



RALLO UPDATE

from the desk of Commissioner Joseph C. Rallo, Ph.D.

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Entering my fourth year as Commissioner of Higher Education, the same fiscal cliff which focused the state's attention in 2015 has reappeared. Once again higher education is facing drastic cuts in its budget, a budget which has been slashed more than in any other state in the nation. That shortfall will be announced on January 19th as the executive branch presents its budget to the Joint Legislative Committee. Higher education will be forced to use this budget to plan for the next academic year. Debates during the legislative session will assume that all planning is on hold until a budget resolution emerges in June. But that assumption is at odds with the realities of higher education planning, which means that the threats to our institutions will be magnified by this impasse.

Uncertainty is devastating: High school graduates apply to college in the spring, while current college students decide whether to extend their housing lease for another year. National searches for new faculty are delayed or terminated because of a potential lack of funding. The decade of cuts to Louisiana higher education means that universities are funded mostly by student tuition rather than state dollars. The perception that funding for higher education, including TOPS and Go Grants, remains in jeopardy until June will be seen by students as a reason not to attend college or to go out of state for their education.

Competition is real: Louisiana can no longer assume that its residents will stay home for their education. Texas, Alabama, and Arkansas actively recruit our best students by offering in-state tuition and support packages to match TOPS. Existing faculty look for new positions in states with stability for their higher education enterprise. This loss of talent will be felt when companies cannot hire trained and educated employees. The absence of a 21st-century employee base will further complicate the state's economic development efforts to attract new companies.

Numbers count, but count the right numbers: Let us move beyond the debate on whether to close or merge institutions. Instead judge our institutions on measures such as more graduates, better prepared employees and increased enrollments. Ask whether they are producing the quantity and quality of graduates needed to fill existing and new jobs in

high wage, high demand sectors. Then imagine how many more of these jobs could be filled if our institutions could hire additional faculty, open new labs and invest in student internship opportunities.

Support for higher education is the best economic investment for Louisiana: Our graduates pay taxes and contribute to the social and economic vitality of their communities. They are healthier and less likely to be involved in criminal activities. Their educational attainment supports the state's economic development activities by promising the availability of a trained and educated workforce. Simply put, higher education is the economic engine for Louisiana.

Physical cliffs are very complex structures. A person can stumble and plummet over one or that same individual can instead climb and conquer it. A fiscal cliff is no different. Support for higher education, particularly adequate and stable funding with timely decision-making, will allow Louisiana to master the fiscal cliff rather than simply fall over it. It is in the state's best interest to do so.

Joseph C. Rallo
Commissioner of Higher Education
