



BOARD of REGENTS  
STATE OF LOUISIANA

# FY21 HIGHER EDUCATION EXECUTIVE BUDGET OVERVIEW



## Education is critical to Louisiana's recovery and success, and now is the time to make strategic investments in our people.

- COMMISSIONER KIM HUNTER REED

### RETAINING TALENT DEVELOPERS – OUR FACULTY (\$19.8M)

The Executive budget provides long-overdue raises for our state's most important asset in our quest to develop the talents of Louisiana's citizens – our faculty. Since 2008, the average salary of faculty at Louisiana's two-year institutions has fallen to 14th among the 16 SREB states. For four-year institutions it has dropped to 15th.

This would be the first statewide raise in 13 years. It is a solid step toward retaining and recruiting outstanding faculty by increasing salaries to the Southern Regional Education Board (SREB) average within the next two years.

### FOCUSING ON AFFORDABILITY – HISTORIC GO GRANT INCREASES (\$11M)

There has never been a more important time to invest in our people. This year's budget recognizes the critical need to focus on college affordability by proposing the largest budget infusion for GO Grants since the program's inception.

The need-based aid program launched in 2008 with a \$17M investment. It received a \$9M boost in 2009 and increased by a total of \$4M more across the years since.

## FIRST MAJOR NEW INVESTMENTS PROPOSED IN 13 YEARS

The need for additional financial aid for students with unmet need is critical. Even prior to the pandemic, less than half of GO Grant-eligible students actually received the award, due to lack of funding.

Further, this budget proposes for the first time to put increased allocations for both need-based and merit-based aid on equal footing (\$12.2M to TOPS, \$11M for GO Grants).

### BUDGET STABILIZATION - MANDATED COST INCREASES (\$15.6M)

• Louisiana's higher education institutions sustained the 3rd largest disinvestment in the nation from 2009 to 2019. Adding to those budget reductions, each year institutions face increases in costs for the state's unfunded accrued liability as well as statewide expenses for group insurance, retirement, etc. Unlike other state agencies, which receive annual budget appropriations to fund these required increases, higher education has had to offset them within existing reduced budgets.

• This budget reflects the first time in 13 years that higher education has received treatment equal to other state agencies, with funding proposed to fully cover the annual increases.

• In addition, the Executive budget provides strategic new investments to support the state's 2030 goal to double the number of annual credentials awarded and increase the education-to-employment pipeline to get more people back to work and into better, more meaningful careers.