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BOARD OF REGENTS

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AGENDA

FINANCE COMMITTEE

Wednesday, March 23, 2022
9:55 a.m.

Claiborne Building, 1st Floor
Louisiana Purchase Room 1-100
1201 North Third Street
Baton Rouge, Louisiana

- I. Call to Order
- II. Roll Call
- III. Review and Approval of the FY 2022-23 Preliminary Funding Recommendation
- IV. Other Business
- V. Adjournment

Committee Members: Gary N. Solomon, Jr., Chair; Robert W. Levy, Vice Chair; Blake R. David; Phillip R. May, Jr.; Sonia A. Pérez; T. Jay Seale III; Judy A. Williams-Brown; LCTC System Representative; LSU System Representative; SU System Representative; UL System Representative
Staff: Matthew LaBruyere, Deputy Commissioner for Finance and Administration

**Finance Committee
Executive Summary
March 23, 2022**

III. Review and Approval of the FY 2022-2023 Preliminary Funding Recommendation

Annually, the Board of Regents is required to submit to the Senate Committee on Education, the Senate Committee on Finance, the House Committee on Education, and the House Committee on Appropriations, not later than March thirty-first of each year, any formula created and adopted by the Board for funding institutions of postsecondary education in the ensuing year. The formula submission is based on funds recommended for higher education in the Governor's Executive Budget.

The FY22 Executive Budget was presented with a State General Fund increase of \$60.4M to colleges, universities, specialized institutions, and boards and \$15M for the Louisiana Office of Student Financial Aid (LOSFA) GO Grants program. The \$60.4M increase includes \$31.7M for faculty pay increases, \$18M for mandated costs increases, \$15M for formula institutions, \$6.6M for LSU Agriculture Center, \$5.9M for Pennington, \$3.1M for LSU Health Sciences Center-New Orleans, \$2.4M for LSU Health Sciences Center-Shreveport, \$869,000 for SU Agricultural Center, and \$300,000 for SU Law Center.

This preliminary submission is based on distributing increased funds as noted above to the respective agency/institution and allocating funding for 2-year and 4-year institutions through the Outcomes-Based Funding Formula. The formula allocation methodology is 55% base, 17% cost, and 28% outcomes. This methodology increases outcomes and decreases the reliance on base funding.

In the event funding levels change as the appropriations bill moves through the process, a new allocation will be submitted to the legislature for the latest version of the appropriations bill.

STAFF RECOMMENDATION

Senior Staff recommends approval of the distribution which allocates available funding in accordance with the methodology listed above.