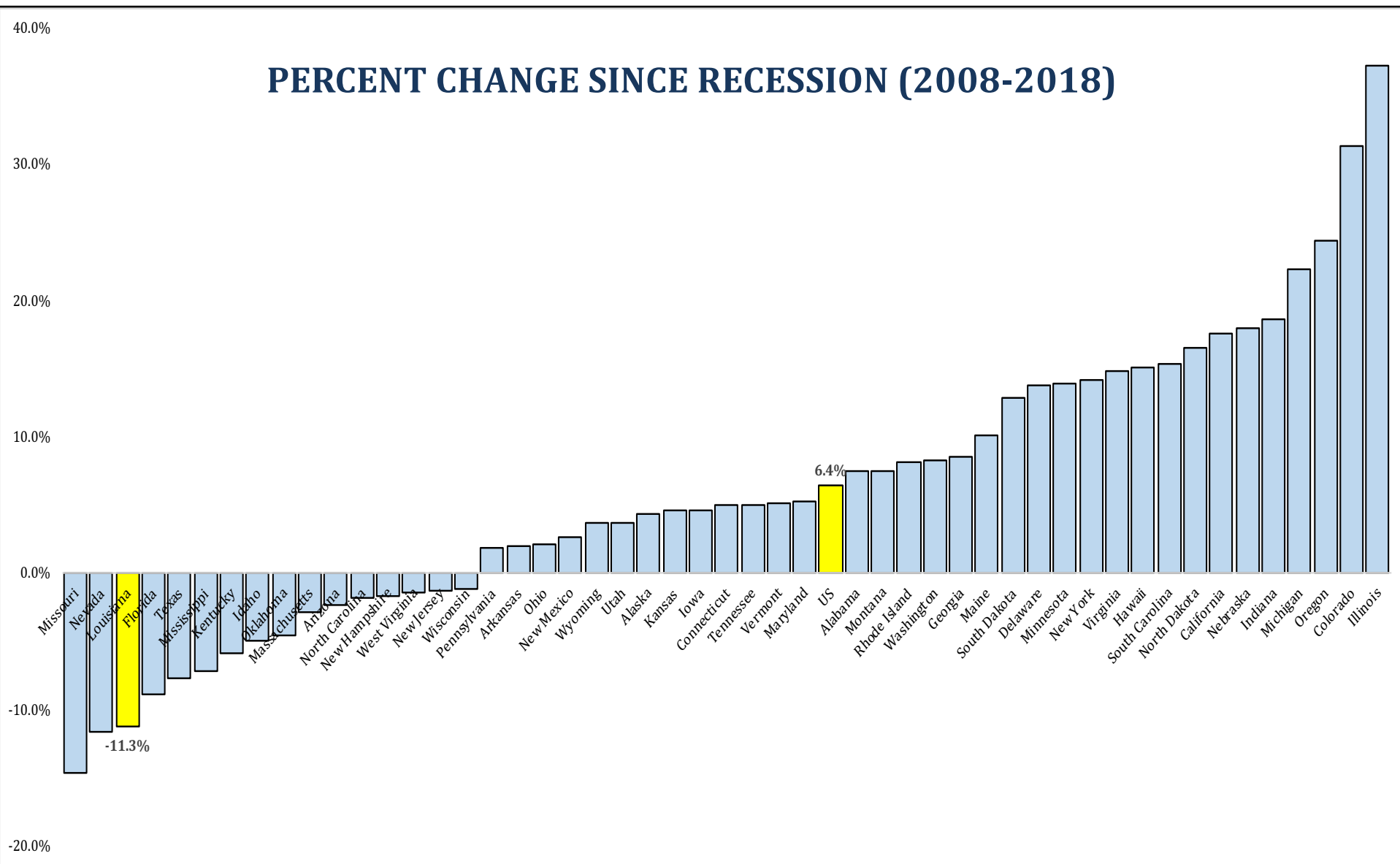


Total Educational Revenue Per FTE

State Higher Education Executive Officers Association (SHEEO)

2018 State Higher Education Finance (SHEF)

PERCENT CHANGE SINCE RECESSION (2008-2018)



Note: The SHEEO Data has been adjusted for a cost of living adjustment, enrollment mix and higher education cost adjustment in order to provide a comparison among states. The data has been adjusted to 2017 using these three different indexes.

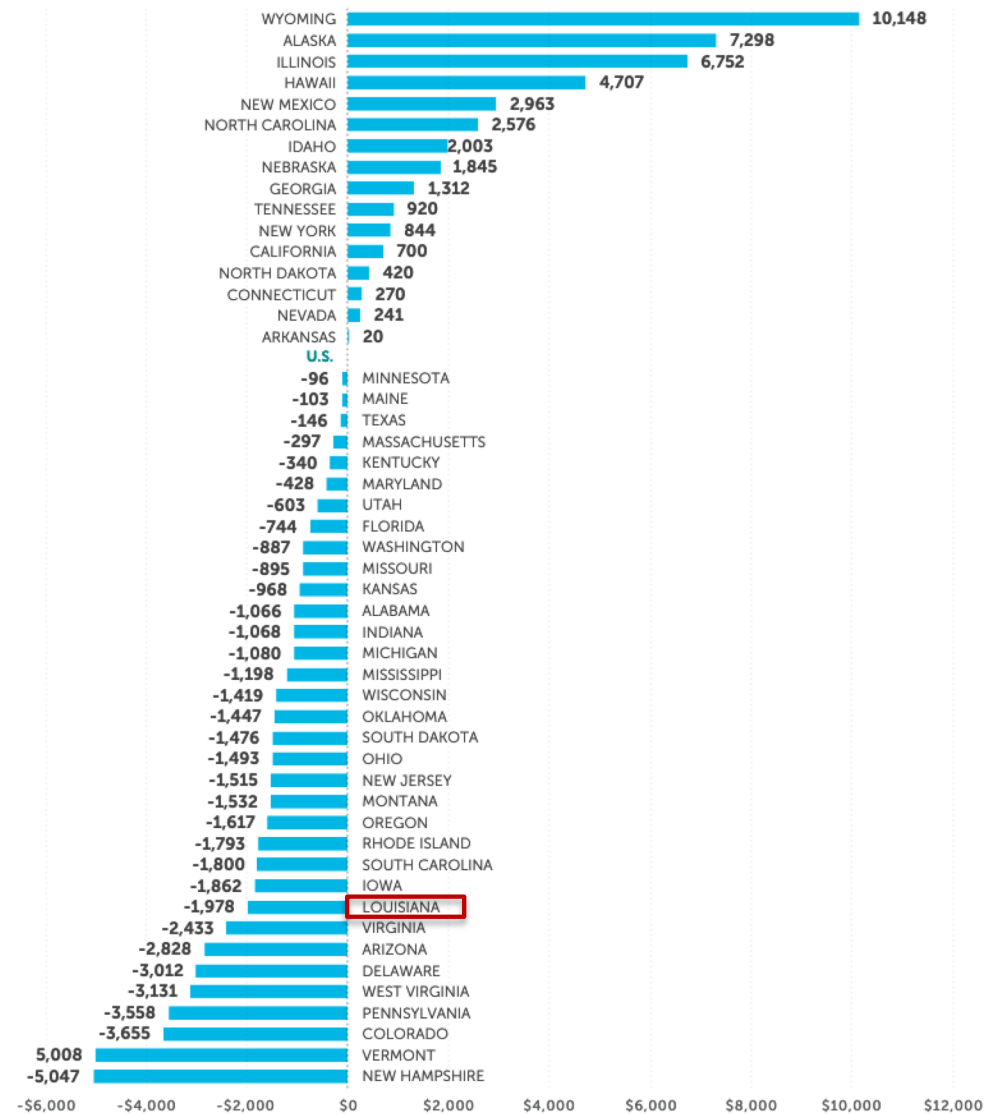


Total Educational Appropriations Per FTE

State Higher Education Executive Officers Association (SHEEO)

2018 State Higher Education Finance (SHEF)

EDUCATIONAL APPROPRIATIONS PER FTE (ADJUSTED) -
DIFFERENCE FROM U.S. AVERAGE, FY 2018



Note: The SHEEO Data has been adjusted for a cost of living adjustment, enrollment mix and higher education cost adjustment in order to provide a comparison among states. The data has been adjusted to 2017 using these three different indexes.

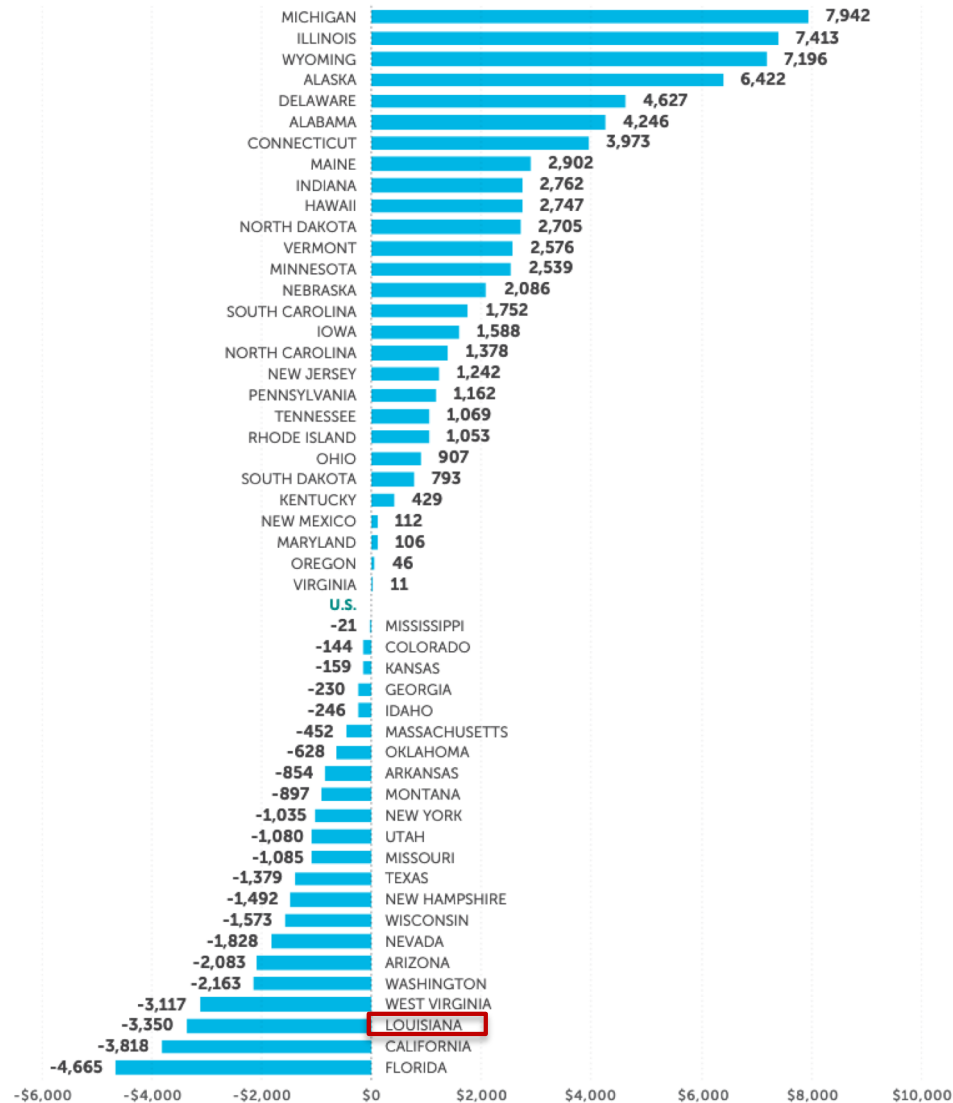


Total Educational Revenue Per FTE

State Higher Education Executive Officers Association (SHEEO)

2018 State Higher Education Finance (SHEF)

TOTAL EDUCATIONAL REVENUE PER FTE (ADJUSTED) -
DIFFERENCE FROM U.S. AVERAGE, FY 2018



Note: The SHEEO Data has been adjusted for a cost of living adjustment, enrollment mix and higher education cost adjustment in order to provide a comparison among states. The data has been adjusted to 2017 using these three different indexes.



Average Faculty Salary Gap

Compares SREB Average Faculty Salary to Actual Average Faculty Salary 4-Year Institutions

AVERAGE FACULTY SALARY GAPS	PROFESSOR		ASSOC. PROFESSOR		ASSIST. PROFESSOR		INSTRUCTOR	
	Average Professor Salary GAP	% GAP	Average Associate Professor Salary GAP	% GAP	Average Assistant Professor Salary GAP	% GAP	Average Instructor Salary GAP	% GAP
LSU A&M	(\$10,951)	-8.6%	(\$5,829)	-7.0%	(\$1,688)	-2.2%	(\$3,653)	-7.7%
LA Tech	(\$27,162)	-24.2%	(\$13,662)	-19.7%	(\$4,402)	-6.6%	(\$10,146)	-25.3%
ULL	(\$7,257)	-6.5%	(\$2,303)	-2.9%	(\$4,755)	-7.1%	\$1,009	2.0%
UNO	(\$25,688)	-22.9%	(\$16,144)	-24.2%	(\$2,321)	-3.4%	(\$11,170)	-28.6%
SLU	(\$11,739)	-13.3%	(\$8,126)	-12.5%	(\$4,808)	-8.1%	(\$1,637)	-3.7%
SU A&M	(\$18,944)	-21.4%	(\$12,050)	-19.8%	(\$7,301)	-12.9%	(\$2,343)	-5.4%
ULM	(\$1,359)	-1.5%	(\$3,746)	-5.4%	(\$2,497)	-4.1%	\$509	1.1%
Grambling	(\$17,016)	-20.9%	(\$27,108)	-66.5%	(\$15,035)	-33.5%	(\$6,581)	-16.2%
LSU Shreveport	(\$13,538)	-16.6%	(\$10,147)	-17.6%	(\$4,091)	-7.3%	(\$9,005)	-23.5%
McNeese State	\$442	0.5%	(\$4,202)	-6.6%	(\$4,328)	-7.8%	(\$4,729)	-11.1%
Nicholls State	(\$11,728)	-14.4%	(\$11,438)	-20.3%	(\$6,589)	-12.4%	(\$4,883)	-11.5%
Northwestern State	(\$8,714)	-10.7%	(\$10,215)	-17.7%	(\$7,874)	-15.1%	(\$5,155)	-12.2%
SUNO	(\$19,278)	-23.8%	(\$14,490)	-27.3%	(\$8,523)	-16.9%	(\$5,543)	-13.2%
LSU Alexandria	(\$16,981)	-22.0%	(\$14,245)	-28.7%	(\$6,675)	-13.1%	(\$8,152)	-20.7%

Source: Board of Regents – faculty salary gap calculation compares the SREB average salary for professor, associate professor, assistant professor, instructor and other to the actual average salary for each institution at the faculty levels. SREB average salary utilized is broken down by the SREB category of the institution.

According to the Board of Regents, the total additional funding need in order to provide a faculty pay raise up to the SREB salary average for 4-year institutions equals **\$31.4M** (inclusive of related benefits).



Average Faculty Salary Gap

Compares SREB Average Faculty Salary to Actual Average Faculty Salary 2-Year Institutions

AVERAGE FACULTY SALARY GAPS	PROFESSOR		ASSOC. PROFESSOR		ASSIST. PROFESSOR		INSTRUCTOR	
	Average Professor Salary GAP	% GAP	Average Associate Professor Salary GAP	% GAP	Average Assistant Professor Salary GAP	% GAP	Average Instructor Salary GAP	% GAP
Baton Rouge CC	(\$15,066)	-22.1%	(\$8,450)	-16.5%	(\$4,241)	-8.6%	(\$8,767)	-19.9%
Bossier Parish CC	(\$12,297)	-18.0%	(\$16,705)	-39.0%	(\$11,579)	-27.4%	(\$12,311)	-30.4%
Delgado CC	(\$2,309)	-3.4%	(\$8,555)	-16.8%	(\$12,240)	-29.5%	(\$15,427)	-41.3%
LA Delta CC	(\$12,619)	-21.4%	(\$5,987)	-12.9%	(\$1,881)	-4.0%	(\$10,476)	-28.7%
South LA CC	(\$9,360)	-15.9%	(\$10,126)	-23.9%	(\$6,469)	-15.2%	(\$6,041)	-14.8%
SUSLA	(\$5,048)	-8.6%	(\$3,911)	-8.0%	(\$5,140)	-11.7%	(\$10,911)	-30.3%
Northshore Technical	N/A	0.0%	(\$5,554)	-11.8%	(\$6,859)	-16.3%	(\$10,174)	-27.7%
SOWELA CC	(\$10,216)	-17.3%	(\$1,879)	-3.7%	(\$2,324)	-5.0%	(\$7,136)	-17.9%
LSU Eunice	(\$6,761)	-11.0%	(\$7,416)	-15.9%	(\$10,056)	-25.3%	(\$3,539)	-8.8%
Nunez CC	(\$6,770)	-11.0%	(\$7,416)	-15.9%	(\$10,056)	-25.3%	(\$3,539)	-8.8%
River Parishes CC	(\$13,250)	-21.5%	(\$6,669)	-14.1%	(\$5,739)	-13.0%	(\$3,785)	-9.5%
Fletcher Technical CC	N/A	0.0%	\$0	0.0%	(\$6,365)	-14.6%	(\$4,132)	-10.5%
Central LA Technical	(\$6,071)	-11.7%	\$0	0.0%	N/A	0.0%	(\$1,472)	-4.0%
Northwest Technical (LTC)	(\$8,778)	-17.0%	(\$12,280)	-33.5%	N/A	0.0%	(\$3,129)	-9.0%
South Central LA Technical (LTC)	N/A	0.0%	\$0	0.0%	N/A	0.0%	(\$1,764)	-4.9%

Source: Board of Regents – faculty salary gap calculation compares the SREB average salary for professor, associate professor, assistant professor, instructor and other to the actual average salary for each institution at the faculty levels. SREB average salary utilized is broken down by the SREB category of the institution.

According to the Board of Regents, the total additional funding need in order to provide a faculty pay raise up to the SREB salary average for 2-year institutions equals **\$11.7M** (inclusive of related benefits).



Schedule 19A — Higher Education

HIGHER EDUCATION FUNDING FORMULA OVERVIEW



HIGHER EDUCATION FUNDING FORMULA

Recent History (2-year/4-year Institutions)

Formula Method	RECENT FORMULA HISTORY											
	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
	FTE by SREB Category	Cost Formula				Cost Formula plus Strategic Initiatives			Outcomes Based Funding			
Distribution Information	Funded at the SREB average for 1st time	American Recovery & Reinvestment (ARRA) Funds used to minimize cuts	American Recovery & Reinvestment (ARRA) Funds used to minimize cuts	Formula with 4% Stop Loss	Formula with 4% Stop Loss	Formula with 4% Stop Loss	Formula not used; Pro-Rata Share based on previous year	Formula not used; Pro-Rata Share based on previous year	Formula distribution based on 70% base/15% cost/15% outcomes	Formula distribution based on 65% base/17.5% cost/17.5% outcomes	Formula distribution based on 63% base/17% cost/20% outcomes	?

- Pursuant to Article VIII, Section 5(D)(4), one of the functions of the Board of Regents is to provide for a formula that equitably distributes funds to public institutions.
- Pursuant to Act 462 of 2014 by Senator Appel, the Board of Regents developed and implemented an outcomes based funding formula for 2-year/4-year institutions beginning in FY17.
- The current 2-year/4-year funding formula consist of 3 components:
 - COST
 - OUTCOMES
 - BASE LEVEL FUNDING

Prior to the Outcomes funding formula requirement of Act 462 of 2014, in FY15 and FY16 the Board of Regents did not use the funding formula to distribute the SGF. The Board of Regents distributed the SGF on a pro-rata share basis of the prior year's base budget.

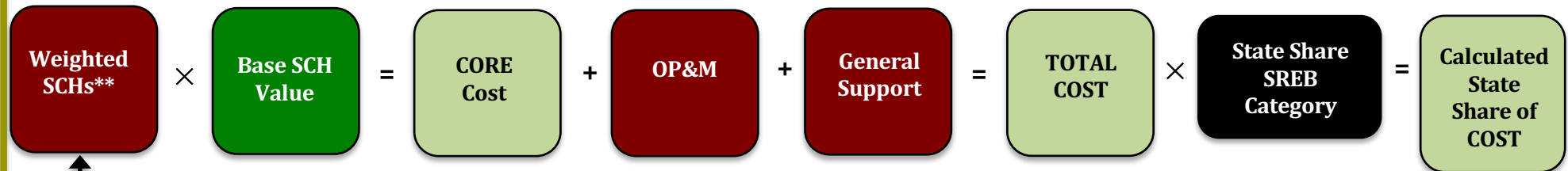
At this time, the Board of Regents has not made any decisions relative to the FY20 Higher Education Funding formula. The Board of Regents decision relative to the formula will not be finalized until the June 2019 Board of Regents Board Meeting.



COST PORTION OF THE FORMULA

Components include: Core Cost, Operation of Plant & Maintenance (OP&M) & General Support

The **Cost Portion** of the formula is based on various third-party data that are utilized to calculate the **ideal cost** of an institution based on the academic program offerings (**program mix**) of that institution.



*The **Student Credit Hour (SCH)** represents a measurement of instructional workload. For example, if 5 students are enrolled in a 3-hour course each, then there are 15 Student Credit Hours attributed to this one course.

Weighted SCHs equate to the cost matrix weights for each respective discipline (academic class) multiplied by an institution's SCH data by discipline. **The Weighted SCH differentiates the SCHs based on the subject matter of the SCH.

- **Core Cost Component** – The Core Cost accounts for approximately **75%** of the total cost portion of the Higher Education Cost Formula. The basis of the Core Cost is the Base Student Credit Hour (SCH) Value as well as Weighted SCHs. Various third-party data sources are utilized to calculate the base per credit hour for the least expensive course to teach at an institution, which is a lower-level liberal arts course, also known as the Base SCH Value.
- **Operation, Plant & Maintenance (OP&M)** – This component of the cost formula is calculated by using an institution's net assignable square footage multiplied by a per square foot dollar amount. This component represents approximately **7%** of the total cost component.
- **General Support** – This component of the cost formula is calculated using the Integrated Postsecondary Education Data System (IPEDS) General Support Ratio. The ratio represents the portion of the total budget expended on General Support Service by SREB category institution. Examples of those expenditures include: operational support, general administrative, fiscal and executive level services of the institution. This component represents approximately **18%** of the total cost component.



Is Higher Education Fully Funded?



FY19 Fully Funded 2-year/4-year Formula = \$1.054B
FY19 Formula Shortfall = (\$564M)

FY20 Fully Funded 2-year/4-year Formula = \$1.0B
FY20 Formula Shortfall = ??

*The \$489.7M SGF includes \$4.5M SGF provided to SUNO (\$3M) and Grambling (\$1.5M) appropriated by the Legislature in FY19 outside the formula. The FY20 Proposed Budget and HB105 ReEngrossed still includes these SGF resources for SUNO and Grambling.

Although the FY20 Proposed Budget and HB105 ReEngrossed provide Higher Education an additional **\$6,200,728 SGF**, the Board of Regents has not recommended how these additional funds will be allocated in FY20.



OUTCOMES BASED FUNDING FORMULA PORTION

ACT 462 REQUIREMENTS

STUDENT SUCCESS FACTORS

- Timely progression toward degree completion
- Cost of completion, certificate and degree production
- Successful transfer of students from 2-years to 4-years

ALIGN WITH WORKFORCE NEEDS

- Certificate and degree production in science, technology, engineering, mathematics and other high-end fields

RESEARCH & INNOVATION

- Research expenditures, technology transfer and commercialization

FUNDING

- Include credit hours and cost of certificate and degree completion



METRICS

STUDENT SUCCESS FACTOR METRICS

- Time-to-degree (native students and transfers)
- Higher weights for upper level students (retention and progression)
- Certificates & diplomas awarded and graduate degrees awarded
- Transfer students from 2-year institutions to 4-year institutions
- Pell Completers

WORKFORCE NEED METRIC

- Completers in programs that lead to 4 and 5 Star Jobs
- Incentive for recruiting adults age 25 and above

RESEARCH & INNOVATION METRICS

- Research component for the 4-year institutions

FUNDING METRICS+

- Cost portion of the formula is used in overall weight distribution

+This changed in FY18 as the 2-year/4-year pools calculated for the outcomes portion are based on the base level budget (EOB) of 2-year/4-year and not the cost formula breakdown of the 2-year/4-year institutions.

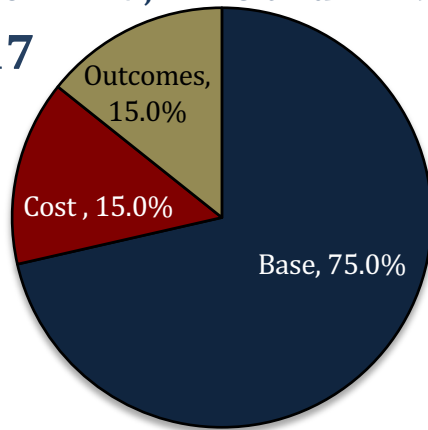


HIGHER EDUCATION FUNDING FORMULA

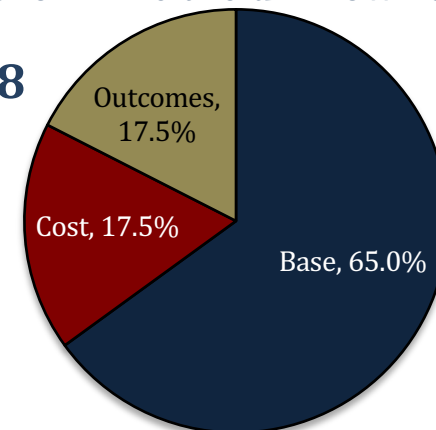
FY20 DISTRIBUTION ?

Due to provisions in Act 462 of 2014 that provide for the prevention of **dramatic changes** in funding from one institution to another while implementing the Outcomes Based Funding Formula, in FY17 (Year 1) the Board of Regents made a policy decision to weigh the various portions of the formula as follows: 70% - Base Funding, 15% - Cost Portion, and 15% - Outcomes Portion. The weights were adjusted in FY18 and FY19. The weights for FY17, FY18 and FY19 are depicted below. The weights for FY20 are unknown at this time.

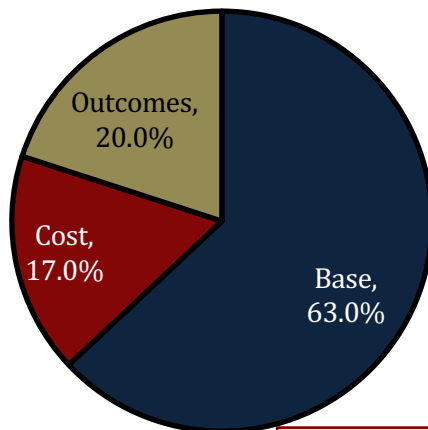
FY 17



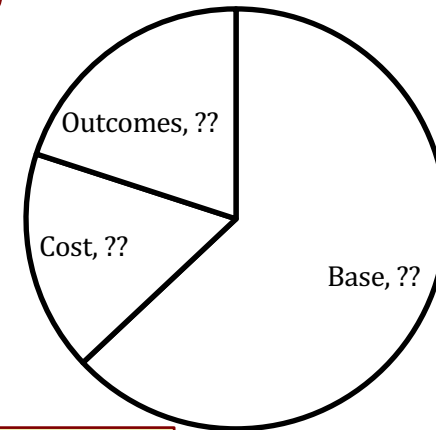
FY 18



FY 19



FY 20



The Board of Regents has not decided the weights to be used in FY20.



HIGHER EDUCATION FUNDING FORMULA

FY20 DISTRIBUTION METHODOLOGY (2-year/4-year Formula)

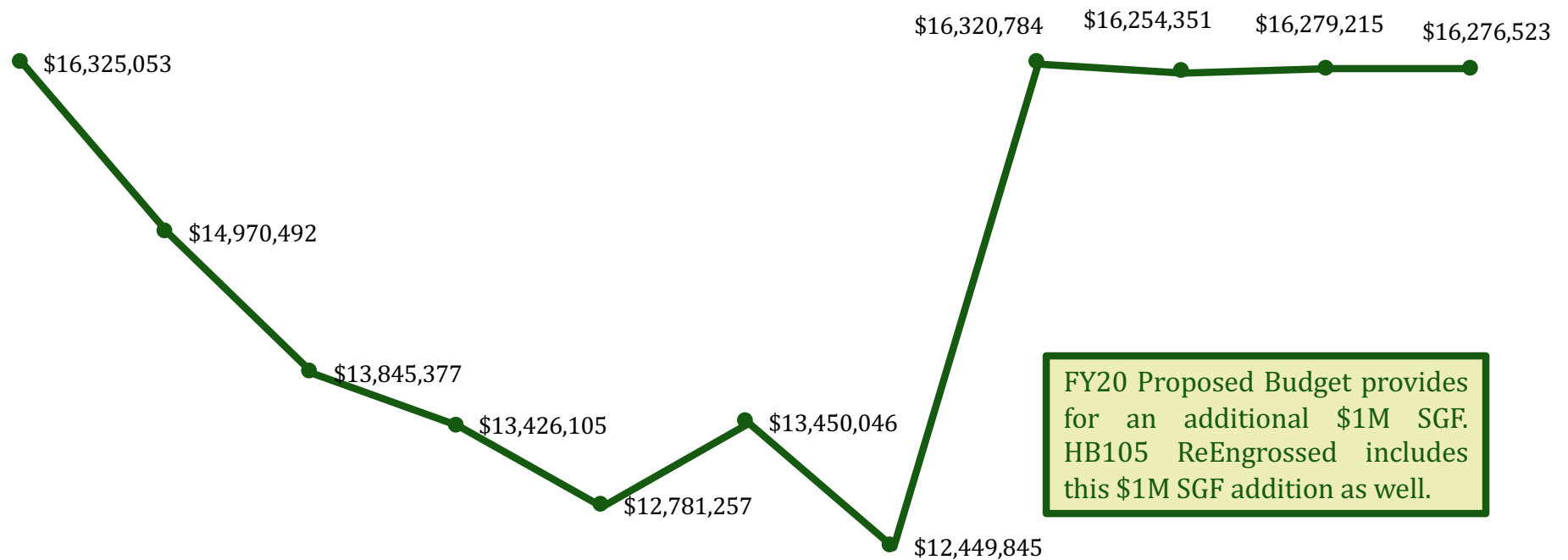
The Board of Regents has indicated to all legislative fiscal staffs that there will be several changes to the higher education funding formula as a result of the new Master Plan. Potential changes to the formula may include changing Pell student weights, enrollment of adults aged 25+ weights and adding metrics that align with the goals of the updated master plan.





Higher Education

Pennington Biomedical 10-year State Funds (SGF/Dedications) ENACTED History



Source: Board of Regents, FY19 BOR 3 Forms

FY09

FY10

FY11

FY12

FY13

FY14

FY15

FY16

FY17

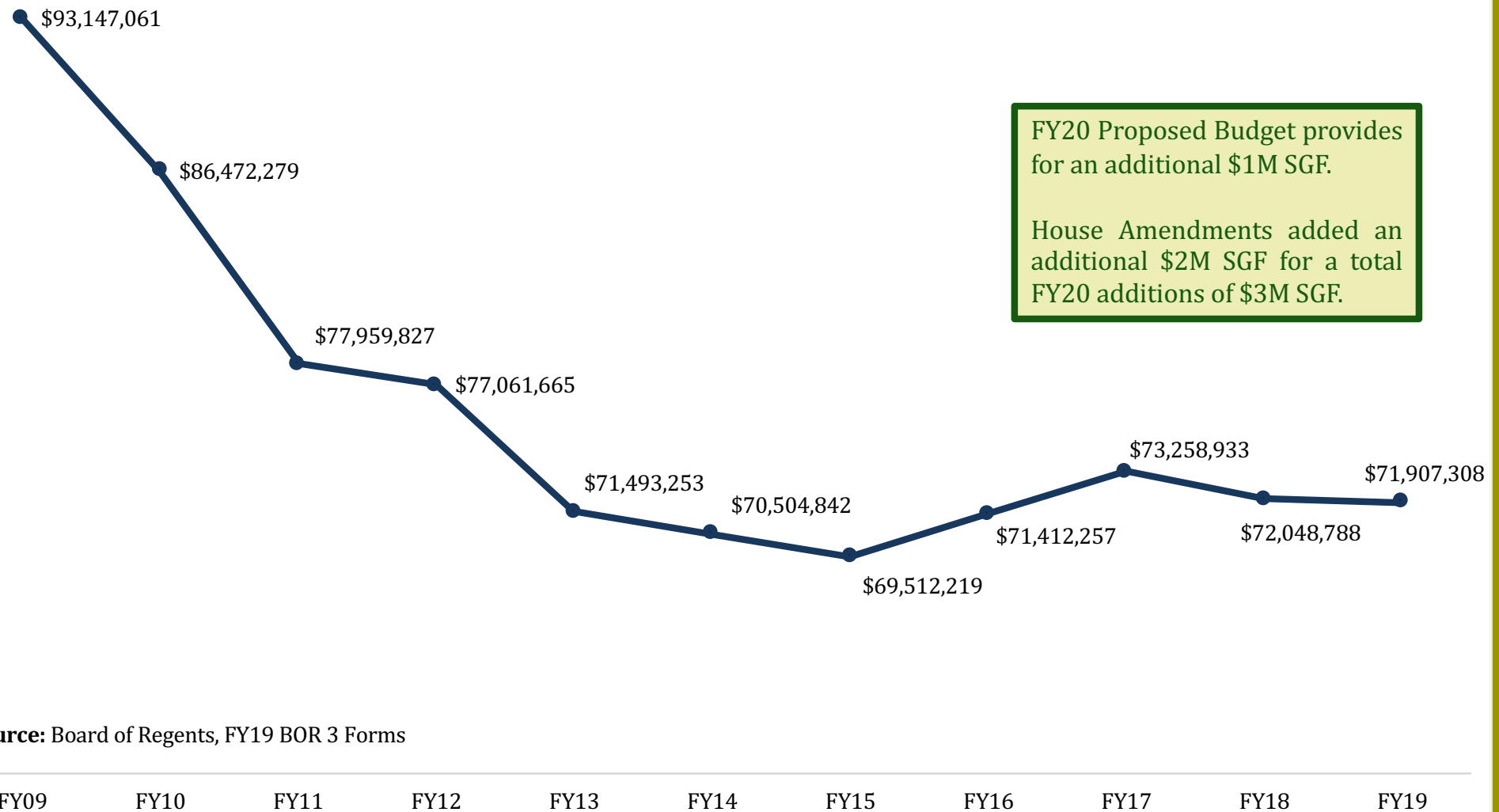
FY18

FY19



Higher Education

LSU Ag Center 10-Year State Funds (SGF/Dedications) ENACTED History

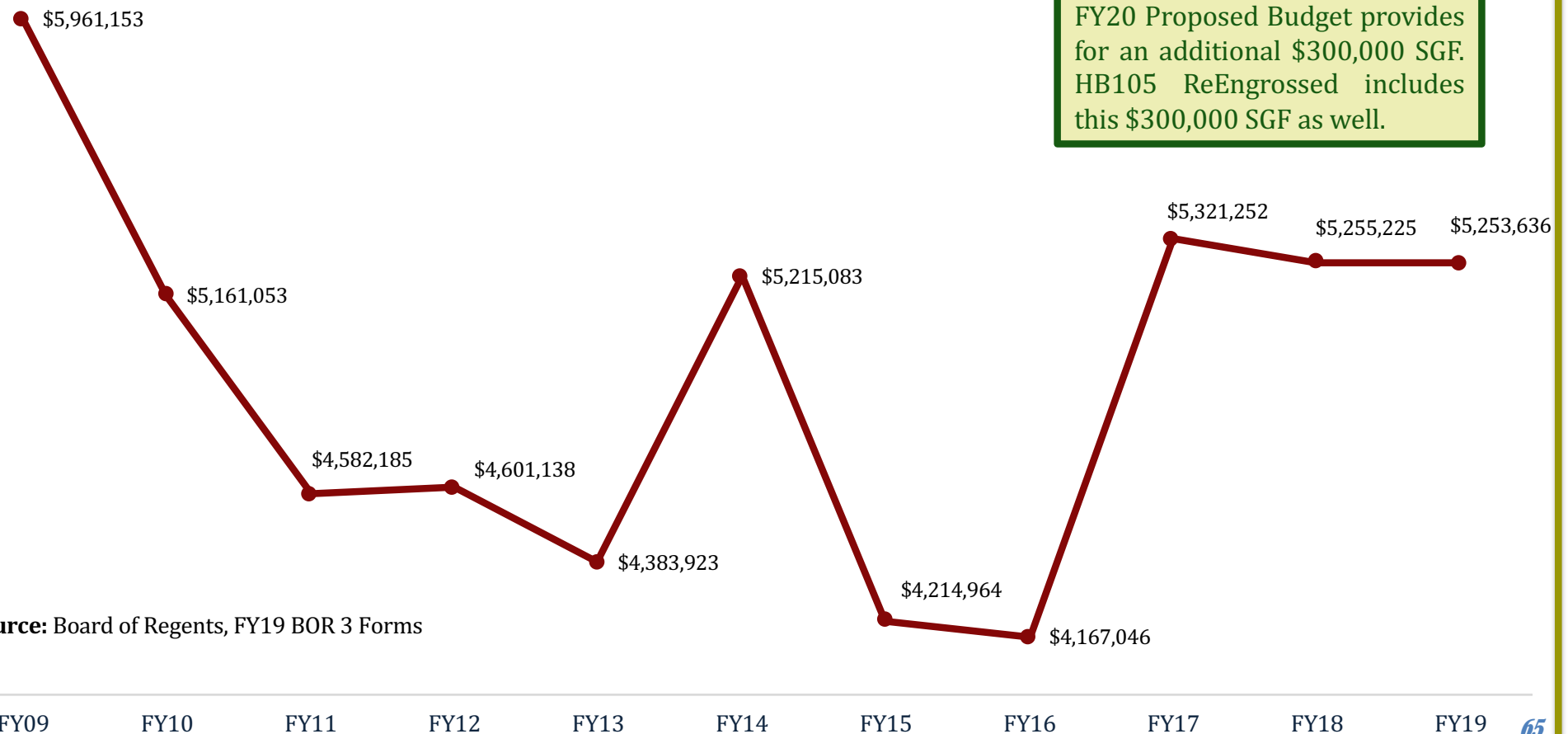


Source: Board of Regents, FY19 BOR 3 Forms



Higher Education

SU Ag Center 10-Year State Funds (SGF/Dedicated Funds) ENACTED History





Higher Education

FY20 SGF Allocation – HB105 ReEngrossed

FY20 HIGHER EDUCATION SGF - HB105 ReEng	\$1,051,548,947
LOSFA Program - MOF swap replacing federal funds	(\$5,933,082)
TOPS Awards	(\$251,830,114)
Go Grants Awards	(\$28,429,108)
START Earnings Enhancement	(\$1,900,000)
Pennington Biomedical Research Center	(\$1,000,000)
LSU Ag Center	(\$3,000,000)
SU Ag Center	(\$300,000)
LSU Medical School New Orleans (Lease)	(\$2,187,129)
ULM College of Pharmacy	(\$3,000,000)
<i>Grambling University (FY19 Line Item)</i>	<i>(\$1,500,000)</i>
<i>SU New Orleans (FY19 Line Item)</i>	<i>(\$3,000,000)</i>
FY20 SGF - Left to Be Allocated	\$749,469,514

FY19 SGF line item appropriations are still included in HB105 ReEngrossed and to date have not been reduced.

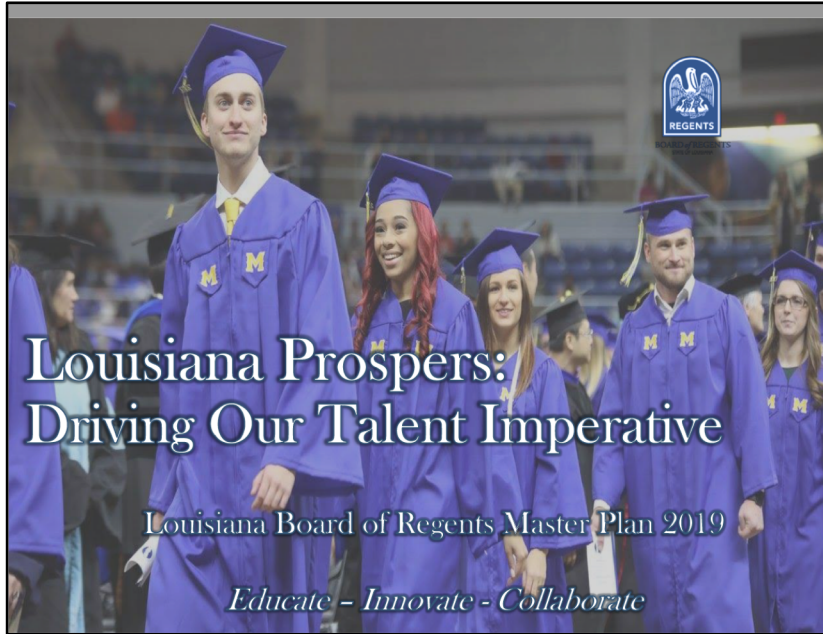
It is unknown at this time if these prior year SGF line item appropriations will be subject to potential funding formula shifts in FY20.

DISTRIBUTION OPTIONS FOR THE \$750M SGF

- Various Higher Education Boards
- LOSFA Program (Board of Regents)
- LUMCON Program (Board of Regents)
- 4-Year Institutions
- 2-Year Institutions
- Medical Schools
- Pennington Biomedical
- SU Law Center
- Agriculture Centers



Higher Education – Board of Regents Revised Higher Education Master Plan



Pursuant to Article VIII, Section D(4) of the Constitution, the Board of Regents is required “to *formulate and make timely revision of a master plan for postsecondary education.*”

The basis of the updated Master Plan is a new attainment goal. **The new attainment goal calls for 60% of all working-age adults (ages 25-64) in Louisiana to hold a degree or high-value credential by 2030.**

The Board of Regents’ master plan mission is:

“Coordinating the work of campuses, systems and stakeholders, the Louisiana Board of Regents serves as the state’s leading force for talent development through quality, affordable postsecondary education for all. Our Talent Imperative is to Educate, Innovate and Collaborate.”