



Louisiana Public Postsecondary Education

Operating Budget Review

September 26, 2017

FY 2017-2018 Higher Education Budget Overview

Beginning Operating	FY 2017	FY 2018	Difference	% Change
State General Fund (SGF)	\$919,280,212	\$1,004,440,578	\$85,160,366	9.3%
Statutory Dedications	\$175,521,643	\$151,637,910	(\$23,883,733)	-13.6%
Interagency Transfers (IAT)	\$26,416,875	\$23,555,601	(\$2,861,274)	-10.8%
Self-generated Revenue (SGR)	\$1,389,630,995	\$1,457,186,211	\$67,555,216	4.9%
Federal	\$79,903,497	\$79,903,497	\$0	0.0%
Total	\$2,590,753,222	\$2,716,723,797	\$125,970,575	4.9%
<i>State Funds (SGF + Statutory Dedications)</i>	<i>\$1,094,801,855</i>	<i>\$1,156,078,488</i>	<i>\$61,276,633</i>	<i>5.6%</i>

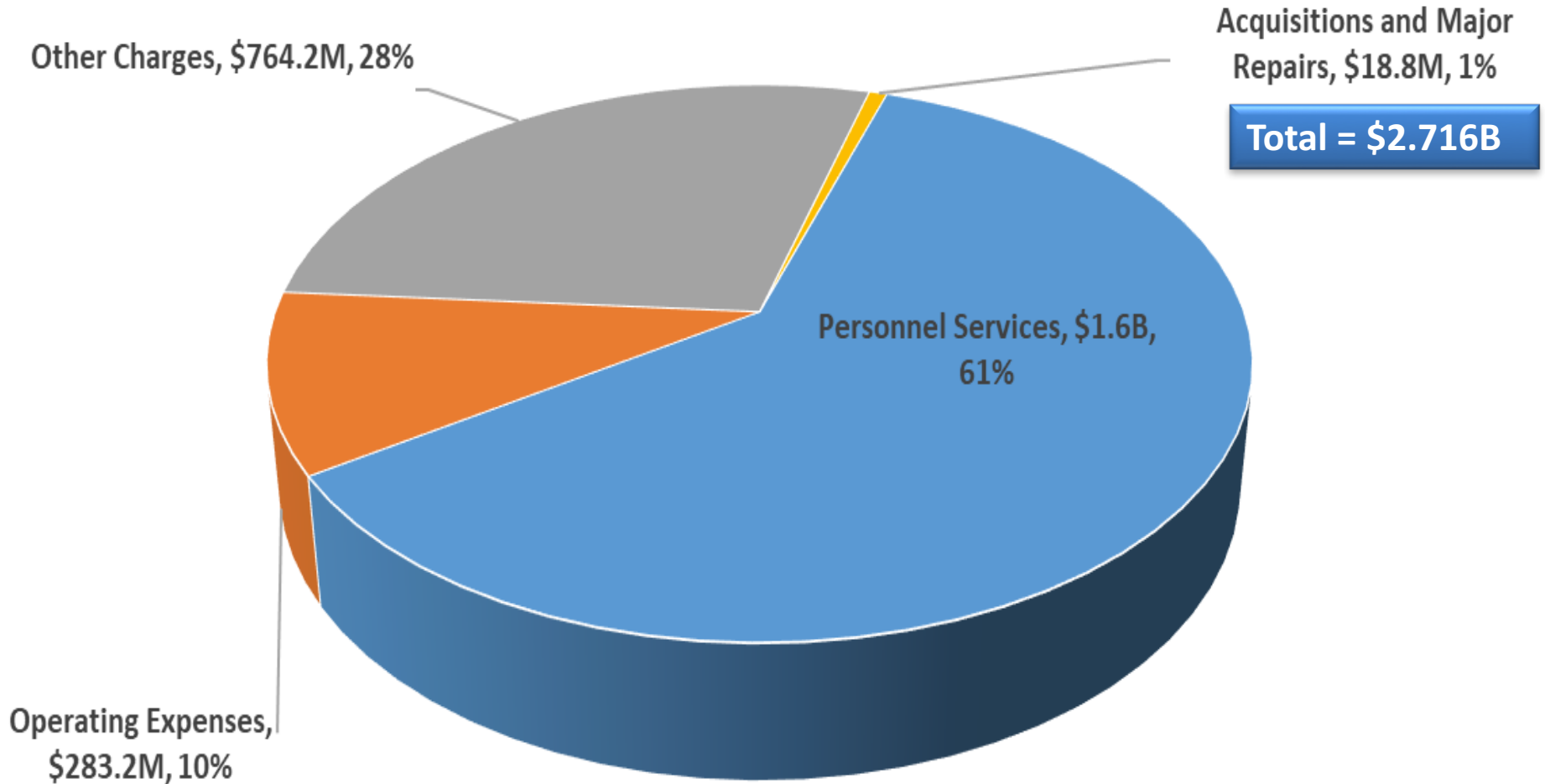
**Major funding changes in FY 2018 include \$84.2M in SGF to fully fund the TOPS program, decrease of \$1.3M SGF in Board of Regents decrease in Tobacco Tax Fund of \$6.8M based on Revenue Estimating Conference (REC) forecasts, decrease in Tobacco Tax Fund of \$12.8M associated with funding the LA Cancer Research Center through Aid for Local Governments instead of through LSU Health Sciences Center – New Orleans, decrease of \$2.4M in TOPS Fund based on REC forecasts, decrease of \$1.4M in Support Education in Louisiana First (SELF) Fund based on REC forecasts, and decrease in IAT within LOSFA of \$3.0M associated with supplemental course allocation.*

Note: *The FY18 SGF appropriated level of \$1.0B represents approximately 11% of the total SGF forecasted to be available for current year, FY17 (\$1.0B/\$9.4B = 11%). For context, in FY09 SGF represented approximately 18% of the total SGF appropriated in the General Appropriations Bill.*

FY 2017-2018 Higher Education Budget Overview

Expenditures By Object

FY2017-2018



Major FY18 SGF Adjustments to HIED

Major FY18 Executive Budget SGF Adj. (February 2017)

- **(\$18.3M)** SGF – Division of Administration (DOA) reduction to SGF for Higher Education to balance the FY18 Executive Budget
- **(\$9.4M)** Stat Ded – Reduction to Support Education in LA First (SELF) Fund as a result of Revenue Estimating Conference (REC) forecast.

Major FY18 SGF Adj. Post 2nd Special Legislative Session (June 2017)

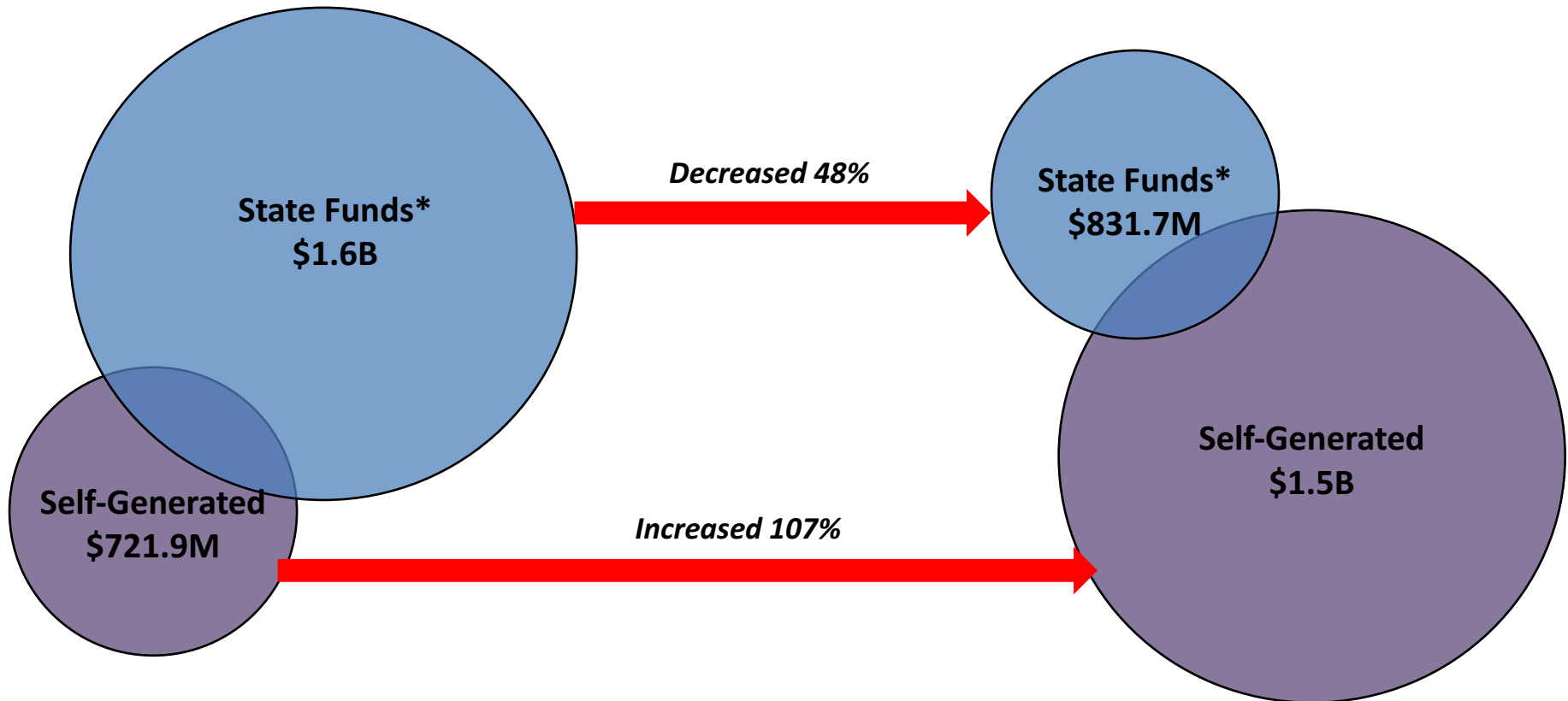
- \$18.3M SGF – Restoration of funding for Higher Education
- \$84.2M SGF – Restoration of funding for TOPS Program
- **(\$1.3M)** SGF – Reduction to Board of Regents
- \$2.64M Stat Ded – Restoration of SELF Fund based on REC forecast
- **(\$12.8M)** Stat Ded – Transfer of LA Cancer Research Center funded through LSU HSC-NO to Aid for Local Governments

Higher Education Means of Finance

(Excludes Board of Regents LOSFA Program & Hospitals)

FY2009

FY2018



*State Funds = (State General Fund + Statutory Dedications)

Louisiana Higher Education: The True Picture

Higher Education Institutions (Excluding LOSFA and Hospitals)

Fiscal Year	Total State Funds	Self Generated Funds	Federal Funds and Interagency Transfers	Total
FY 08-09	\$1,571,583,691	\$721,868,856	\$142,575,679	\$2,436,028,226
<i>FY 08-09 Mandated Costs Paid Back To The State</i>				<i>(\$445,116,071)</i>
<i>*FY 08-09 Scholarships and Fellowships</i>				<i>(\$100,913,609)</i>
<i>Dollars available for operations</i>				<i>\$1,889,998,546</i>
Fiscal Year	Total State Funds	Self Generated Funds	Federal Funds and Interagency Transfers	Total
FY 17-18	\$831,689,005	\$1,457,093,461	\$55,764,068	\$2,344,546,534
<i>FY 17-18 Mandated Costs Paid Back To The State</i>				<i>(\$618,026,878)</i>
<i>*FY 17-18 Scholarships and Fellowships</i>				<i>(\$219,219,708)</i>
<i>Dollars available for operations</i>				<i>\$1,507,299,948</i>
Change in 10 years: \$382M Less for operations				(\$382,698,598)

*Institutions provide scholarships/fellowships to attract the best students and to abide by legislative mandates at the expense of not receiving all budgeted tuition/fees.

Note: Self generated funds include \$123 million of TOPS awards in FY 09 and \$272 million in FY 18.

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



State Support	\$831,689,005
Mandated Costs	- <u>\$618,026,878</u>
	\$213,662,127

Remaining state support for higher education

Source: Board of Regents

FY 2017-2018 Higher Education State General Fund (SGF)

Beginning Operating - SGF	FY 2017	FY 2018	Difference	% Change
Board of Regents	\$14,046,612	\$12,772,006	(\$1,274,606)	-9.1%
Board of Regents - LOSFA Program	\$182,208,087	\$266,431,249	\$84,223,162	46.2%
Board of Regents - LUMCON Program	\$2,279,428	\$2,277,892	(\$1,536)	-0.1%
LSU SYSTEM	\$348,303,880	\$350,527,829	\$2,223,949	0.6%
UL System	\$213,024,999	\$214,186,711	\$1,161,712	0.5%
LCTC System	\$115,721,328	\$116,754,509	\$1,033,181	0.9%
SU System	\$43,695,878	\$41,490,381	(\$2,205,497)	-5.0%
Total	\$919,280,212	\$1,004,440,577	\$85,160,365	9.3%

- *The significant SGF change from FY17 to FY18 within the Board of Regents is due to a \$1.3M SGF legislative line item amendment that reduced Board of Regents and funded LA Department of Health for mental health services.*
- *As a result of fully funding the TOPS Program for FY18, the significant SGF change from FY17 to FY18 is within the LOSFA Program. The legislature appropriated an additional \$84.2M to fully fund the program.*