

Louisiana Senate Finance Committee



FY 2017-2018 Budget

19A – Higher Education

May 2017

Sen. John A. Alario, Jr., President

Sen. Eric LaFleur, Chairman



Kari Couvillon



FY18 Executive Budget

Schedule 19 — Higher Education



Louisiana Universities Marine Consortium



BOARD of REGENTS
STATE OF LOUISIANA

Pursuant to Act 314 of 2016 Regular Legislative Session, LOSFA and LUMCON are no longer individual budget units and are now programs within the Board of Regents.



- 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



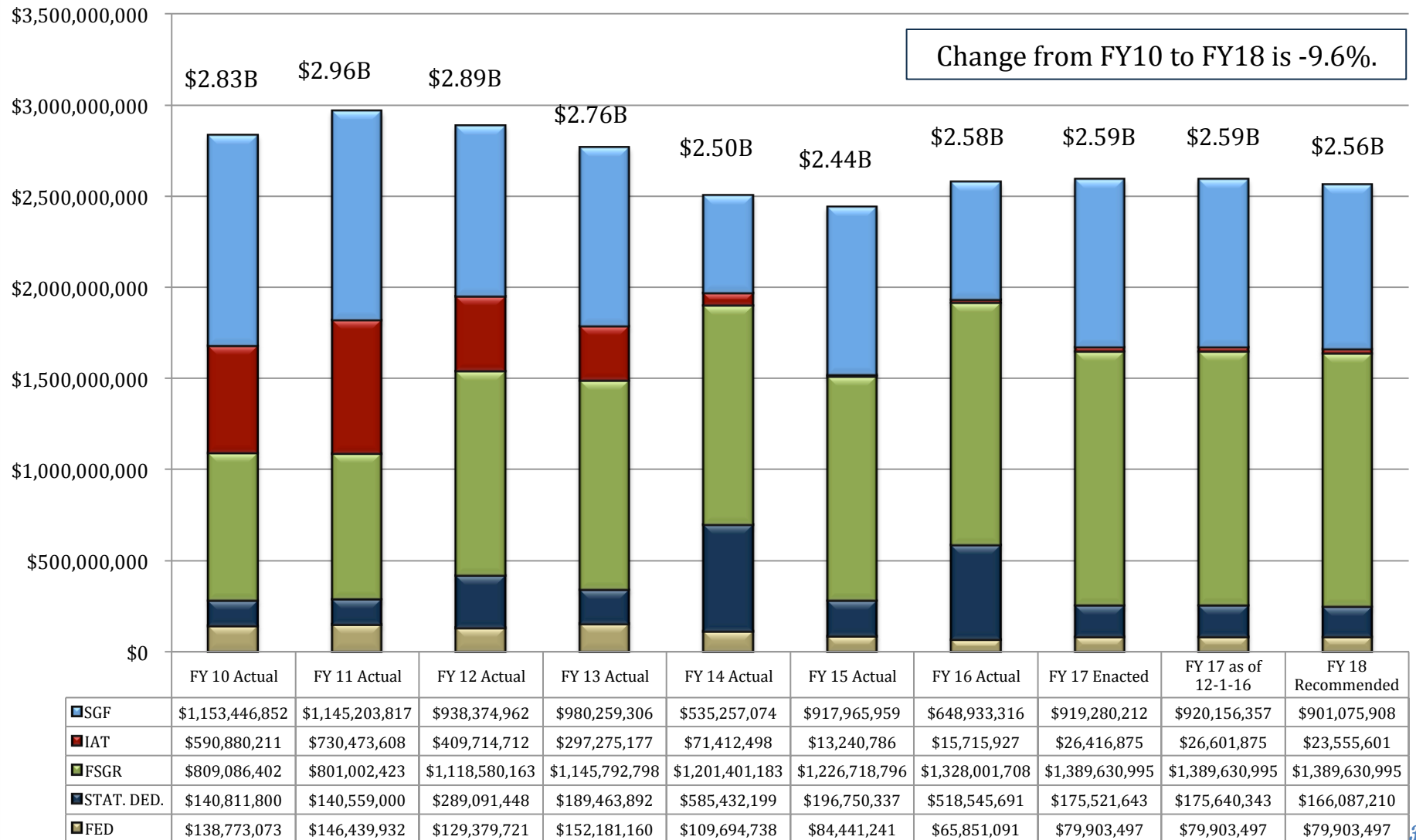
- LCTCS Board of Supervisors
- Baton Rouge Community College
- Bossier Parish Community College
- Central LA Technical Community College
- Delgado Community College
- L.E. Fletcher Technical Community College
- LA Delta Community College
- LA Technical College
- Nunez Community College
- Northshore Technical Community College
- River Parishes Community College
- South LA Community College
- SOWELA Technical Community College



Higher Education

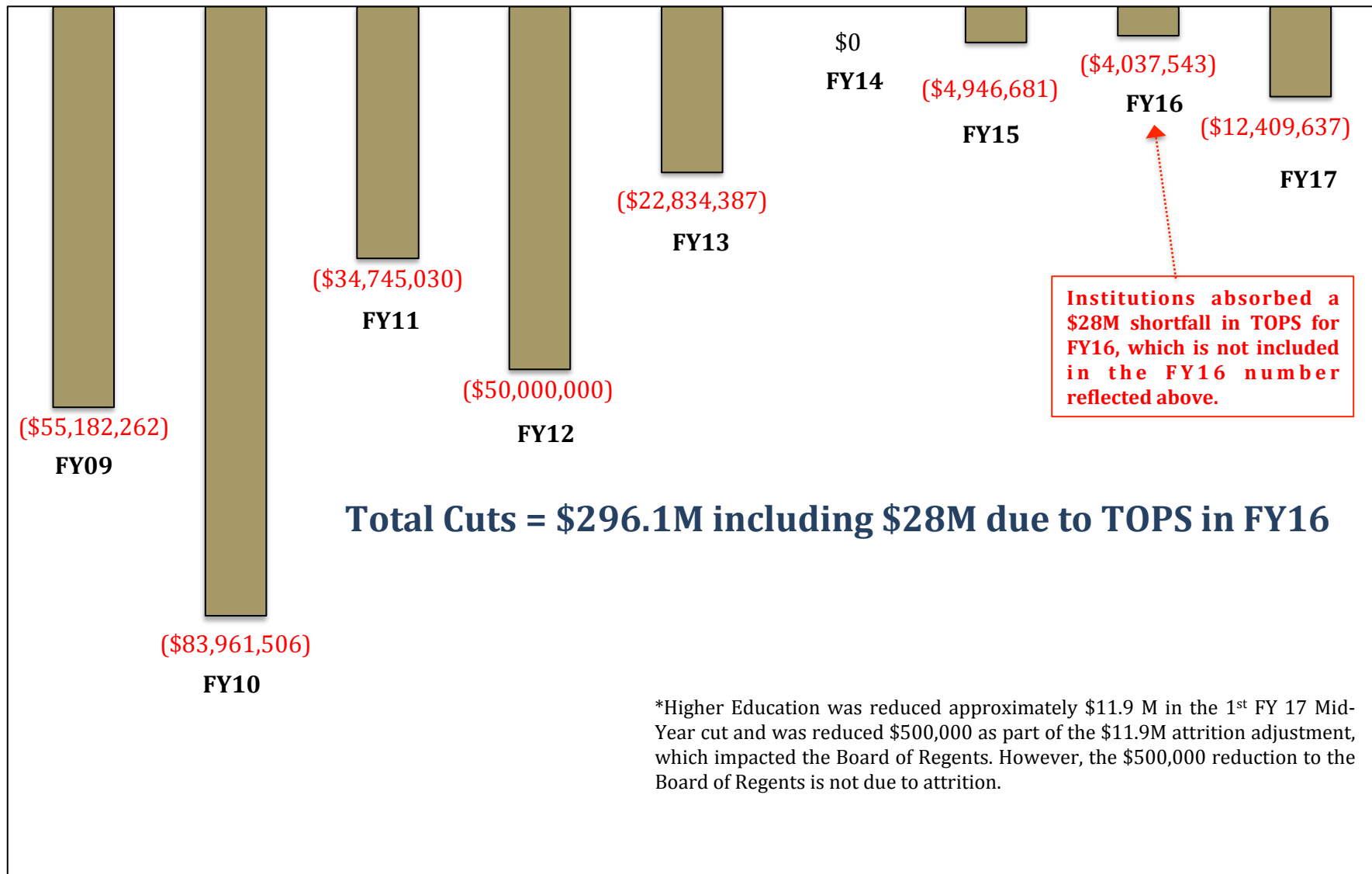
Changes in Funding since FY10

Total Budget by Fiscal Year and Means of Finance





Higher Education RECENT MID-YEAR BUDGET CUT HISTORY





Higher Education FY16, FY17, and FY18 Comparison

Total Funding — All Means of Finance

Total Funding	FY16 Actual	FY17 EOB as of 12-1-16	FY17 EOB as of 3-1-17**	FY18 Recommended***	FY18 Re-engrossed HB1***	Difference FY18 Re- engrossed HB1 vs. FY17 EOB as of 12-1-16
Board of Regents*	\$399,144,847	\$371,276,699	\$370,408,575	\$1,067,580,999	\$1,151,628,854	\$780,352,155
LSU System	\$938,413,945	\$949,680,570	\$944,103,081	\$594,007,750	\$594,007,750	\$(355,672,820)
SU System	\$133,645,720	\$138,277,737	\$137,578,022	\$96,001,135	\$94,251,135	\$(44,026,602)
UL System	\$811,760,857	\$821,553,676	\$818,142,446	\$607,422,434	\$606,987,434	\$(214,566,242)
LCTCS	\$294,082,364	\$311,144,385	\$309,291,306	\$195,240,893	\$195,240,893	\$(115,903,492)
TOTAL	\$2,577,047,733	\$2,591,933,067	\$2,579,523,430	\$2,560,253,211	\$2,642,116,066	\$50,182,999

*The FY16 Actual for the Board of Regents includes the LOSFA Program & LUMCON Program.

**In FY17 Higher Education has been reduced by a total of \$12,409,637 due to Mid-Year Cuts (\$11.9M December 2016 & \$0.5M February 2017).

***When developing the FY18 Executive Budget, the Division of Administration placed State General Fund (SGF) for Higher Education at the Board of Regents (19-671) (with some exceptions).

Total State Funds — State General Fund and Dedicated Funds

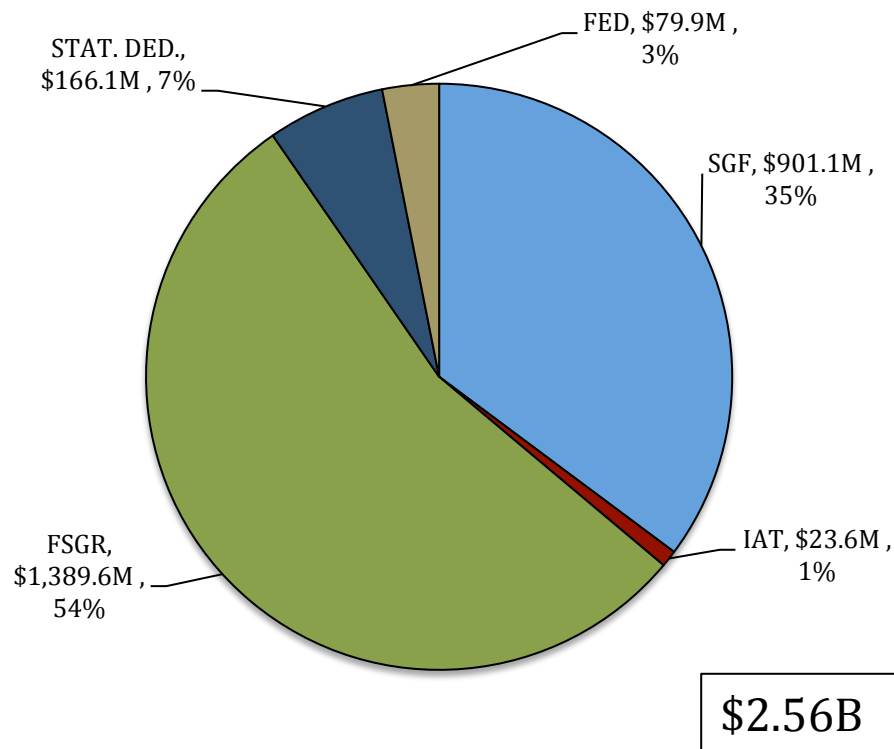
FY17 EOB as of 12-1-16	FY17 EOB as of March 2017 (Includes Attrition Adjustment)	Difference	FY18 Recommended	Difference	FY18 Re-engrossed HB1	Difference	Difference
TOTAL STATE FUNDS	TOTAL STATE FUNDS	EOB 12-1-16 vs. EOB March 2017	TOTAL STATE FUNDS	EOB March 2017 vs. FY18 Recommended	TOTAL STATE FUNDS	EOB March 2017 vs. FY18 Re- engrossed	FY18 Recommended vs. FY18 Re-engrossed
\$1,095,796,700	\$1,083,387,063	\$(12,409,637)	\$1,067,163,118	\$(16,223,945)	\$1,149,025,973	\$65,638,910	\$81,862,855

Note: Pursuant to Article VII, Section 10(J), self-generated collections of the Board of Regents and the higher education management boards are excluded from the definition of funds. Therefore, the Fees & Self-generated Revenues means of financing is not included in the table above.



FY18 Recommended Means of Finance

**FY18 Recommended Total Means of Finance
(in Millions)**



Major Non-SGF Sources of Funding:

Interagency Transfers

- Board of Regents - \$10.2M from DOA/CDBG for WISE Program
- LSU A&M/SU A&M - \$10.9M from DOE/MFP for both the SU Lab School and LSU Lab School

Fees & Self-generated Revenues

- Tuition & Fees - \$1,381.8M at public institutions of higher education

Federal

- Federal Family Education Loans Program - \$47M for student loan claims payments, account maintenance, default aversion and administrative costs
- USDA Grants - \$16.7M for agricultural extension stations, cooperative extension services and research

Significant Statutory Dedications

- TOPS Fund [C] - \$60.3M for TOPS awards
- SELF Fund [S] - \$43M for faculty salaries
- 8G Fund [C] - \$24.2M for research, endowed chairs, scholars and graduate student recruitment
- Tobacco Tax Health Care Fund [S] - \$20.9M for cancer research, smoking cessation
- Workforce Training Rapid Response Fund [S] - \$10M for high demand workforce training programs



Higher Education Dedicated Funds FY16, FY17, and FY18

Dedicated Funds	Source of Funding	FY16 Actual	FY17 Enacted	FY18 Recommended
Calcasieu Parish Fund	Taxes/Gaming, R.S. 27:392; R.S. 33:9571	\$544,303	\$529,646	\$507,136
Calcasieu Parish Higher Education Improvement Fund	Sales & Use Tax, R.S. 47:302.14	\$366,826	\$1,741,103	\$1,430,889
Equine Health Studies Program Fund	Taxes/Gaming, R.S. 27:392(B)	\$705,000	\$750,000	\$750,000
Fireman Training Fund	Taxes/Insurance, R.S. 22:837	\$2,933,502	\$3,400,000	\$3,000,000
Higher Education Initiatives Fund	Appropriation, R.S. 17:3129.6	\$349,881,300	\$0	\$0
LA Quality Education Support Fund	Settlements/Judgments, Art. VII, Sect. 10.1, R.S. 17:3801	\$23,662,640	\$24,230,000	\$24,230,000
Medical & Allied Health Prof Ed School & Loan Fund	Fees/R.S. 40:1300.8.2	\$188,000	\$200,000	\$200,000
Orleans Parish Excellence Fund	Taxes/Gaming, R.S. 27:392	\$325,873	\$319,900	\$579,520
Pari-mutuel Live Racing Fac. Gaming Control Fund	Taxes/Gaming, R.S. 27:392(C)(1), (2)	\$50,000	\$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	\$58,167	\$60,000	\$60,000
SU AgCenter Program Fund	Taxes/Gaming, R.S. 27:392(B)	\$750,000	\$920,000	\$750,000
Support Education in Louisiana First Fund	Taxes/Gaming, R.S. 17:421.7	\$44,230,436	\$46,037,344	\$43,005,000
Tobacco Tax Health Care Fund	Taxes/Tobacco, R.S. 47:841.1(A)	\$22,236,830	\$26,611,900	\$20,852,915
TOPS Fund	Settlements/Judgments, Art. VII, Section 10.10, R.S. 39:98.5, R.S. 39:99.1	\$62,398,192	\$60,261,750	\$60,261,750
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
TOTALS		\$518,545,691	\$175,521,643	\$166,087,210



Total Higher Education Restricted Funds

RESTRICTED REVENUE SOURCE (in millions)	FY 17 Budgeted Restricted	%
Gifts, Grants, & Contracts	\$483.1	22.04%
Other Federal Grants	\$323.4	14.75%
Auxiliaries (Excluding Athletics)	\$296.2	13.51%
Pell Grants	\$291.7	13.31%
Student Fees	\$204.2	9.32%
Athletics Other Than Student Fees	\$199.3	9.09%
State Grants & Contracts	\$164.6	7.51%
Other Self-Generated Funds	\$98.9	4.51%
Sales & Services of Educational Activities	\$96.6	4.41%
Federal Program Administration	\$19.6	0.89%
Physician Practice Plans	\$7.4	0.34%
Endowment Income	\$6.8	0.31%
	\$2,191.8	100.00%

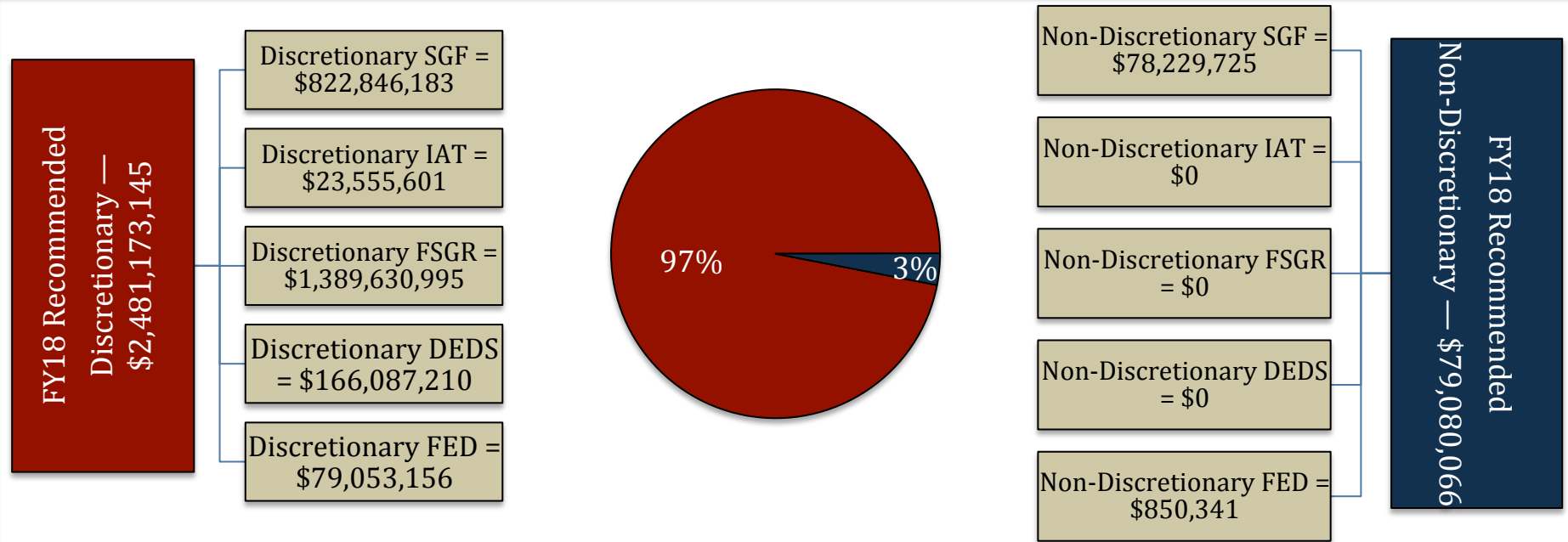
Total Higher Education Revenues (in millions)	Actual FY 16	%
Total Unrestricted Revenues (HB 1)	\$2,580.8	53.8%
Total Restricted Revenues	\$2,213.4	46.2%
Total	\$4,794.2	100%

Source: Board of Regents, BOR 3 Forms



Higher Education

FY18 Discretionary/Non-Discretionary Comparison



Total Discretionary Funding by System		
Board of Regents	\$988,500,933	40%
LSU System	\$594,007,750	24%
SU System	\$96,001,135	4%
UL System	\$607,422,434	24%
LCTCS	\$195,240,893	8%
Total Discretionary	\$2,481,173,145	100%

Total Non-Discretionary Funding by Type		
Needed to Pay Debt Services	\$1,394,192	2%
Statutory Obligations	\$3,400,000	4%
Unavoidable Obligations	\$74,285,874	94%
Total Non-Discretionary	\$79,080,066	100%

Debt Service = Rent in State-owned Buildings

Unavoidable Obligations = Retirees Group Insurance; Legislator Auditor Fees.

Statutory Obligations = R.S. 17:3801(F), 8(g) SGF replacement for LTC



Higher Education Expenditures FY16, FY17, and FY18

Expenditure Category	FY16 Actual	FY17 EOB 12-1-2016	FY18 Recommended	Percent Change FY17 Enacted vs. FY18 Recommended
Personal Services:	\$1,576,937,762	\$1,597,067,240	\$0	(100.0)
Salaries	\$1,052,567,677	\$1,076,703,684	\$0	(100.0)
Other Compensation	\$51,242,067	\$49,670,597	\$0	(100.0)
Related Benefits	\$473,128,018	\$470,692,959	\$0	(100.0)
Operating Expenses:	\$220,655,112	\$236,592,066	\$0	(100.0)
Travel	\$10,851,233	\$12,428,483	\$0	(100.0)
Operating Services	\$158,826,701	\$178,305,188	\$0	(100.0)
Supplies	\$50,977,178	\$45,858,395	\$0	(100.0)
Professional Services	\$31,452,706	\$27,486,910	\$0	(100.0)
Other Charges:	\$720,667,541	\$707,135,000	\$2,560,253,211	262.1
Other Charges	\$720,667,541	\$707,135,000	\$2,560,253,211	262.1
Debt Service	\$0	\$0	\$0	-
Interagency Transfers	\$0	\$0	\$0	-
Acquisitions & Major Repairs:	\$27,334,612	\$23,651,851	\$0	(100.0)
Acquisitions	\$27,334,612	\$23,651,851	\$0	(100.0)
Major Repairs	\$0	\$0	\$0	-
Total Expenditures	\$2,577,047,733	\$2,591,933,067	\$2,560,253,211	(1.2)

Historically, the FY18 Executive Budget recommends all Higher Education funding be allocated to the Other Charges expenditure category. The official expenditure spread of the management boards is approved by the Board of Regents at its September board meeting.



FY17 Higher Education Expenditures BY FUNCTION

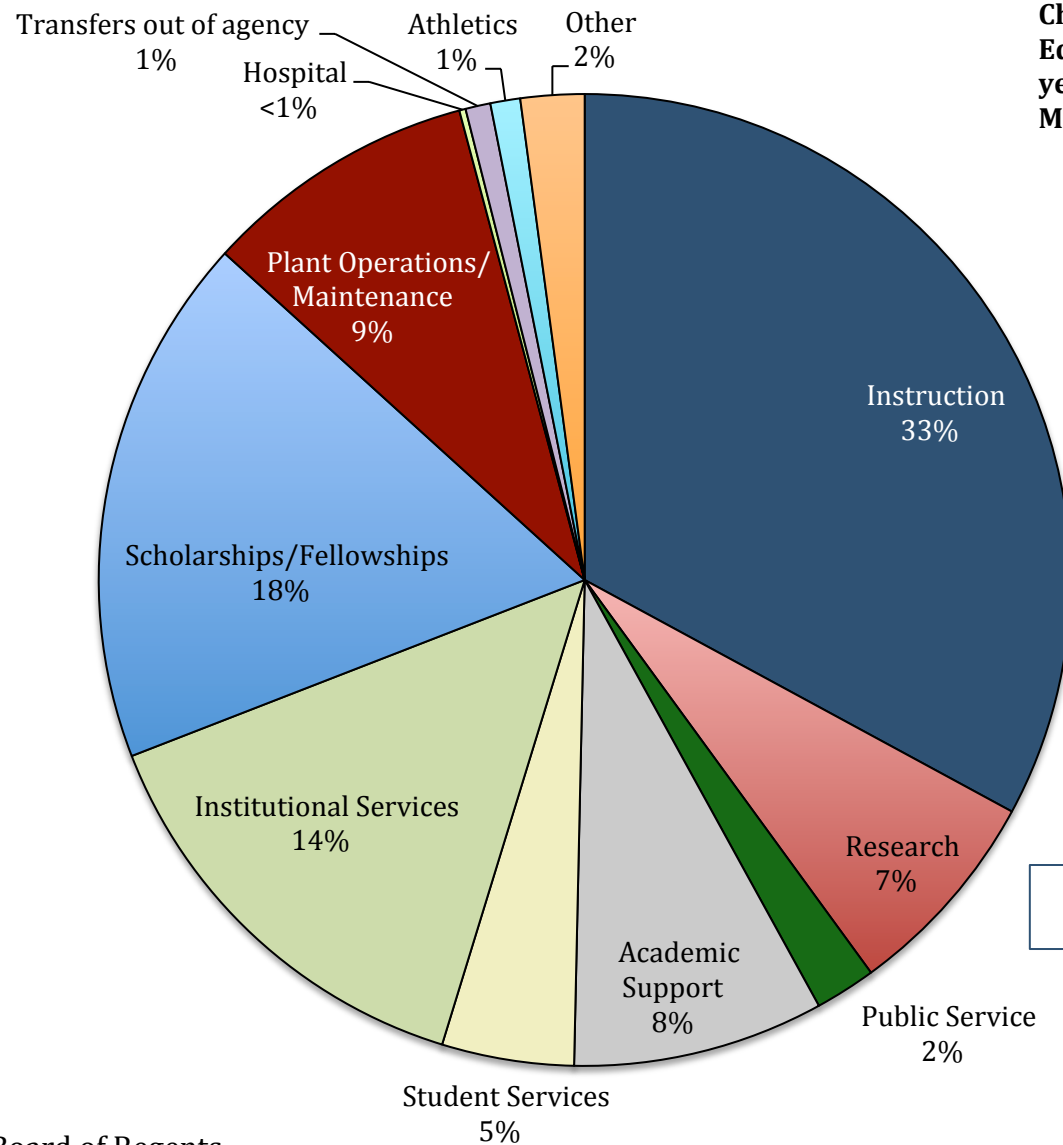


Chart includes all of Higher Education including 2 year/4 year institutions, Ag Centers, Medical Schools, Boards, etc.

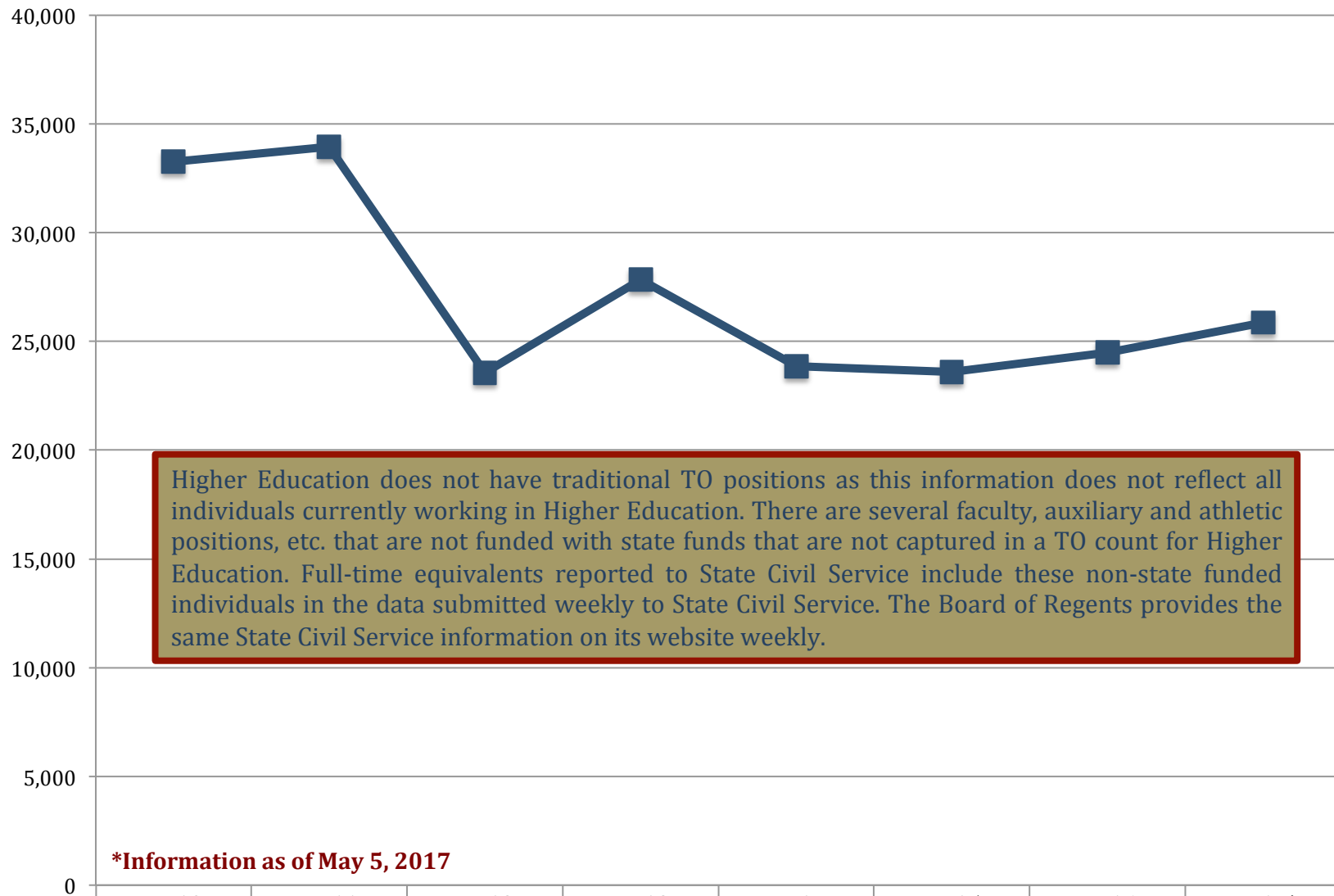
**4-Years Only Instruction = 42%
2-Years Only Instruction = 46%**

Source: BOR-1 Forms, Board of Regents



Higher Education Full-Time Equivalents (FTEs)

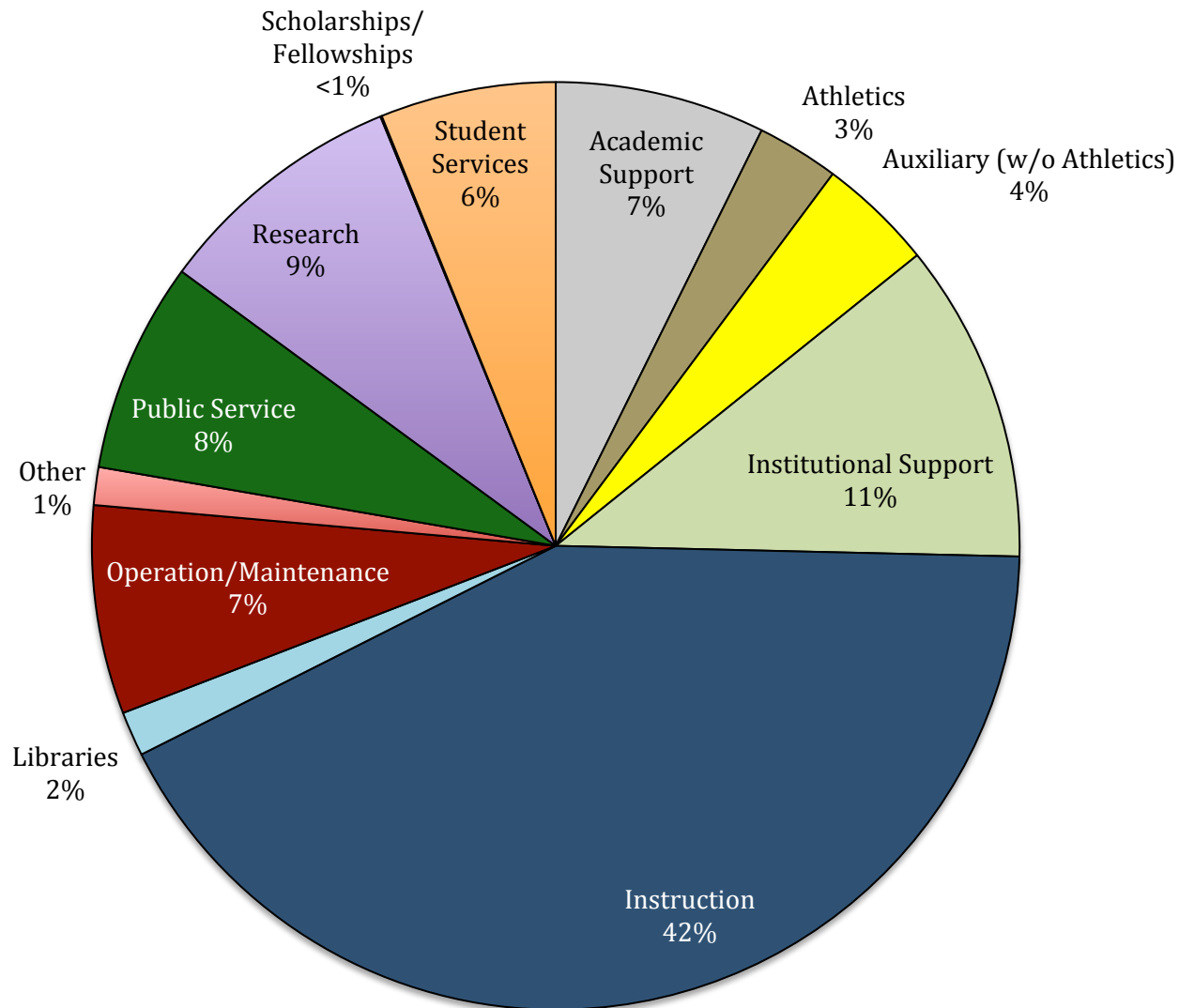
Source: State Civil Service Commission



	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17*
■ Total FTEs	33,249	33,936	23,546	27,846	23,865	23,589	24,478	25,875



FY17 Full-Time Equivalents (FTEs) BY FUNCTIONAL AREA



Source: December 2016, Data submission by the institutions to the Board of Regents



Higher Education Significant Decreases for FY18

Decrease	Source	Agency	Description
(\$18,389,304)	SGF	Higher Education	2% reduction in accordance with Louisiana Constitution, Article VII, Section 11(A).
(\$9,434,433)	Dedicated Funds	Higher Education	Net decrease in funding to reflect the Revenue Estimating Conference's (REC) projected revenue for FY 18. The statutorily dedicated funds impacted include: (\$3 M) – Support Education in Louisiana First Fund, (\$5.8 M) – Tobacco Tax Health Care Fund, (\$0.3 M) – Calcasieu Parish Higher Education Improvement Fund, (\$0.4 M) – Fireman Training Fund, (\$0.2 M) – SU Ag Center Program Fund.



Higher Education \$18.4M SGF Cut

- \$18.4M SGF cut is assigned to the Board of Regents, which will distribute to all Higher Education entities (with some exceptions)

HB1 Original Exceptions Included: Go Grant (\$26.4M), TOPS (\$149.1M), START Enhancement (\$1.9M), SU Board of Supervisors (\$750,000), SU Ag Center (\$1M), Grambling University (\$250,000).

- HB1 Re-engrossed removes the following exceptions: \$250,000 – Grambling University, \$750,000 – SU Board of Supervisors, \$1M – SU Ag Center. This funding is being transferred to the Board of Regents.

FY17 Total Higher Education SGF @ EOB	\$920,156,357
Non-Recur CF BA-7 (Board of Regents)	(\$876,145)
Grambling University (Direct SGF Appropriation, HB1 Original)	(\$250,000)
SU Board of Supervisors (Direct SGF Appropriation, HB1 Original)	(\$750,000)
SU Ag Center (Direct SGF Appropriation, HB1 Original)	(\$1,000,000)
TOPS (Protected SGF)	(\$149,116,312)
Go Grant (Protected SGF)	(\$26,429,108)
START Enhancement (Protected SGF)	(\$1,900,000)

- In HB1 Re-eng TOPS, Go Grant and START Enhancement will not be subjected to the \$18.4M cut.



Higher Education

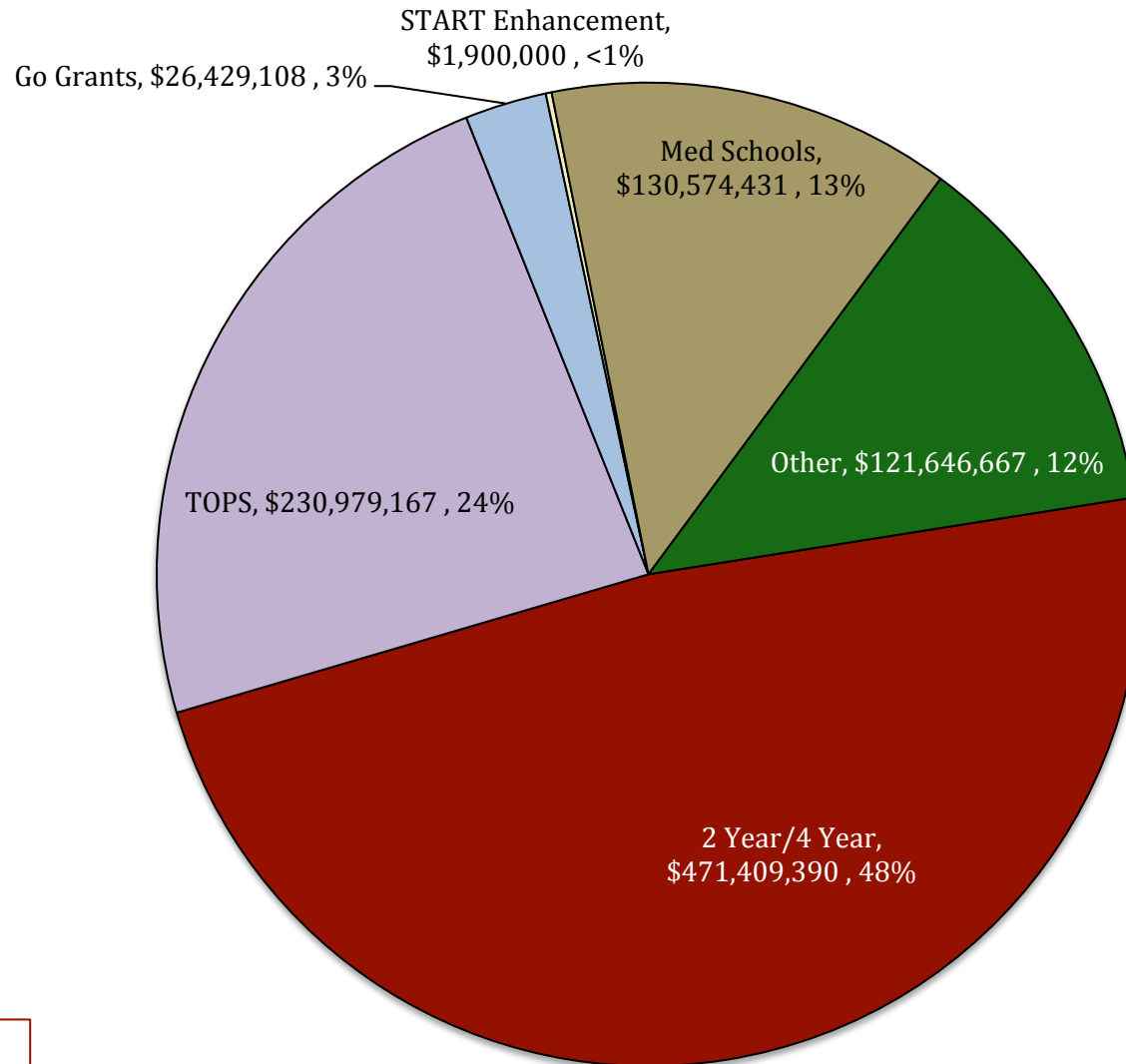
Change from HB1 Original to HB1 Re-engrossed

- Amendment provides \$81,862,855 SGF to fully fund the FY18 projected cost of TOPS (\$230.9M SGF, \$60.3M TOPS Fund).
- Amendment transfers the aggregate \$2M of direct SGF appropriations for the SU Agriculture Center (\$1.0M), the SU Board of Supervisors (\$750,000) and Grambling University (\$250,000) to the Board of Regents for distribution. The \$2M will no longer be protected and will be provided to the Board of Regents for distribution of which the \$250,000 from Grambling will be distributed through the 2 year/4 year formula. The net impact is depicted in the table below. This change results in the SU Ag Center receiving \$975,396 of the \$1M (\$24,604 reduction) and SU Board of Supervisors receiving \$731,575 of the \$750,000 (\$18,425 reduction). The specific impact to Grambling University is unknown until the Board of Regents finalizes its formula and distribution method.
- Amendment transfers the \$185,000 SGF recommended in the FY18 Executive Budget specifically for the University of Louisiana-Lafayette (ULL) Procurement Technical Assistance Center (PTAC) to be run through the formula as opposed to being directly provided to ULL. There is no longer a specific amount allocation for PTAC. The specific impact to ULL is unknown until the Board of Regents finalizes its formula and distribution method.



Higher Education

HB1 Re-engrossed, SGF BY ENTITY



Other includes: Ag Centers, Boards, LOSFA Program, LUMCON Program, Pennington Biomedical, SU Law Center

\$982.9 M
Total SGF



Schedule 19 — Higher Education

HIGHER EDUCATION FUNDING FORMULA OVERVIEW



HIGHER EDUCATION FUNDING FORMULA (2-year/4-year Institutions)

RECENT FORMULA HISTORY										
	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18
Formula Method	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 will be not be known until the June 2017 Board of Regents Meeting.

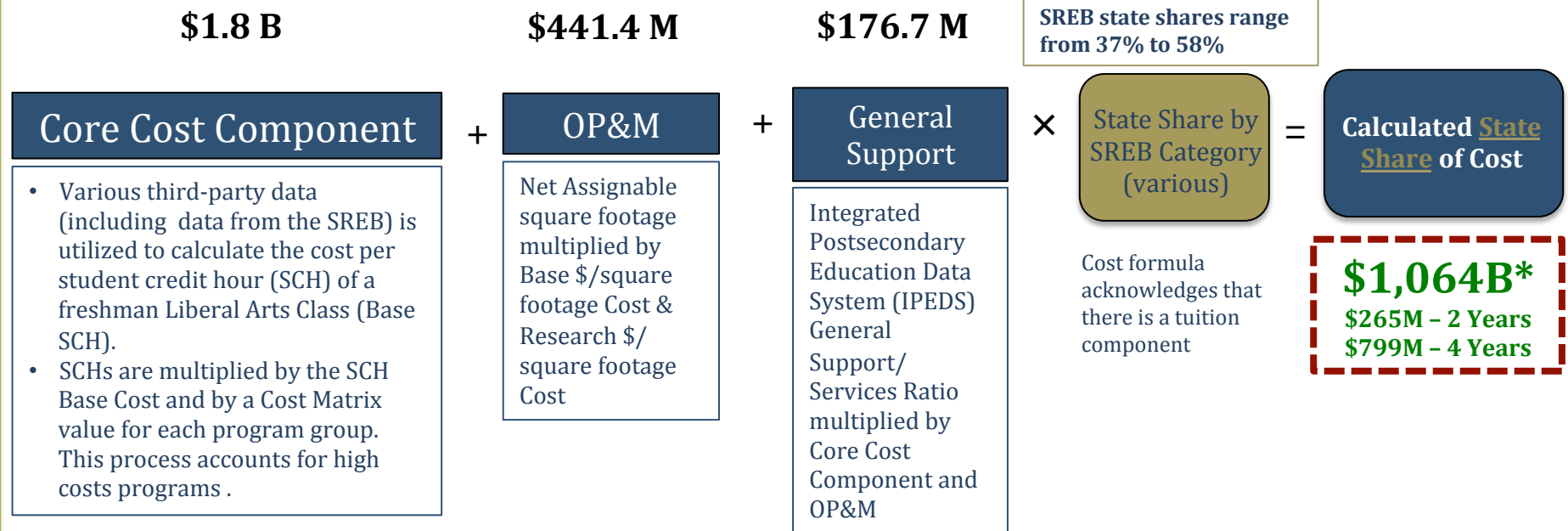
Source: Board of Regents

- 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 FY 17.
- The current 2-year/4-year funding formula consist of 3 parts:
 - COST
 - OUTCOMES
 - BASE LEVEL FUNDING



COST PORTION OF THE FORMULA

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



The goal of the cost portion of the formula is to calculate the **ideal cost** of an institution based upon the academic program offerings of the institutions.

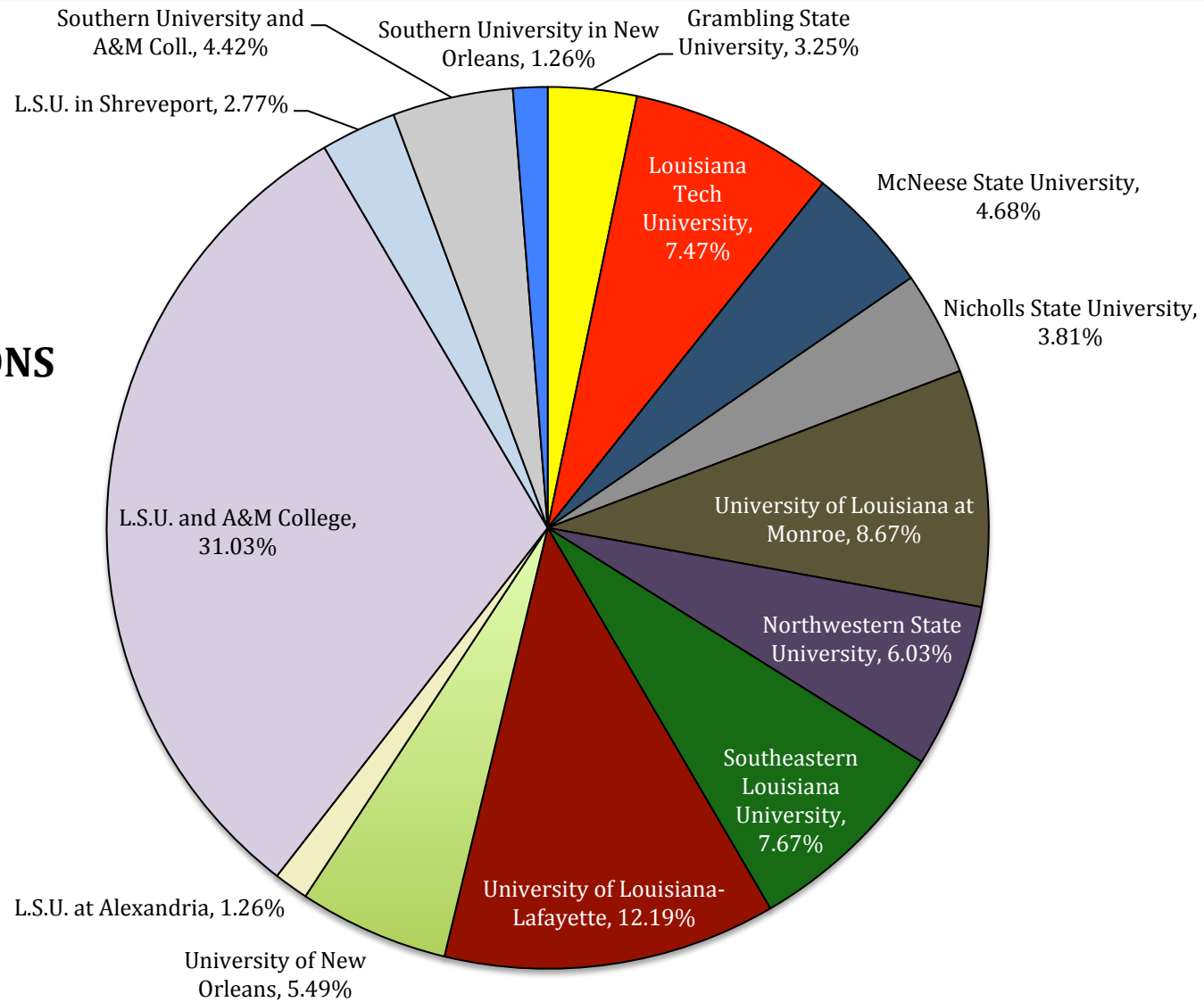
Note: The Student Credit Hour (SCH) represents a measurement of instructional workload. For example, if 5 students are enrolled in a 3-hour course each, then there are 15 Student Credit Hours attributed to this one course.

*To fully fund the 2-year/4-year state share cost portion of the formula, an additional **\$580M** of state funds is needed. For context, the current FY17 base level funding for the 2-year/4-year is **\$482M**. A fully funded cost formula equates to **\$1.064B**.



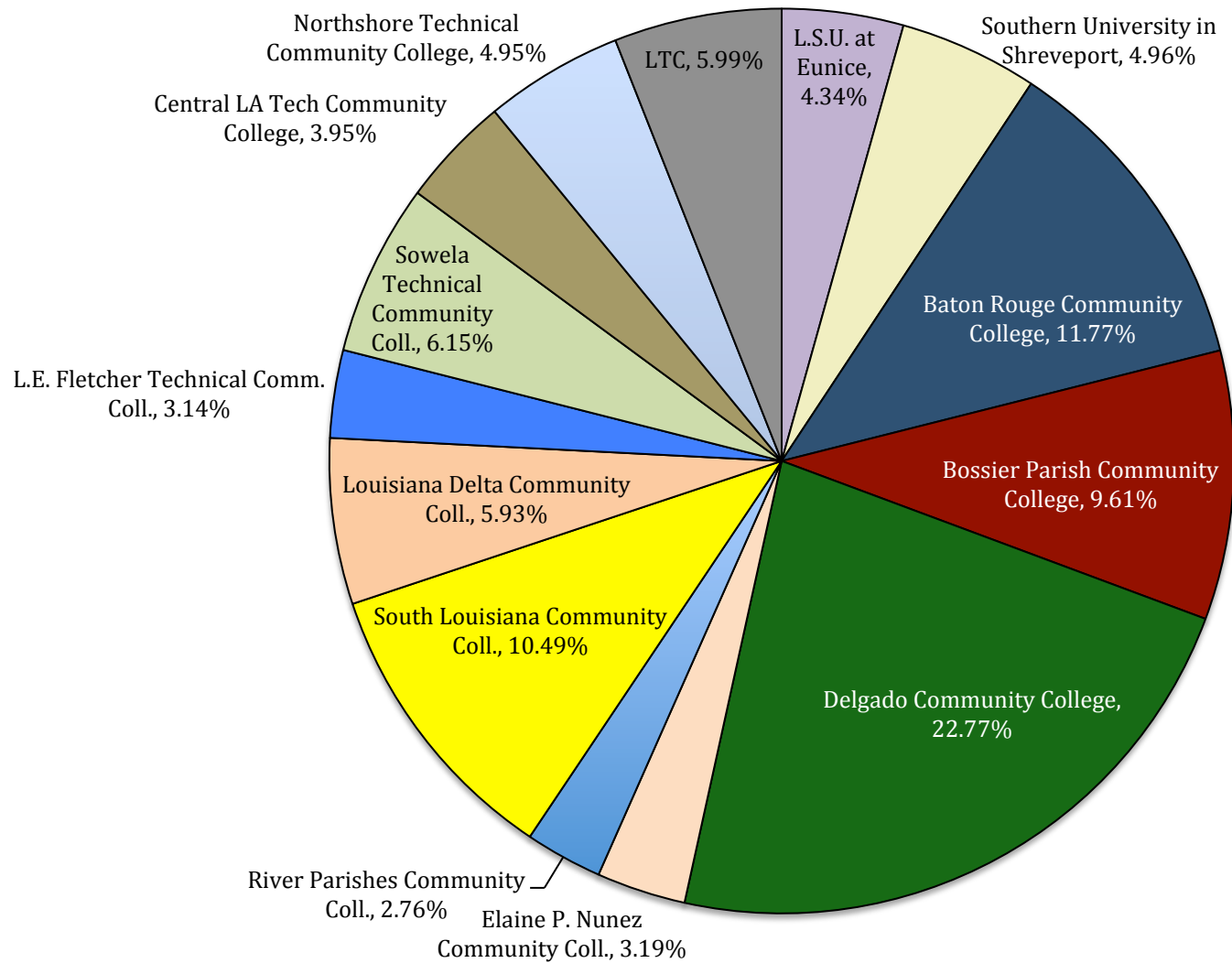
COST PORTION FORMULA ALLOCATION

4-YEAR INSTITUTIONS





COST PORTION FORMULA ALLOCATION



**2-YEAR
INSTITUTIONS**



OUTCOMES BASED FUNDING FORMULA PORTION

ACT 462 REQUIREMENTS

STUDENT SUCCESS FACTORS

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

ALIGN WITH WORKFORCE NEEDS

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

RESEARCH & INNOVATION

- Research expenditures, technology transfer & commercialization

FUNDING

- Include credit hours and cost of certificate and degree completion



METRICS

STUDENT SUCCESS FACTOR METRICS

- Time-to-degree (native students & transfers)
- Higher weights for upper level students (retention & 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 & 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 serves as the basis of the outcomes portion



OUTCOMES BASED FUNDING FORMULA

OUTCOMES WEIGHTS

Outcomes Portion is broken down into two components: 1.) Access, Retention, Progression & Closing the Educational Gap, 2.) Completions, Transfers & Workforce

ACCESS, RETENTION, PROGRESSION & CLOSING THE EDUCATIONAL GAP						
Student Level	STUDENT LEVEL ENROLLMENT WEIGHTS		2 YEAR & 4 YEAR ENROLLMENT WEIGHTS for SPECIFIC POPULATIONS		CROSS ENROLLMENT	RESEARCH
	4-YEAR	2-YEAR	Adult Enrollment	Pell Enrollment	2-YEAR	4-YEAR
Preparatory	0.5	0.5	0			
Freshman	0.5	0.75	0.1			
Sophomore	0.75	1	0.1			
Other Undergraduate	0.75	1.1	0.1			
Junior	1		0.2			
Senior	1.1		0.2			
Graduate	1.2					1.5
Undergraduate				0.2	0.1	

COMPLETIONS, TRANSFERS & WORKFORCE

TIME-TO-DEGREE			
Weight	BACCALAUREATE		ASSOCIATE
	First-Time, Full-Time Freshman	Transfer Students	Any Student
1.5	< 4 Years	< 3 Years	< 2 Years
1.4	4.0 - 4.5 Years	3.0 - 3.5 Years	2.0 - 2.3 Years
1.3	4.5 - 5.0 Years	3.5 - 4.0 Years	2.3 - 2.7 Years
1.2	5.0 - 6.0 Years	4.0 - 4.5 Years	2.7 - 3.0 Years
1.1	6.0 - 8.0 Years	4.5 - 6.0 Years	3.0 - 4.0 Years
1.0	> 8 Years	> 6 Years	> 4 Years

COMPLETERS	
Weight	Level
0.25	Certificate
0.5	Diploma
1.0	Masters
0.5	Post Masters
1.5	Doctoral
2.0	Professional
0.5	Post-Professional
0.5	Educator Specialist
0.5	Graduate Certificate
0.25	Pell Undergraduate
0.25	Adult 25+ Undergraduate

4 & 5 STAR JOBS	
TIERS	WEIGHT
1	1.5
2	2.5
3	3.0
4	3.5

See Next Slide



Academic Program Examples

4 & 5 Star Tier 4 Job Outcomes Metric, Highest Weight

4 Year Examples

- Computer Science
- Chemical Engineering
- Electrical Engineering
- Construction Management
- Petroleum Engineering
- Mechanical Engineering
- Industrial Engineering
- Civil Engineering
- Computer Engineering
- Computer & Information Sciences

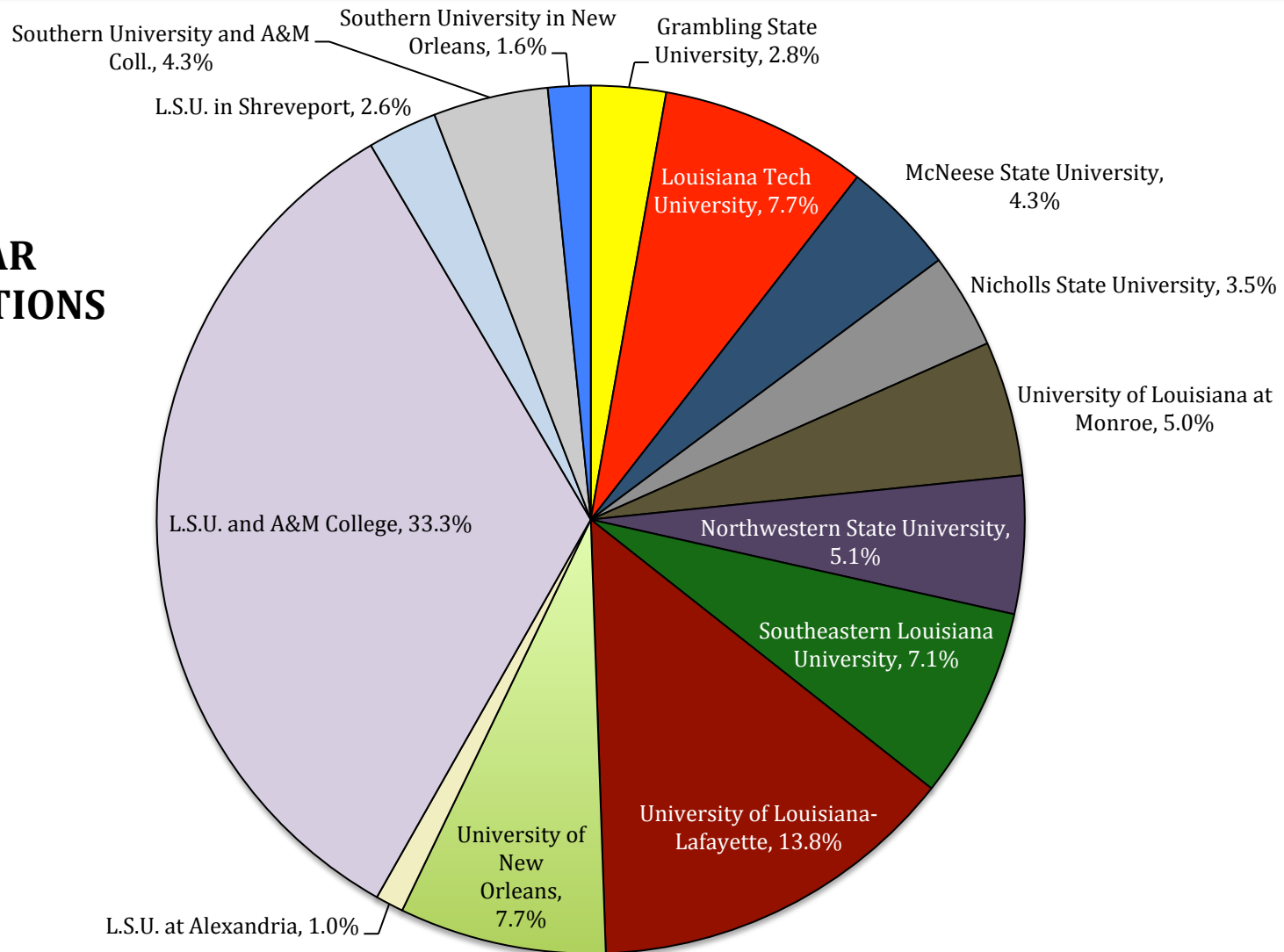
2 Year Examples

- Welding Technology
- Electrician
- Heating, Air Conditioning
- Drafting & Design Technology
- Computer Systems Networking
- Industrial Technician
- Network & Systems Administration
- Diesel Mechanics Technology



OUTCOMES PORTION FORMULA ALLOCATION

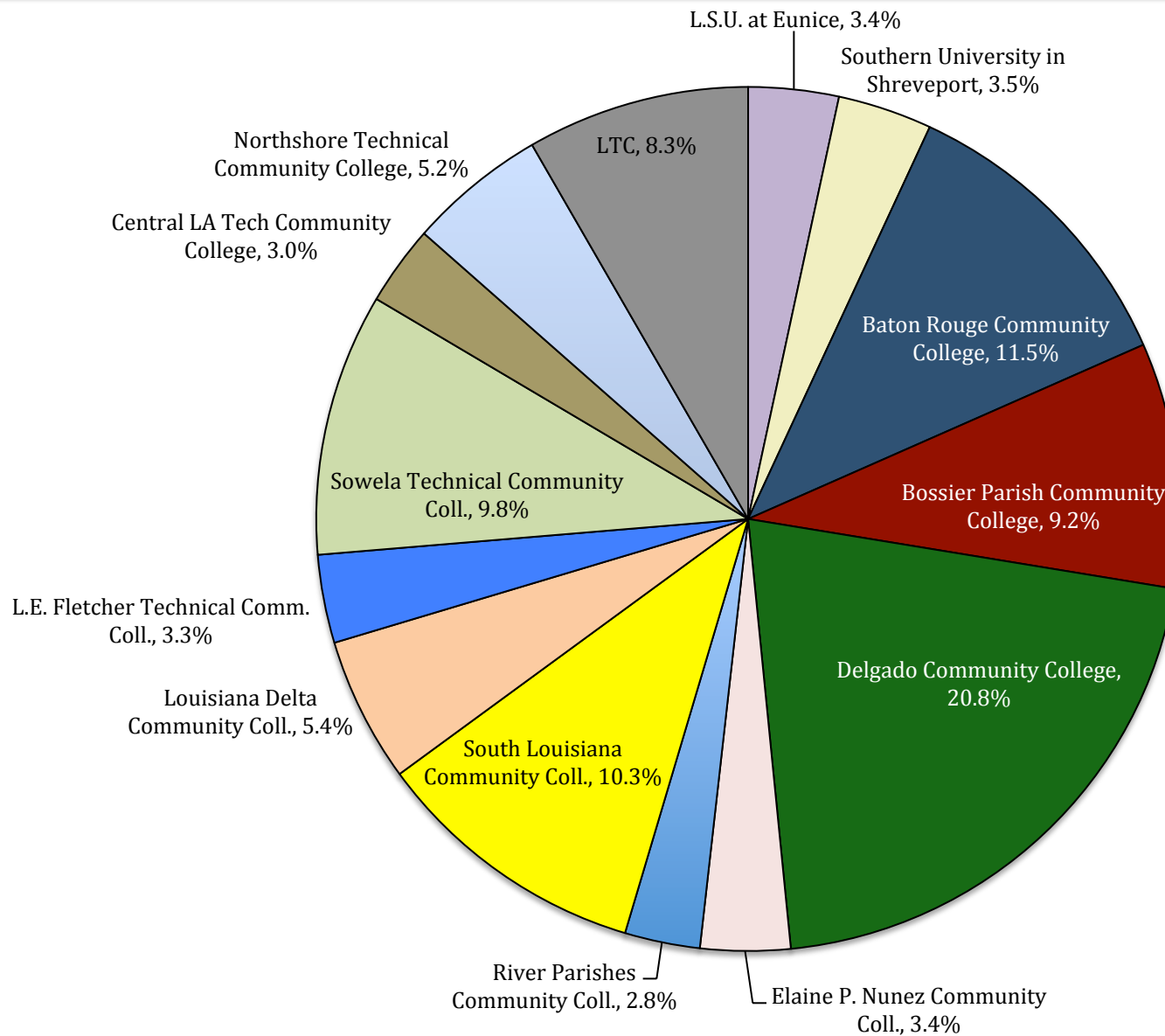
4-YEAR INSTITUTIONS





OUTCOMES PORTION FORMULA ALLOCATION

2-YEAR INSTITUTIONS



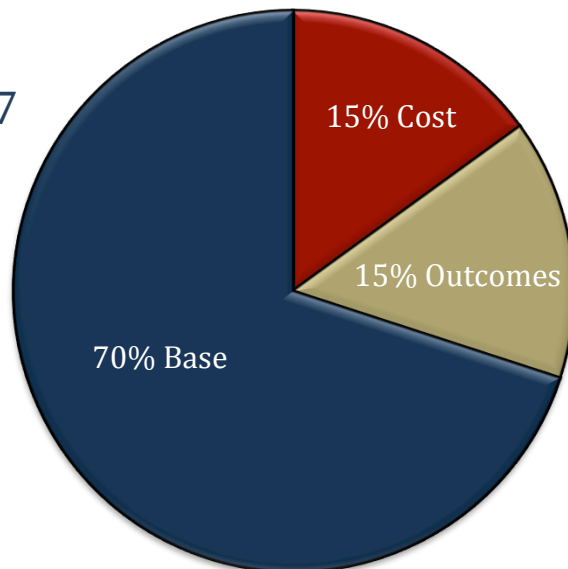


HIGHER EDUCATION FUNDING FORMULA DISTRIBUTION

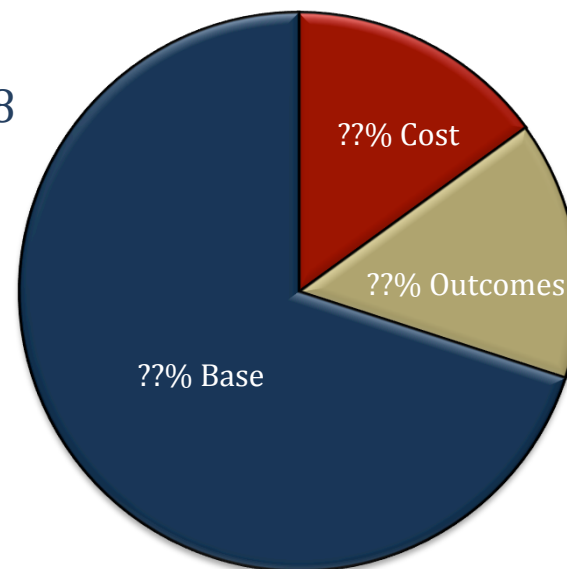
Due to provisions in Act 462 of 2014 that provide for the prevention of “**dramatic changes**” in funding from one institution to another while implementing the Outcomes Funding Formula, in FY17 the Board of Regents made a policy decision to weigh the various portions of the formula as follows: 70% - Base Funding; 15% - Cost Portion; and 15% - Outcomes Portion. The Board of Regents sets these weights.

The specific weights that will be implemented in FY18 will not be made known until the June 2017 Board meeting.

FY17



FY18





Higher Education Formula Illustration

Information below is subject to change and is for illustrative purposes only

		100%	100%	70% BASE/15% COST/15% OUTCOMES	
IF HIGHER ED IS APPROPRIATED SAME AMOUNT OF FUNDS FOR 2 YEARS/4 YEARS IN FY 18	FY 17 EOB	COST	OUTCOMES	DISTRIBUTION ILLUSTRATION	DISTRITUBTION ILLUSTRATION OVER/(UNDER) FY 17 EOB
Grambling State University	\$12,826,623	\$11,781,697	\$10,179,215	\$12,272,773	(\$553,850)
Louisiana Tech University	\$26,550,006	\$27,107,303	\$28,274,666	\$26,892,300	\$342,294
McNeese State University	\$16,718,898	\$16,972,240	\$15,633,773	\$16,594,131	(\$124,767)
Nicholls State University	\$14,017,818	\$13,803,364	\$12,941,007	\$13,824,128	(\$193,690)
University of Louisiana at Monroe	\$23,266,317	\$31,428,659	\$18,363,015	\$23,755,173	\$488,856
Northwestern State University	\$19,372,164	\$21,855,711	\$18,742,314	\$19,650,219	\$278,055
Southeastern Louisiana University	\$27,336,478	\$27,831,095	\$26,054,264	\$27,218,338	(\$118,140)
University of Louisiana-Lafayette	\$43,881,375	\$44,196,356	\$50,469,778	\$44,916,883	\$1,035,508
University of New Orleans	\$27,779,142	\$19,918,926	\$28,163,197	\$26,657,718	(\$1,121,424)
L.S.U. at Alexandria	\$5,111,186	\$4,582,960	\$3,824,630	\$4,838,969	(\$272,217)
L.S.U. and A&M College	\$113,941,275	\$112,526,746	\$121,807,845	\$114,909,081	\$967,806
L.S.U. in Shreveport	\$6,964,229	\$10,041,481	\$9,466,291	\$7,801,126	\$836,897
Southern University and A&M Coll.	\$20,979,791	\$16,024,908	\$15,642,405	\$19,435,951	(\$1,543,840)
Southern University in New Orleans	\$6,603,318	\$4,576,978	\$5,786,220	\$6,176,802	(\$426,516)
L.S.U. at Eunice	\$4,561,088	\$5,223,438	\$3,973,611	\$4,572,319	\$11,231
Southern University in Shreveport	\$5,714,036	\$5,963,244	\$4,152,711	\$5,517,219	(\$196,817)
Baton Rouge Community College	\$14,843,377	\$14,159,296	\$13,508,120	\$14,540,476	(\$302,901)
Bossier Parish Community College	\$10,611,041	\$11,556,826	\$10,803,315	\$10,781,750	\$170,709
Delgado Community College	\$25,156,147	\$27,398,209	\$24,507,233	\$25,395,119	\$238,972
Elaine P. Nunez Community Coll.	\$3,445,379	\$3,835,103	\$3,956,926	\$3,580,570	\$135,191
River Parishes Community Coll.	\$3,191,701	\$3,325,445	\$3,312,678	\$3,229,909	\$38,208
South Louisiana Community Coll.	\$12,240,139	\$12,614,407	\$12,169,099	\$12,285,623	\$45,484
Louisiana Delta Community Coll.	\$7,637,236	\$7,132,810	\$6,380,895	\$7,373,121	(\$264,115)
L.E. Fletcher Technical Comm. Coll.	\$3,166,341	\$3,771,850	\$3,883,569	\$3,364,751	\$198,410
Sowela Technical Community Coll.	\$6,793,216	\$7,400,143	\$11,555,899	\$7,598,657	\$805,441
Central LA Tech Community College	\$5,186,197	\$4,758,014	\$3,514,433	\$4,871,205	(\$314,992)
Northshore Technical Community College	\$5,038,565	\$5,959,239	\$6,079,970	\$5,332,877	\$294,312
LTC (SCLTC & NWLTC)	\$10,021,027	\$7,207,664	\$9,807,031	\$9,566,923	(\$454,104)
GRAND TOTAL	\$482,954,110	\$482,954,110	\$482,954,110	\$482,954,110	(\$0)

For context, in FY09 the legislature appropriated **\$1.107B SGF** to the 2-year/4-year institutions, which is the last year the institutions were funded at the SREB average.

The current FY18 Higher Education budget in HB 1 Re-engrossed for the 2-year/4-year institutions is approximately **\$12M less** than FY17 EOB. This equates to a total FY18 2-year/4-year funding level of approximately \$471M. Therefore, there would be less funding for the formula in FY18 than FY17



Schedule 19 — Higher Education

TAYLOR OPPORTUNITY PROGRAM FOR STUDENTS (TOPS)

GO GRANT PROGRAM



Taylor Opportunity Program for Students (TOPS) Go Grant

Included within the Governor's additional \$440M of potential FY18 needs is \$82M to fully fund TOPS and \$34.8M for the Go Grant Program.

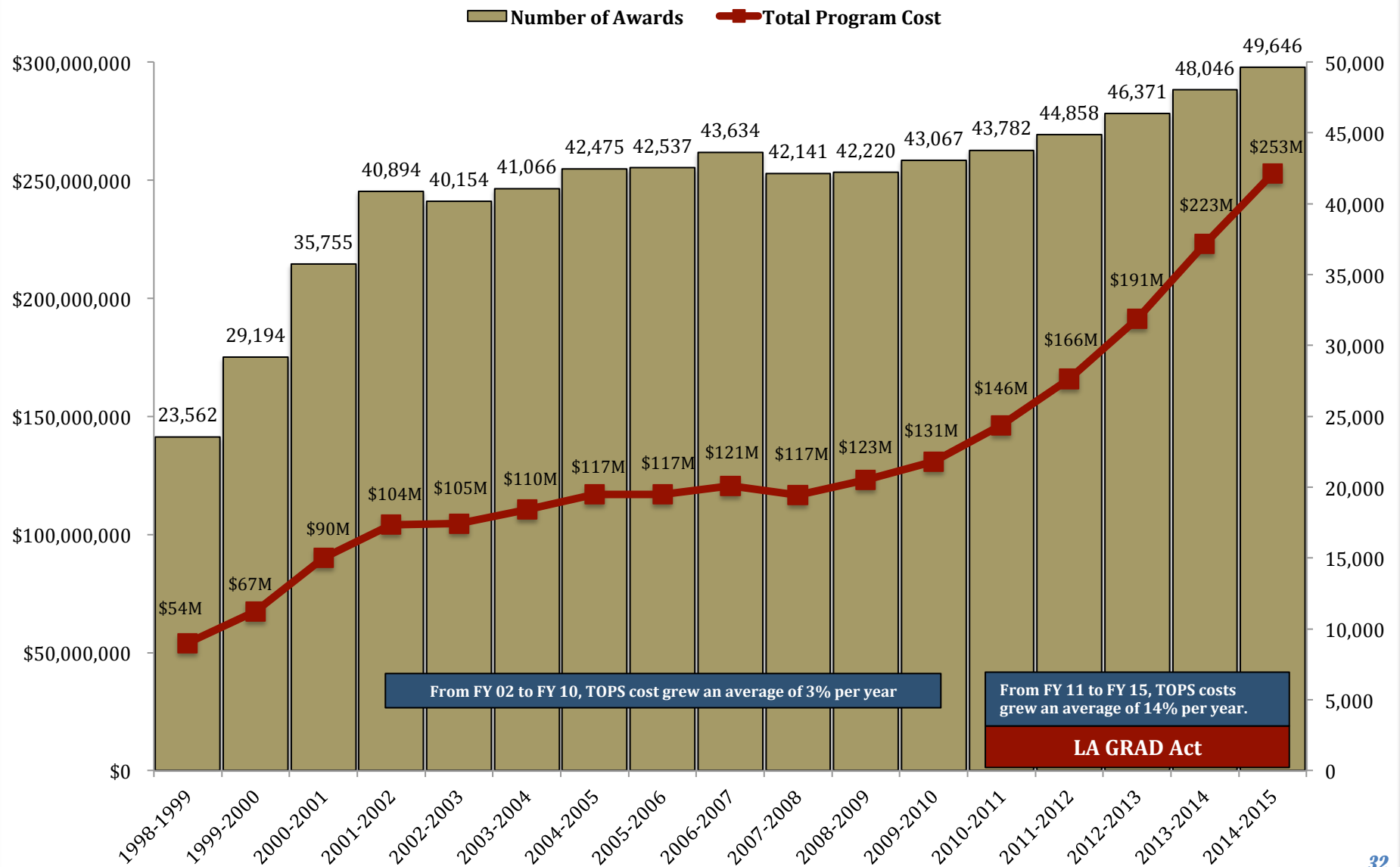
	FY17	FY18 Exec. Budget	Gov.'s Add'l Need	HB 1 Re-eng
Total TOPS Funding	\$209M	\$209M	\$82M	\$291M
Total Go Grant Funding	\$26.4M	\$26.4M	\$34.8M	\$26.4M

TOPS: The FY18 TOPS level of funding originally provided in the FY18 Executive Budget is the same as FY17 at \$209,378,062 (approx. 70% funded) of which \$149,116,312 is SGF and \$60,261,750 is from the TOPS Fund. Adopted amendments provide for the \$82M to fully fund (100%) TOPS in FY 18.

- Act 18 of 2016 (and SB 71 of 2017) by Senator Donahue decouples future tuition increases and the TOPS awards and freezes the TOPS award at the FY 17 level unless there is a legislative action;
- Act 503 of 2016 by Senator Morrish provides for a pro-rata share approach for funding TOPS awards in the event of a budget shortfall as opposed to prior law, which provides for TOPS awards to be reduced according to a combination of ACT score and financial need;
- Act 388 of 2016 by Senator Claitor increases the GPA requirement to qualify for a TOPS Performance Award from 3.0 to 3.25 and increases the GPA requirement to qualify for a TOPS Honors Award from 3.0 to 3.5. These changes are effective for high school graduates starting in 2021.



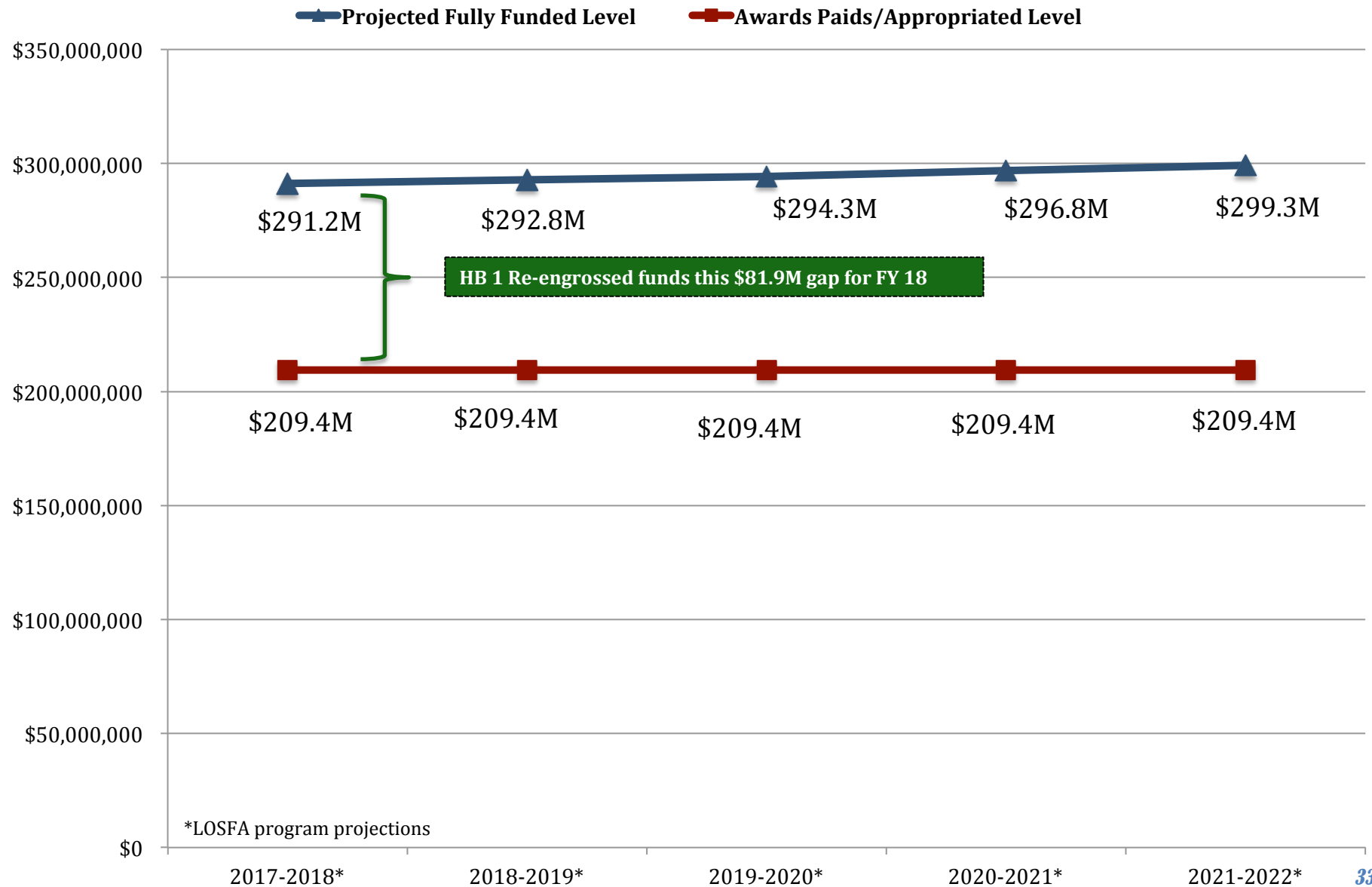
Taylor Opportunity Program for Students (TOPS) History



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

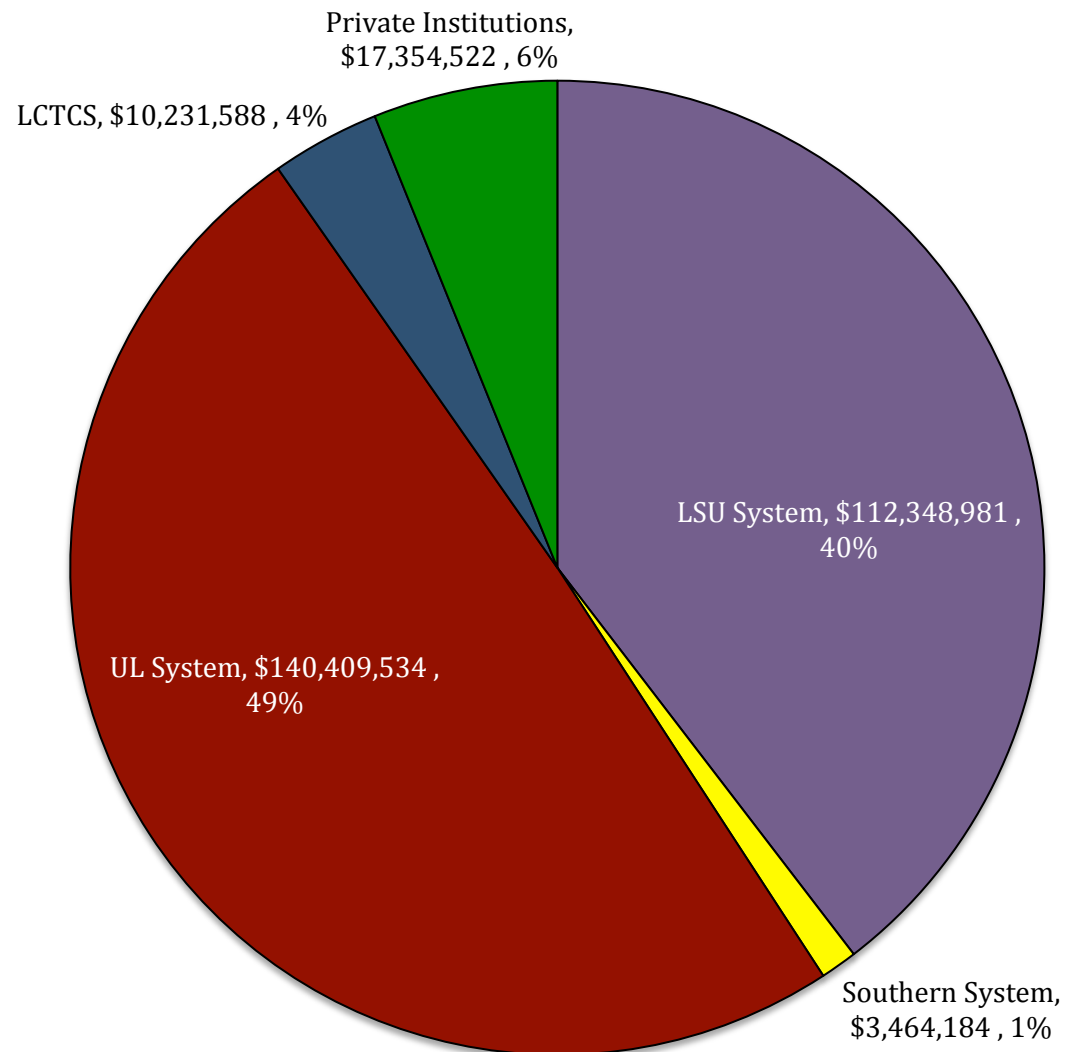


TOPS: 5-Year Projection



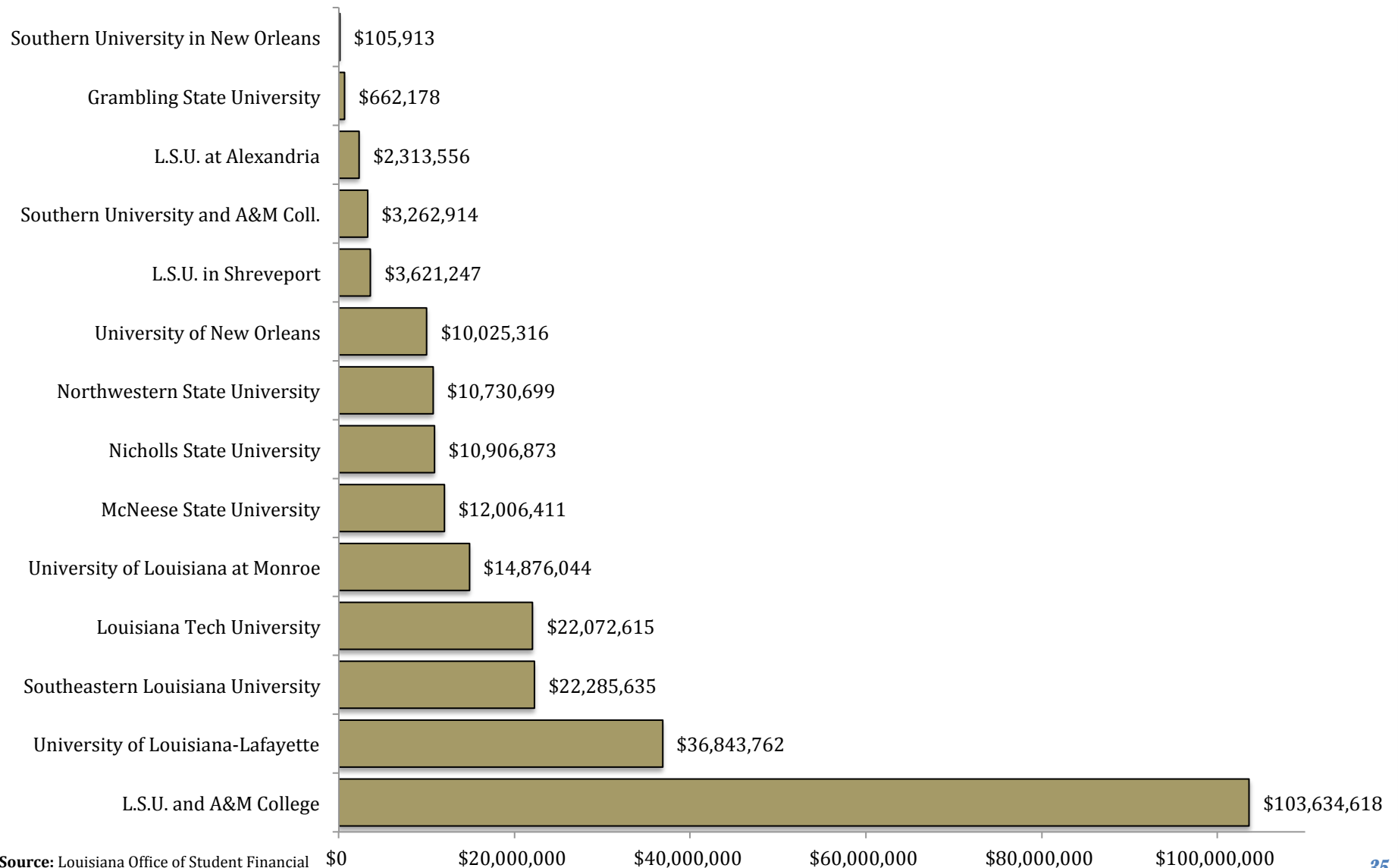


TOPS AWARD DISTRIBUTION 2015-2016 Academic Year (FY16)



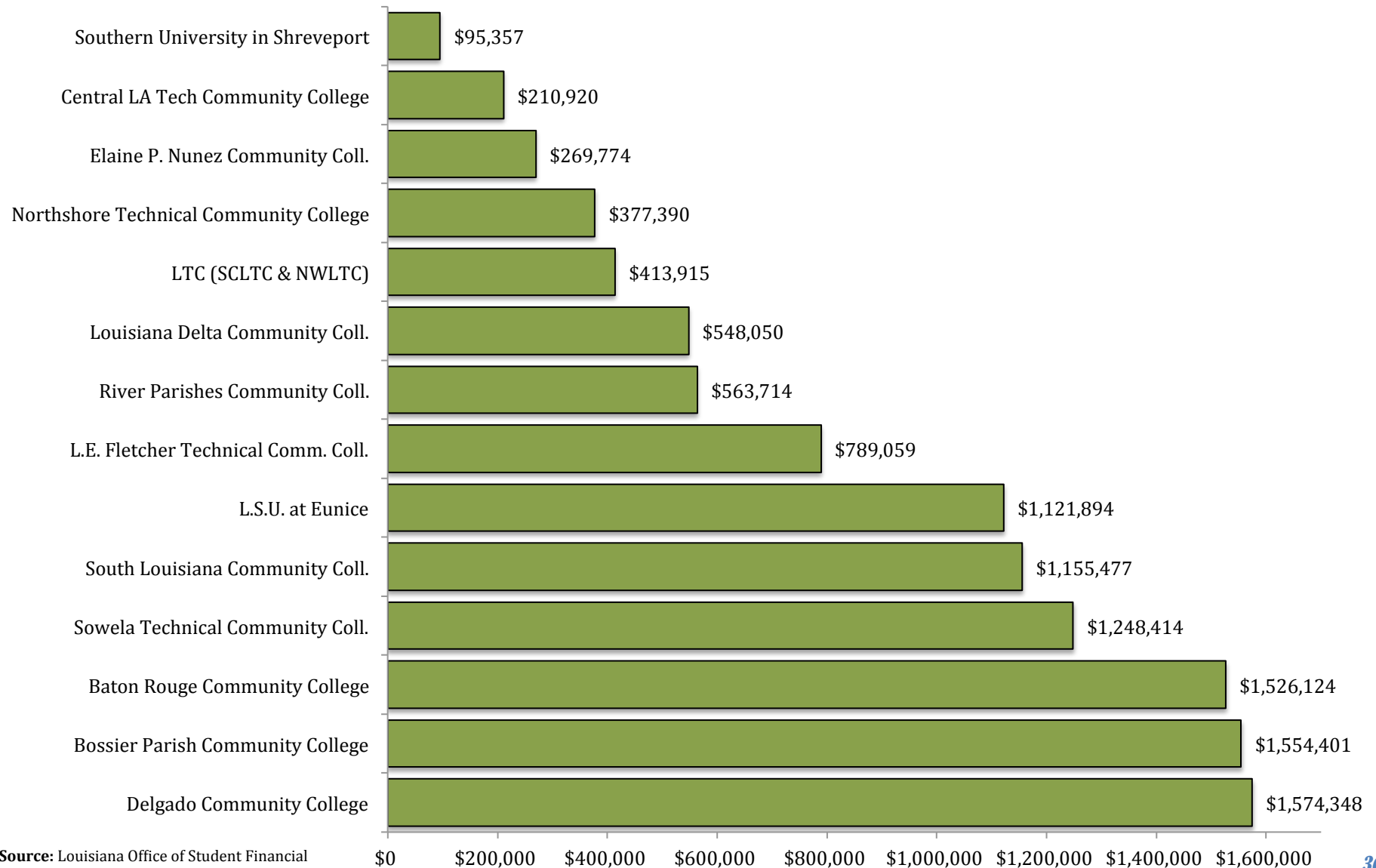


TOPS AWARD DISTRIBUTION, 4-Year Institutions, 2015-2016 Academic Year (FY16)





TOPS AWARD DISTRIBUTION, 2-Year Institutions, 2015-2016 Academic Year (FY16)





TOPS FY17 BASE AWARD LEVELS

Act 18 of 2016/SB 71 of 2017

Institution	FY 17 Max TOPS Payment (Frozen Award Amount)
LSU Alexandria	\$4,894.25
LSU A&M	\$7,462.98
LSU Eunice	\$2,710.64
LSU Shreveport	\$5,372.29
LSU NOLA Allied Health	\$7,673.22
LSU NOLA Nursing	\$5,611.50
LSU NOLA Dental Hygiene	\$5,517.00
LSU NOLA Dental Lab Tech	\$4,987.26
LSUMC Shreveport	\$7,182.56
Southern Baton Rouge	\$4,973.10
Southern New Orleans	\$4,236.21
Southern Shreveport	\$2,618.00
Grambling	\$5,139.75
LA Tech	\$5,553.00
McNeese	\$5,147.34
Nicholls	\$4,922.28
Northwestern	\$5,180.00
Southern	\$5,652.21
University of LA - Lafayette	\$5,406.96

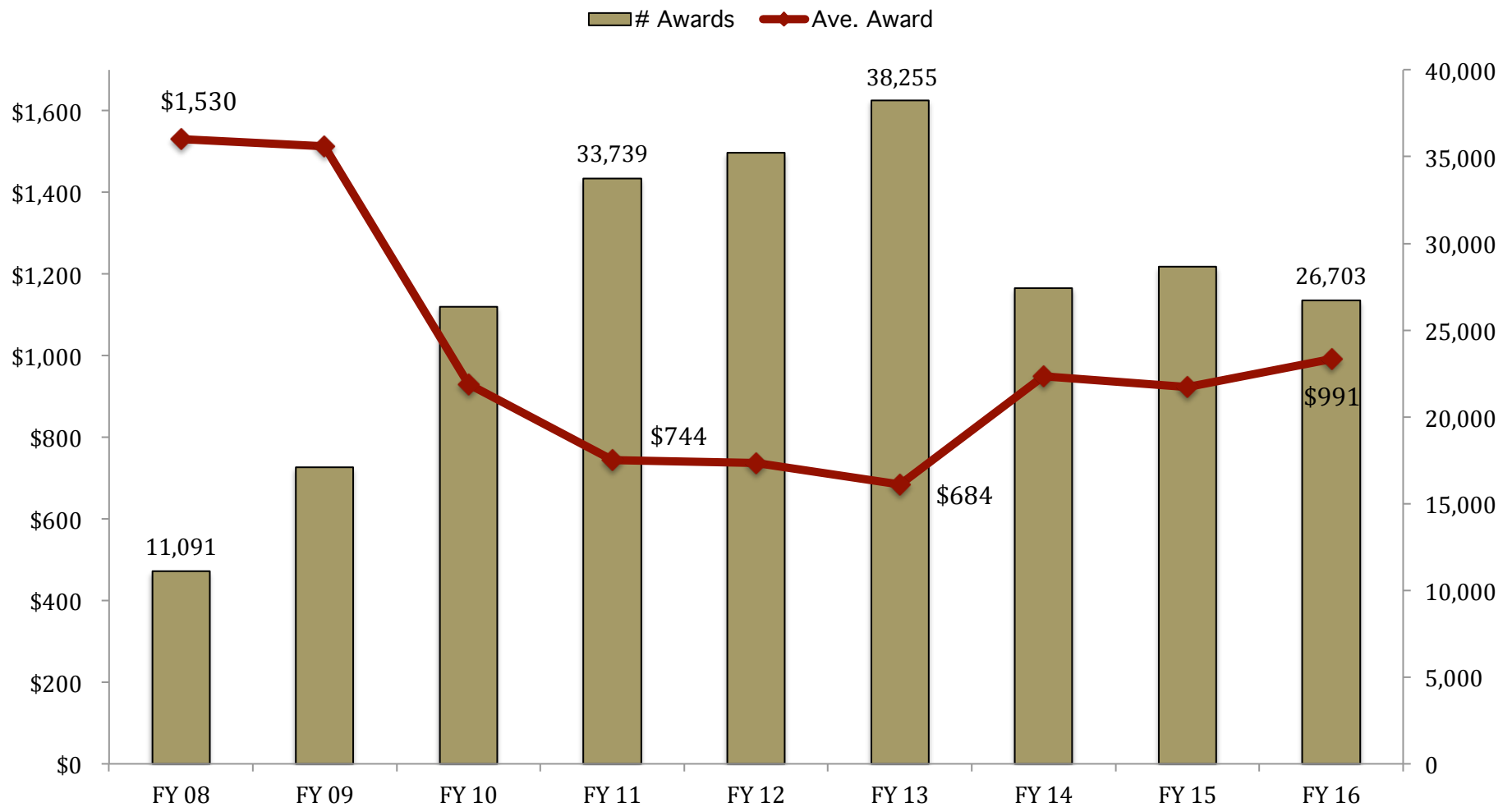
Institution	FY 17 Max TOPS Payment (Frozen Award Amount)
University of LA - Monroe	\$5,787.52
University of New Orleans	\$6,090.37
Baton Rouge CC	\$3,086.08
Bossier Parish CC	\$3,214.15
Central LA TCC	\$3,214.15
Delgado CC	\$3,214.15
L E Fletcher TCC	\$3,214.15
LA Delta CC	\$3,214.15
Northshore Tech CC	\$3,214.15
Northwest LA TC	\$2,081.20
Nunez CC	\$3,214.15
River Parishes CC	\$3,214.15
South Central TC	\$2,081.01
South LA CC	\$3,214.15
SOWELA Tech CC	\$3,214.15
Private Schools	\$5,567.00
Proprietary Schools	\$2,497.00
Graduate Programs - Semester	\$7,673.22
Graduate Programs - Quarter	\$7,673.22

To the extent tuition is increased in subsequent fiscal years, pursuant to Act 18 of 2016 (and SB 71 of 2017), the TOPS award is frozen at the FY17 level as shown in the tables above unless acted upon by the legislature.



Go Grant Program

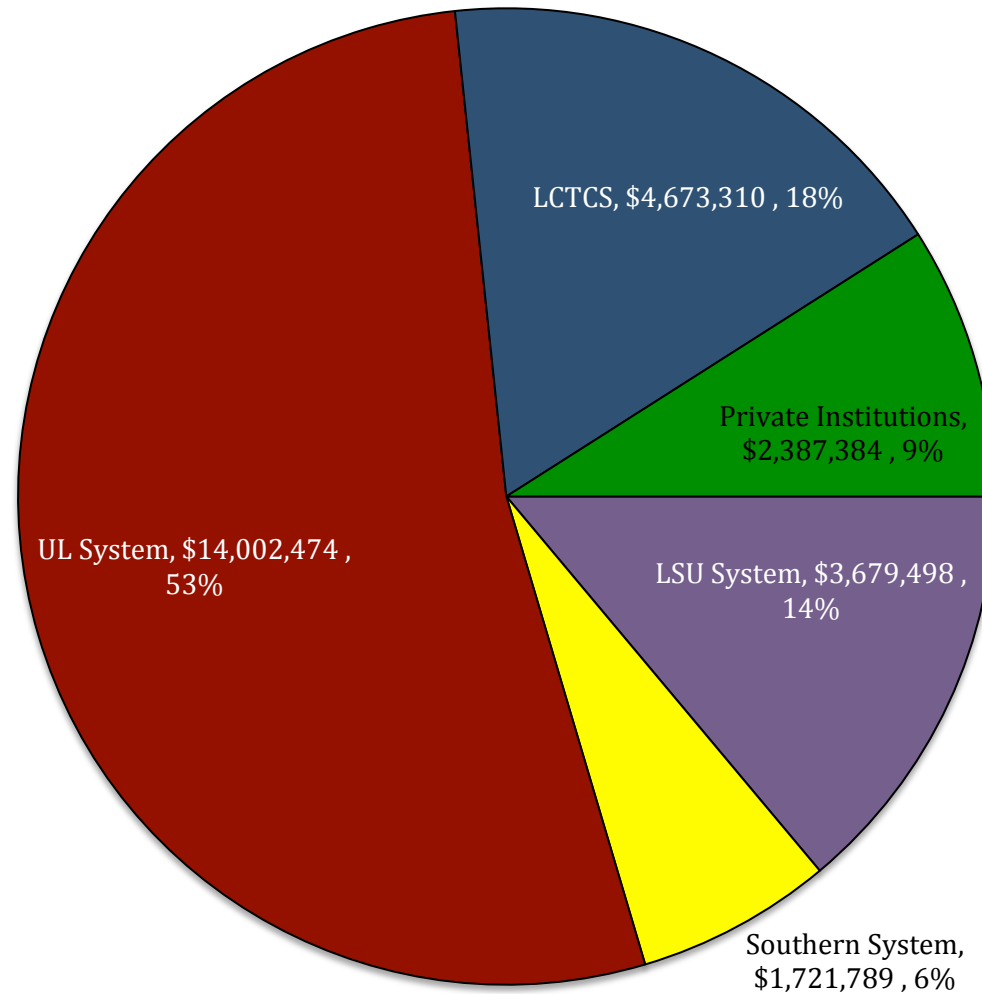
The FY18 Go Grant level of funding is **\$26.4M SGF**, which is the same amount provided in FY17. Included in the Governor's \$440M of additional needs is \$34.8M for additional Go Grant funding, which is not included in HB1 Re-engrossed.



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



GO GRANT AWARD DISTRIBUTION 2015-2016 Academic Year





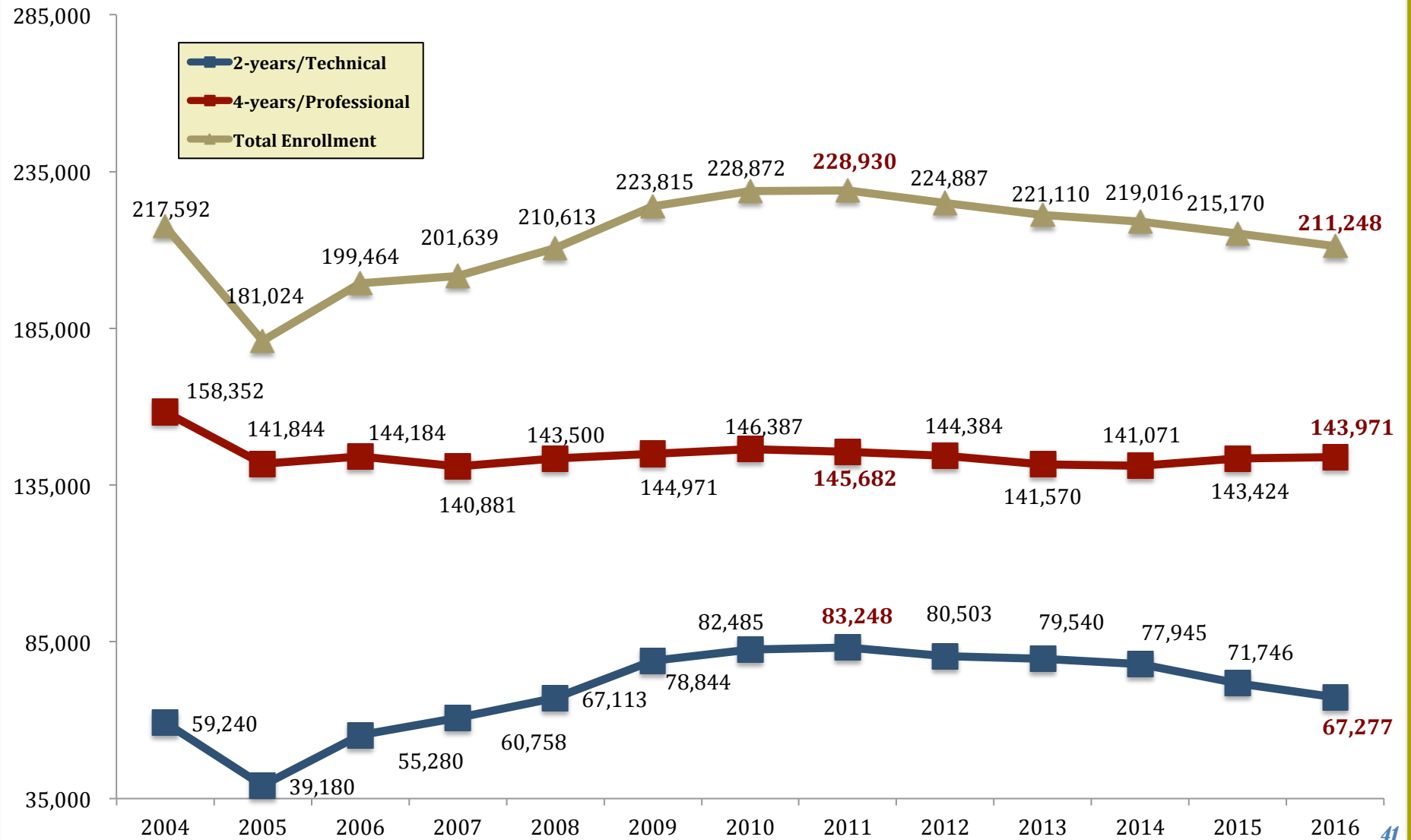
FY18 Executive Budget
Schedule 19 — Higher Education

**LOUISIANA HIGHER EDUCATION DATA
COMPARISON TO PEERS & ALL 50 STATES**



Public Higher Education Enrollment Fall-to-Fall Comparison, Headcount

(Source: Board of Regents Fact Book, 2016-2017)



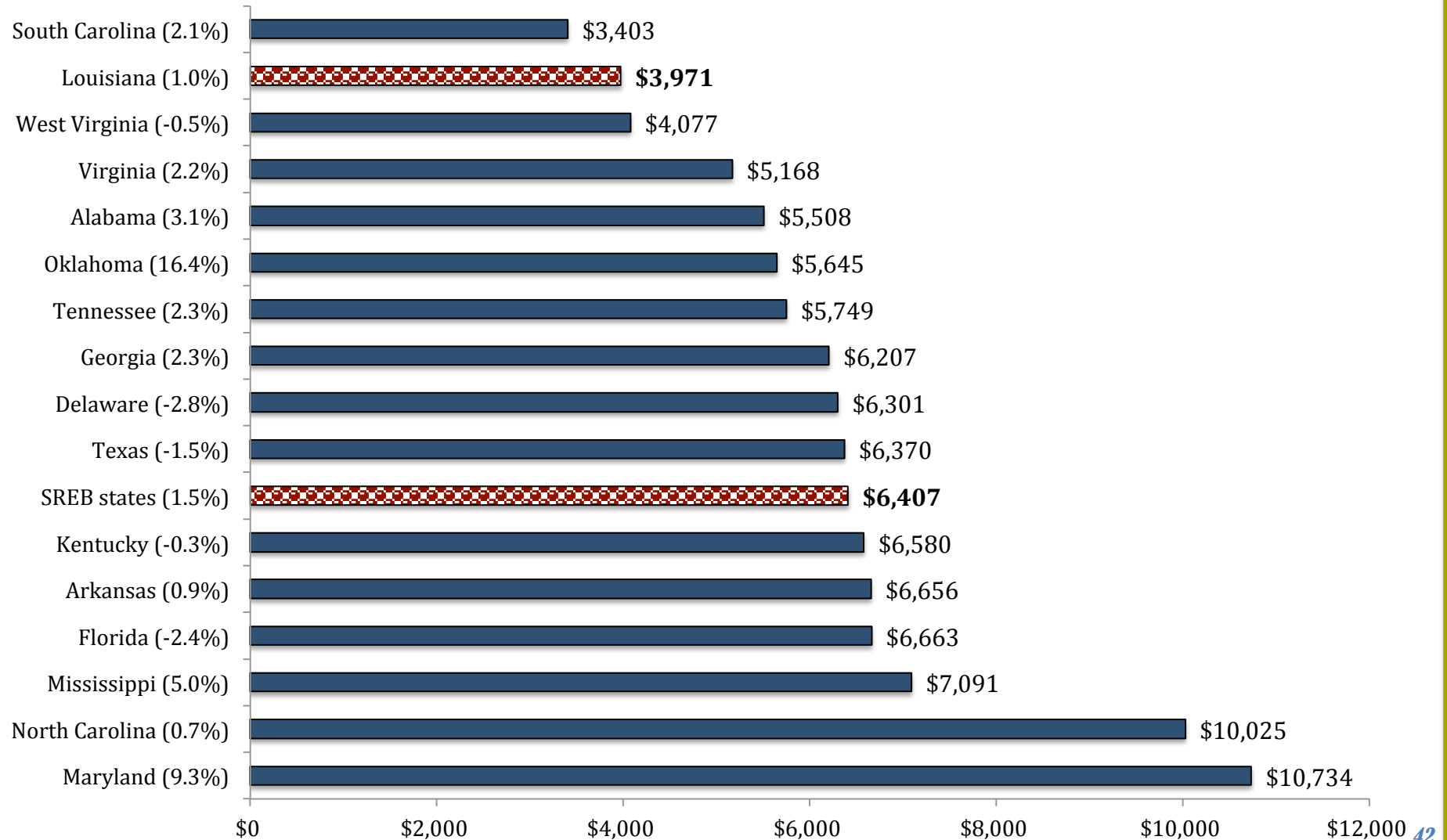


Appropriations Per FTE Student, 2014-2015

(change from 2013-2014 shown in parentheses)

Source: SREB Data Exchange, 2014-2015

4-YEARS



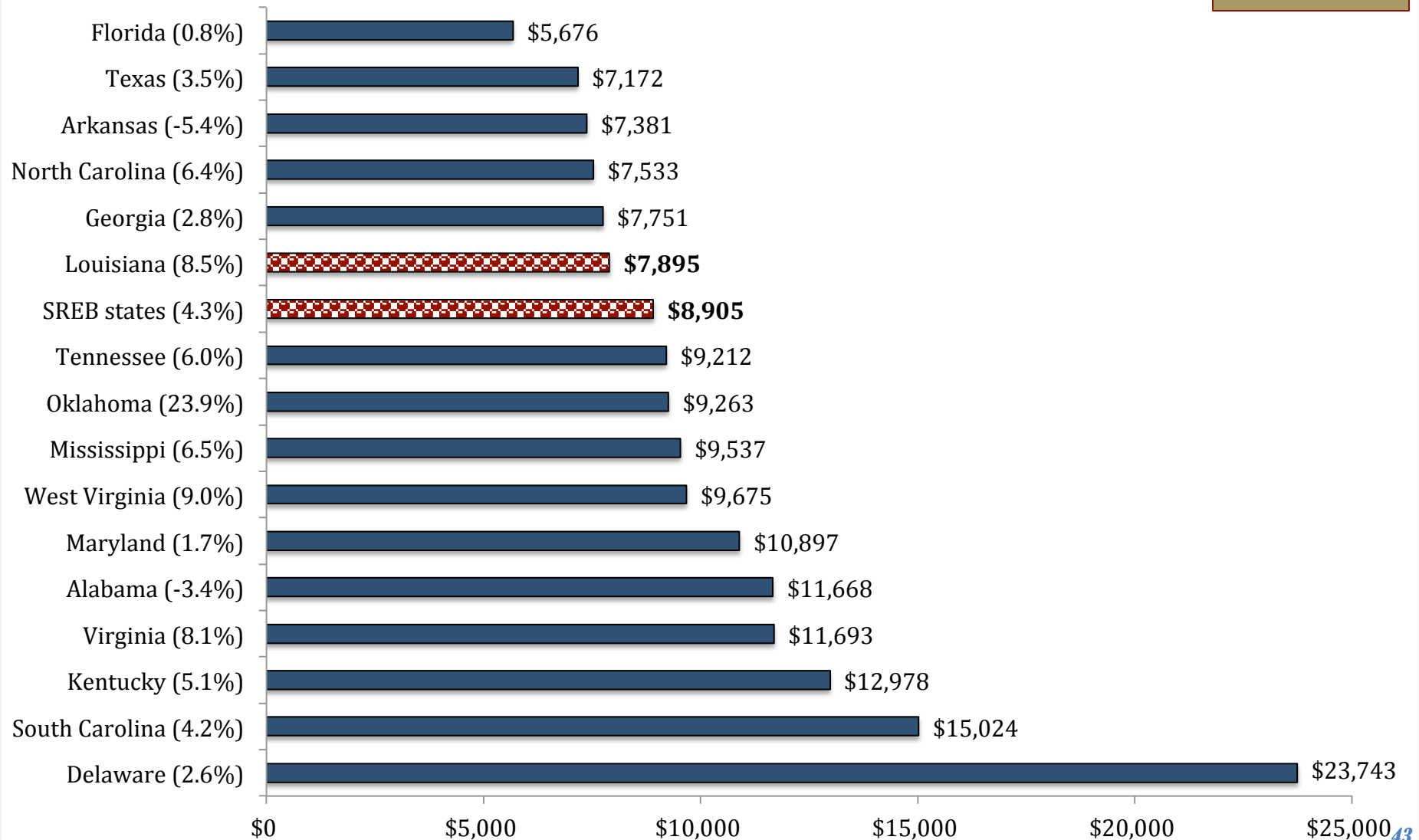


Tuition & Fees Per FTE Student, 2014-2015

(change from 2013-2014 shown in parentheses)

Source: SREB Data Exchange, 2014-2015

4-YEARS



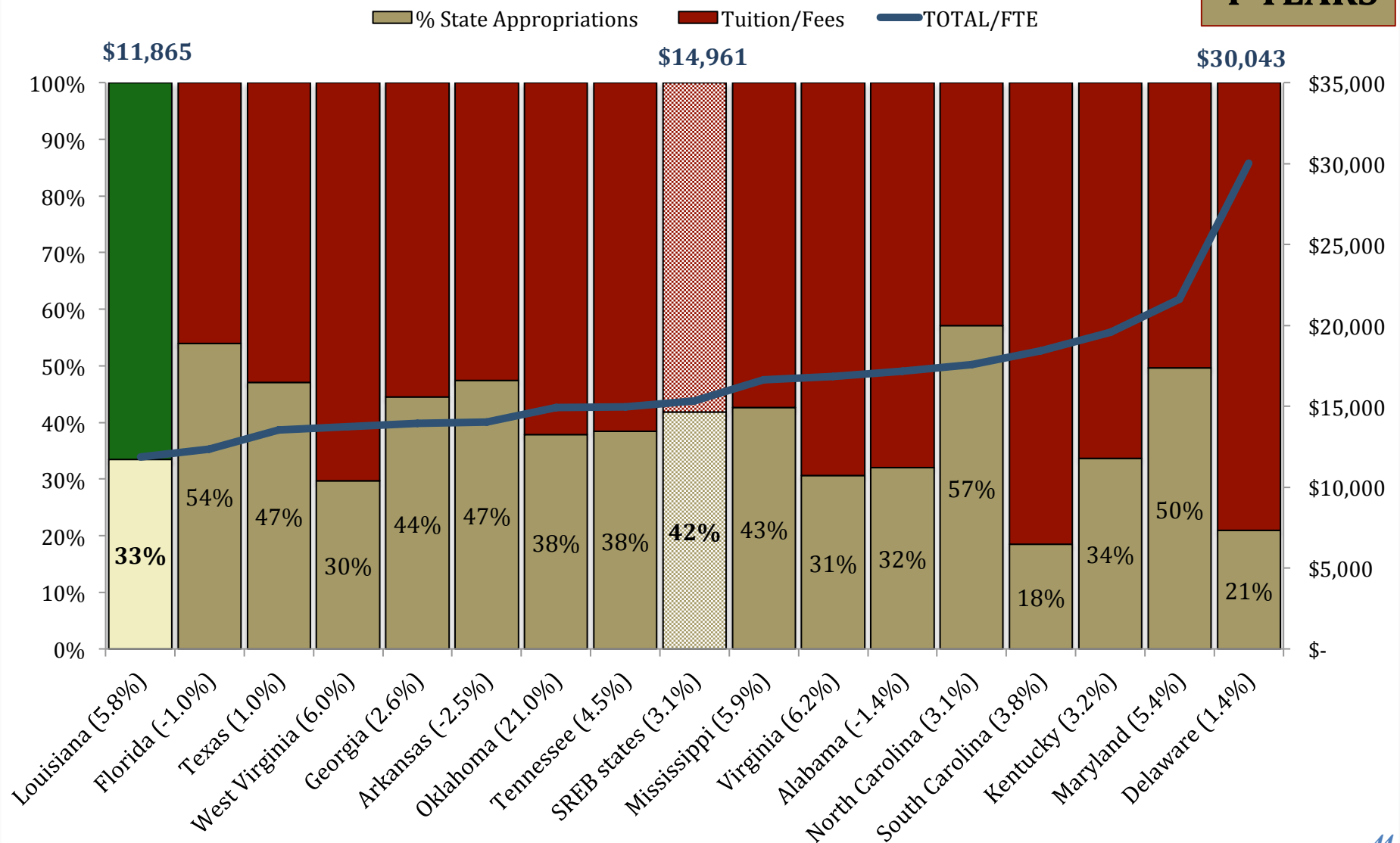


Total Funding (Appropriations & Tuition/Fees Revenue) per FTE Student, 2014-2015

(change from 2013-2014 shown in parentheses)

Source: SREB Data Exchange, 2014-2015

4-YEARS



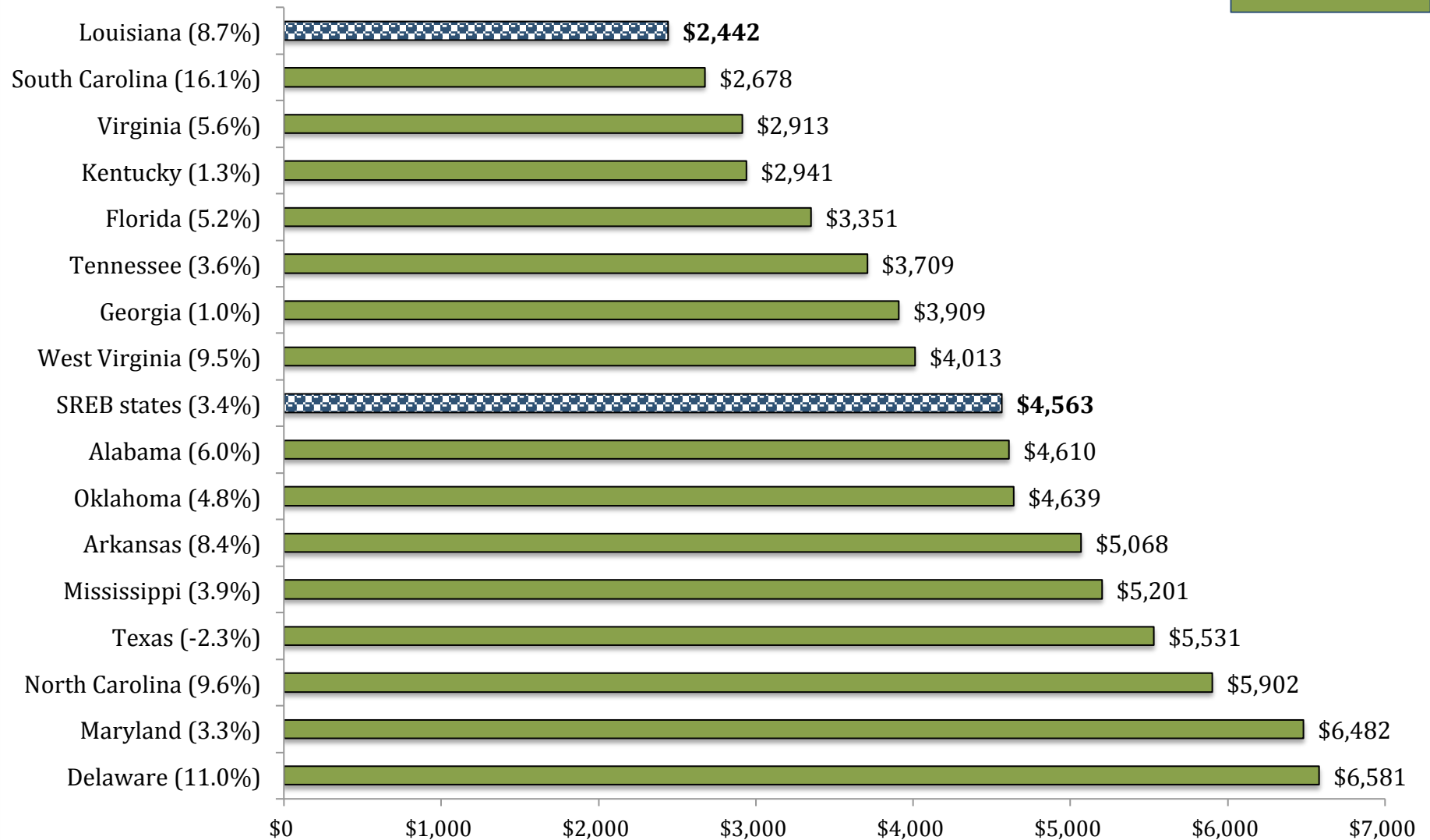


Appropriations Per FTE Student, 2014-2015

(change from 2013-2014 shown in parentheses)

Source: SREB Data Exchange, 2014-2015

2-YEARS



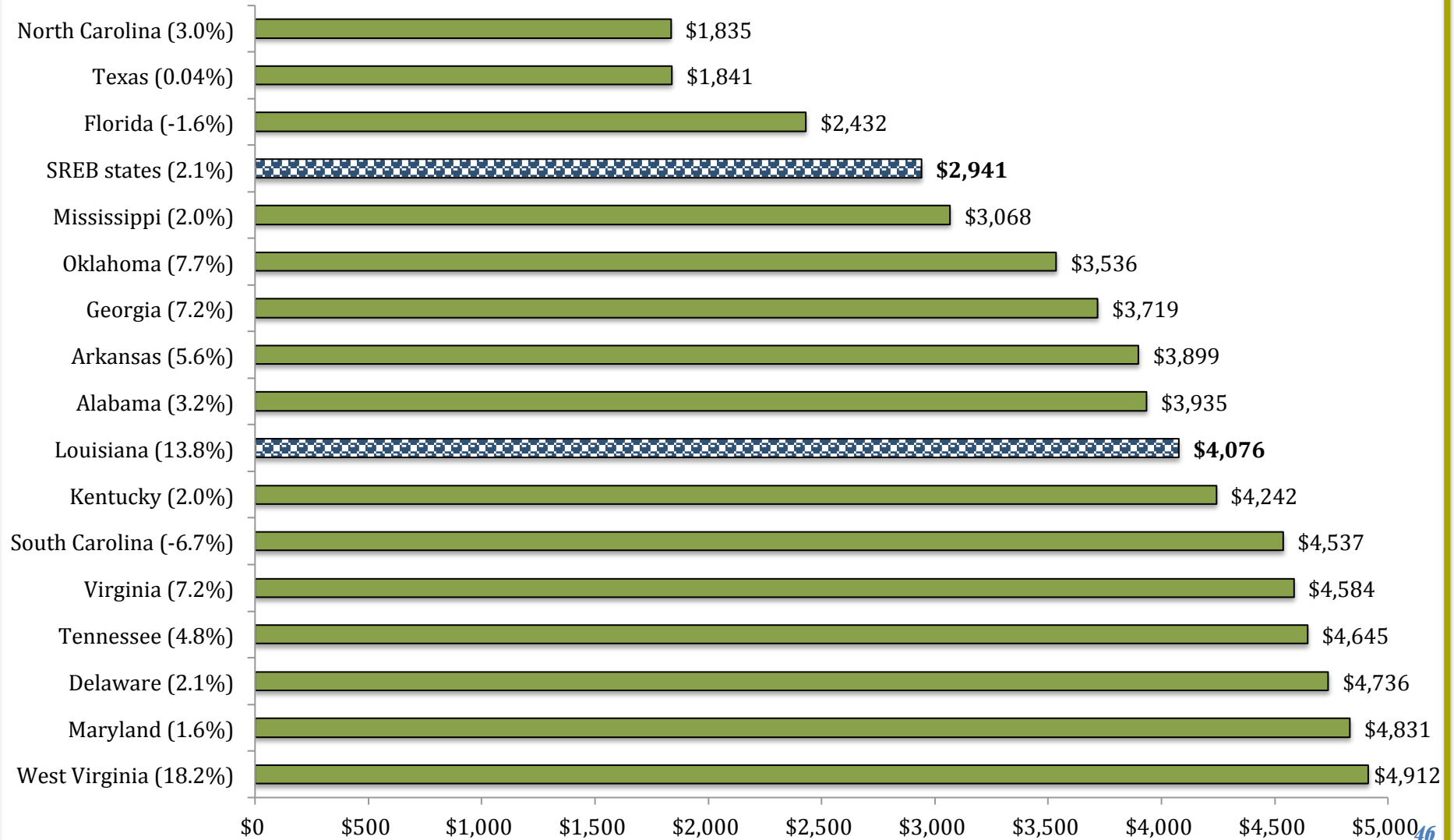


Tuition & Fees Per FTE Student, 2014-2015 (2-Years)

(change from 2013-2014 shown in parentheses)

Source: SREB Data Exchange, 2014-2015

2-YEARS



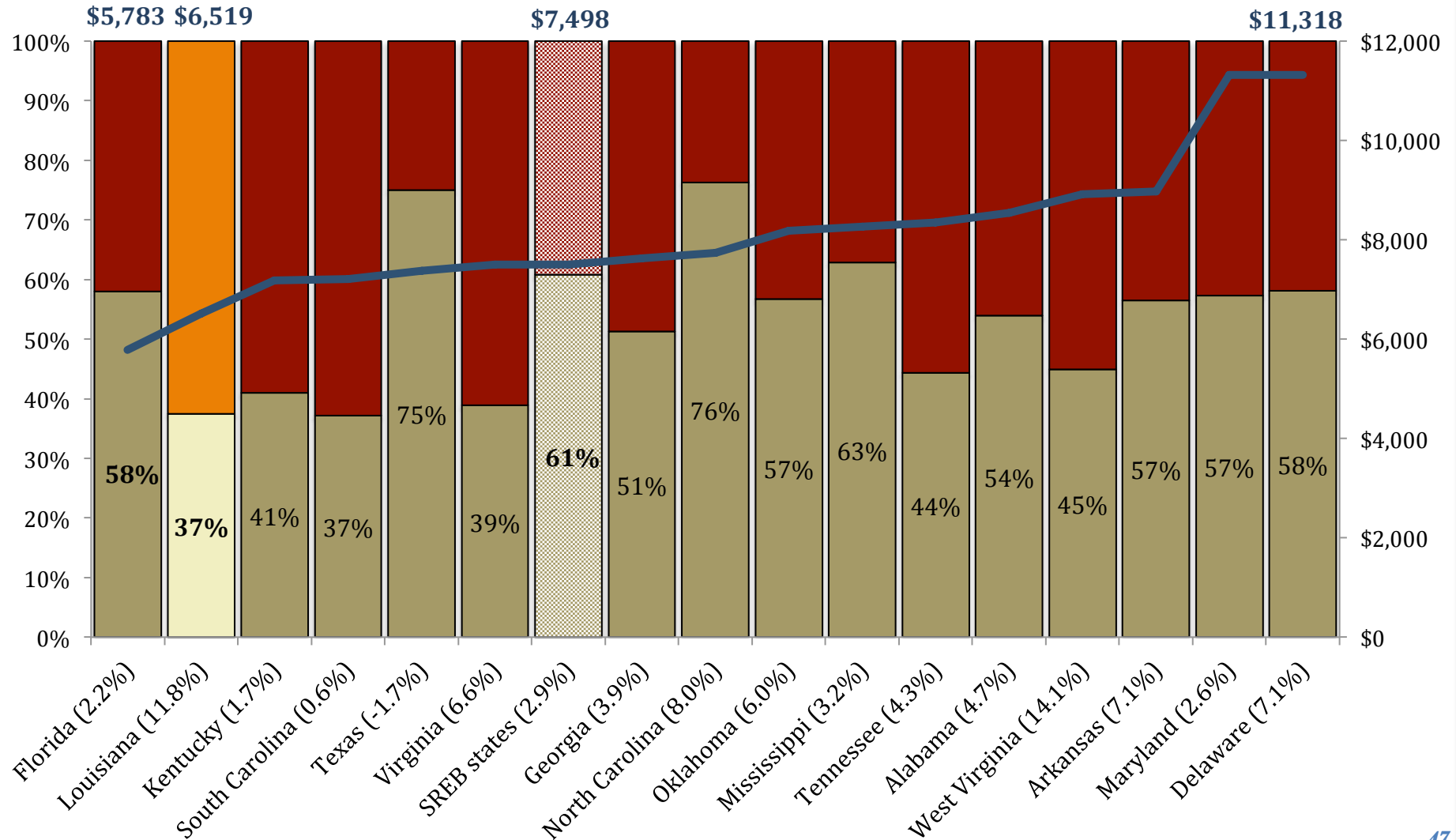


Total Funding (Appropriations & Tuition/Fees Revenue) per FTE Student, 2014-2015 (change from 2013-2014 shown in parentheses)

Source: SREB Data Exchange, 2014-2015

% State/Local Appropriation % Tuition/Fees Total/FTE

2-YEARS





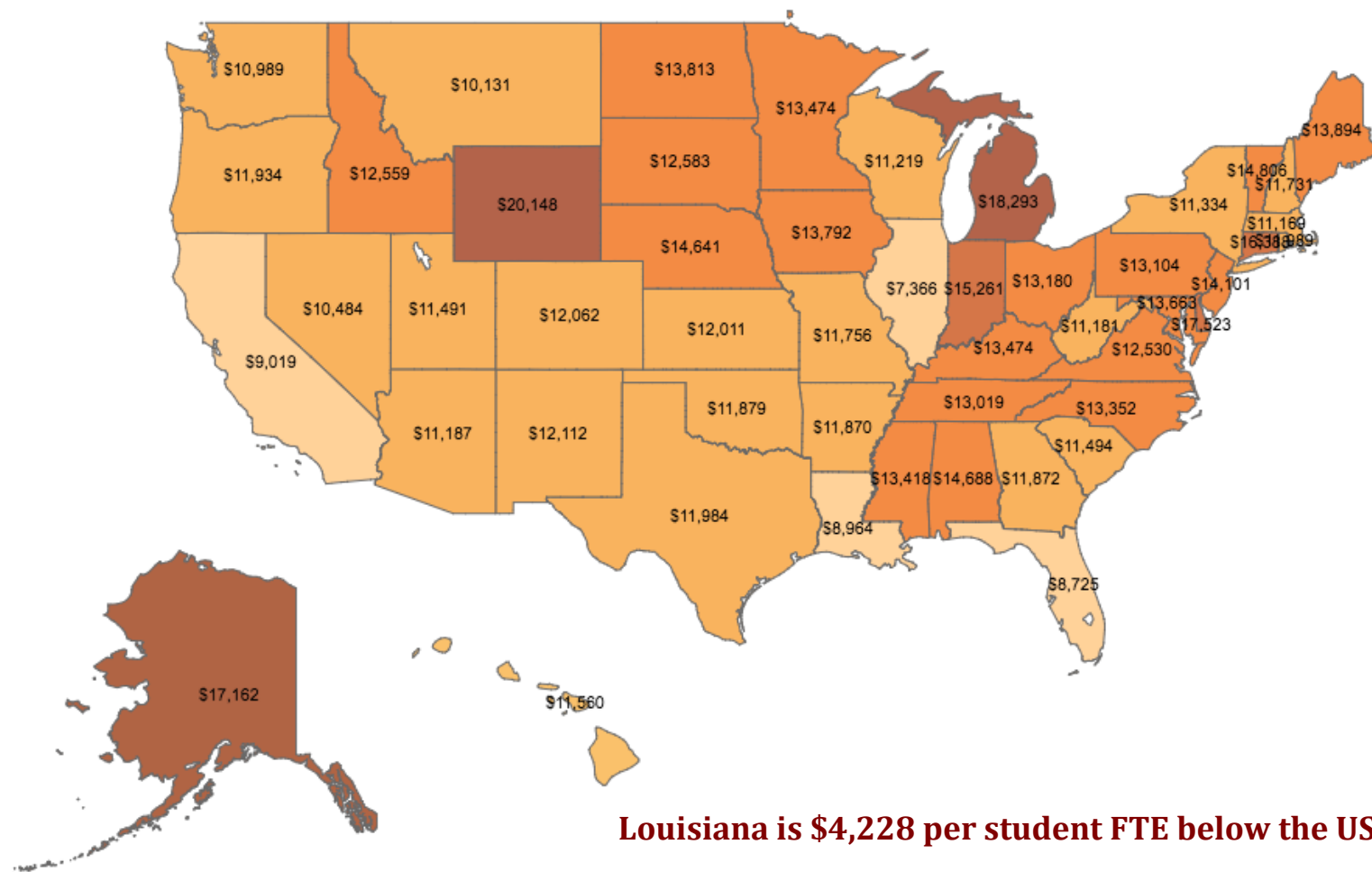
Total Educational Revenue Per FTE

(Including State Scholarships, TOPS/GO) Per FTE

(Source: State Higher Education Executive Officers Association, SHEF: FY2016 Report)

2016 U.S. Average: \$13,192
2016 U.S. One year Change: \$6
2016 U.S. Five year Change: \$1,196
2016 U.S. FTE Enrollment: 11,074,245

Lighter color = less funding per student FTE
Darker color = more funding per student FTE



Louisiana is \$4,228 per student FTE below the US average



Schedule 19 — Higher Education

OTHER HIGHER EDUCATION ISSUES



Higher Education Other Issues for FY18

Tuition Increases – Due to the expiration of the LA GRAD Act, there are no proposed tuition increases in HB1 for FY18. FY17 is the last year tuition increases are possible under the LA GRAD Act. Therefore, institutions no longer have the authority to raise tuition without legislative approval.

Fee Autonomy Sunset – Proposed HB 113 of 2017 RLS by Representative Broadwater extends the sunset provision of higher education's fee autonomy to June 30, 2020. Current law provides for fee autonomy to sunset on June 30, 2017. This has been in place for 2 fiscal years. Act 377 of 2015 is the original bill that provided for this 2-year authority for institutions to raise fees.

Examples of Initiatives funded with the Act 377 of 2015 fee resources include:

- \$272,000 – LCTCS created the 5 to 6 Program, which is targeted scholarships to students who do not have a high school diploma. These scholarship funds allow these students to earn 6 credit hours to trigger eligibility for federal financial aid. Of the 287 students who received these scholarships, 73% stayed in school.
- \$6.5 M – University of Louisiana System institutions provided financial assistance from these fees to students including those students who receive TOPS.



Board of Regents Response Act 619 of 2016 Regular Legislative Session

Pursuant to the requirements of Act 619 of 2016 by Senator Hewitt, the Board of Regents prepared a report addressing the following six areas along with 38 recommendations among the topics listed below.

- Governance & Structure
- Finance & Facilities
- Faculty, Innovation & Academic Programs
- College & Career Preparation
- College Access & Success
- Workforce & Career Readiness

Website Location of Board of Regents' Act 419 Response:
<http://regents.state.la.us/page/619Response>

Act 619 also required the Board of Regents to collect and report various data and information regarding higher education. The information reported includes:

- Admission by Exception
- Bonded Indebtedness
- Capital Outlay
- Centers of Excellence
- Cited Code Violations
- Completers
- Cost Per Program
- Deferred Maintenance Data
- Degree-Granting Institutions by System
- Enrollment by Program
- Facilities Data
- Institutional Financial Aid
- Integrated Postsecondary Education Data System (IPEDS) Full Faculty by Rank
- Master Plan for Public Postsecondary Education
- Number of Faculty Administrative Staff
- Percent of Lower Level Courses
- Student-to-Faculty Ratio
- Students Enrolled in Remedial Courses
- Wage Data by Program