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October 30, 2026

Mr. Taylor Barras
Commissioner of Administration
Claiborne Building, 7th Floor
Baton Rouge, LA 70802

Dear Commissioner Barras:

Louisiana's talent development and talent retention efforts are more urgent than ever given the more than $260B economic boom across our state. These new investments of capital provide a unique and perhaps once-in-a-lifetime opportunity to build and sustain an expanded workforce, which in turn will move more of our residents from poverty to prosperity. Investing in the education, training and financial support to make this opportunity a reality for more Louisianians anchors our request this year.

This budget submission on behalf of higher education balances retention of critical campus operating funding received in the current state budget with additional funds requested to support workforce development, affordability, and campus safety. It supports the state's expected LA Bayou Works' workforce development request, which is supplemented by our additional $20M request to accelerate the current education and training priorities of our state. In accordance with RS 39:32.1(F), the Board of Regents approved the public postsecondary education budget request for FY 2027–28 at its October 21st meeting.

The Board of Regents request for FY 2027–28 is to retain $124.6M in the current FY27 budget, combining it with an additional new recurring strategic investment of $52.2M. This request of State General Funds aligns with our goals of talent development and student success, providing institutional support and addressing affordability. These investments would significantly advance our critical mission of expanding the education-to-employment pipeline throughout Louisiana.

In 2019, the Board of Regents issued its Master Plan for Higher Education, which established an audacious goal for Louisiana: 60% of working-age adults holding a degree or credential of value by the year 2030. We are proud to report that we have achieved our 85,000 annual completers goal four years ahead of schedule and remain on track to reach 60% attainment within the next four years. This success is a testament to the relentless focus of our campuses and systems on adoption and acceleration of the proven Meauxmentum strategies advanced across our state. Together we have boosted attainment, broadened education and training at all levels, supported student success, and aligned institutions' offerings with workforce demands. We remain committed to investing in what works and appreciate your support of this critical strategic effort.

To meet the demands of the future and position our people to thrive in the 21st-century world of work, we must continue to scale up the growth accomplished over the last five years by reinvesting in higher education and funding public institutions at levels that secure our competitive advantage within our region and nationally. We make this request, however, fully aware of the budget constraints faced by our state; this is why we remain committed to institutional efficiencies, resource reallocations, and budget prioritization to drive results. By ensuring that college remains affordable through expanding proven supports such as need-based aid, early college opportunities like dual enrollment, and adult financial aid, Louisiana can improve access to and success in the education-to-employment pipeline across our state.

Today, we lag most Southern states in funding both per student and per capita. Among the sixteen states that are members of the Southern Regional Education Board (SREB), Louisiana ranks thirteenth in state support per capita at $345.12, significantly trailing the Southern average of $421.47 by $76.35 or 18% per citizen, which results in a competitive funding gap of $352.6 million (State Higher Education Executive Officers Association). In order to fully fund the state share of the public higher education enterprise, $2.25B in state support would be required, representing an increase of more than $870M based on average inflation costs over the FY 2026–27 appropriation of $1.38B. Although our budget request is modest compared to our full funding needs, we recognize that falling even farther behind peer states would disrupt our ability to provide a range of financial benefits to Louisiana including producing an increased number of taxpayers, decreasing dependence on social services, and providing the foundation for greater workforce participation.

To support the needs of the state and to reach our 2030 goal, we are advancing statewide implementation of proven strategies to strengthen student success, increase affordability, address critical workforce shortage areas, and pursue innovation and research that can grow prosperity in Louisiana. We are committed to ensuring that our citizens have the education and training necessary to participate fully in the new economy of our state.

We thank the Governor and the Legislature for their support and assistance as we focus fully on talent development and talent retention in our state. Should you have any questions regarding the attached strategic investments on behalf of our students and our postsecondary community, please feel free to contact me.

Sincerely,



Kim Hunter Reed, Ph.D.
Commissioner of Higher Education and Chief Advocate for Talent Development

c: Hon. Jeff Landry, Governor, State of Louisiana
Hon. Glen Womack, Chairman, Senate Finance Committee
Hon. Jack McFarland, Chairman, House Appropriations Committee
Misti Cordell, Chair, Board of Regents

Higher Education Budget Request

Retain $124.6M in FY27 funding and Increase State General Fund Recurring Budget by $52.2M

Prioritize Institutional Stability and Continued Efficiencies – Retain $124.6M in FY27 Budget

Louisiana currently lags at the bottom of the Southern region in per capita funding for higher education and would require an additional $352.6M to reach the regional average. To maintain higher education's standstill budget, the Board of Regents requests to retain existing funding in the FY27 budget and direct those funds to the institutions through the formula to help curb reliance on line-item support.

- **Retain FY27 $56M investment in the two- and four-year institutions through the higher education funding formula.**
  - Retaining the additional investment is critical as formula funding supports recurring day-to-day operational expenses across all higher education institutions. If this funding is non-recurred, institutions may be forced to cut vital academic and wraparound services, which will impact enrollment, retention of students and faculty, and building projects.
- **Reinvest FY27 $59.2M line-item appropriations to increase funding for formula institutions ($34.2M) and specialized institutions ($25M).**
  - Within the FY27 higher education budget is $59.2M in State General Funds that were provided through line-item amendments, which are typically non-recurred during the budget development process for the subsequent fiscal year. Retaining and utilizing the line-item funding allows for reinvestment in institutions without increasing state funds and increases the weight of the outcomes-based formula.
- **Reinvest Mandated Costs savings at institutions - $TBD (current estimate of $9.4M).**
  - Any savings achieved through reduced mandated costs across higher education should remain at the institutions to allow flexibility to focus on student success and operations. For FY27, 62¢ of every $1 in state higher education funding goes back to the state for mandated costs.
  - During FYs 2010–2019, increases in mandated costs were not funded and institutions covered these additional costs with available state funds and self-generated revenue.
  - From FY22 through FY27, all mandated costs increases were funded by the state.
  - As a result of increased debt payments for the Louisiana State Employees' Retirement System unfunded accrued liability and other changes to statewide services costs, higher education recognized an overall decrease in mandated costs estimated at $9.4M; however, the savings recognized were removed from higher education's operating budget.

$52.2M Increase in Recurring SGF Funding

Workforce Initiatives – $20M

In order to support the state's unprecedented economic growth, investing in higher education is necessary to develop a ready, trained, and skilled workforce. As workforce needs continue to change due to technological advancements, industry expansion, and emerging economic opportunities, Louisiana's public colleges and universities play a vital role in preparing individuals with the knowledge, technical expertise, and professional skills that allow them to succeed.

- **Workforce Training**
  - This funding will supplement the state's LA Bayou Works workforce request, supporting innovative approaches to workforce preparation, including graduate assistantships, internships, apprenticeships, industry partnerships, and continuing education programs that allow individuals to enhance their skills throughout their careers. By expanding access to affordable, high-quality education and training at our institutions, and collaborating with Louisiana Economic Development (LED) and LAWorks to further the "Whole Government" comprehensive strategic plan, this support will lead to increasing workforce participation, higher earning potential, and greater economic opportunities for individuals and communities across the state.
  - The Workforce Training funding request of $20M will support short-term training/credentials and adult basic education for two-year community and technical colleges (LCTC institutions, LSU Eunice, and Southern University Shreveport) and create or expand programs preparing students for high-demand fields (nursing, education, STEM, etc.), internships and graduate assistantships at four-year institutions. As workforce needs continue to change due to technological advancements, industry expansion, and emerging economic opportunities, Louisiana's public colleges and universities play a vital role in preparing individuals with the knowledge, technical expertise, and professional skills necessary to succeed.

Institutional Affordability and Targeted Requests – $32.2M

This request includes sustaining $241.5M in SGF for state financial aid programs, which include TOPS, GO Grants, M.J. Foster Promise, Patriot Scholars, and GeauxTeach. Of note, the M.J. Foster Promise and GeauxTeach funding is Statutory Dedications.

- **Dual Enrollment - $20M (One course for each 11th- and 12th-grader)**
  - Data clearly indicate that students who start college in high school are more likely to enroll in and complete postsecondary education. In the 2025–26 academic year more than 44,000 students took at least one academic or career/technical dual enrollment class at a public college or university. If 40% of all public-school juniors and seniors, or 35,952 students, took a dual enrollment class, the total cost would be $16.7M. It is anticipated that, of these students, 75% would enroll in a general education course at a cost of $330 each, for a total cost of $9.8M; and 25% would enroll in a career and technical education (CTE) course at a cost of $660 each, for a total cost of $6.9M.
  - The additional funding would be used for dual enrollment initiatives, including teacher credentialing grants to expand the number of high school teachers qualified to offer dual

enrollment, further development of the LaDualEnrollment.com one-stop website, establishment of a statewide standard application process, and convenings to support program rigor.
    - As the funds will be disseminated to institutions using a structure similar to other scholarship programs, related administrative costs are included.
- **Increased Funding of GO Grants - $10M**
    - Expanding access to financial aid for both part- and full-time students is critical to increasing educational opportunities in Louisiana. Today GO Grants serve over 34,000 students.
    - Each institution sets its own annual award range, currently a minimum of $300 and maximum of $3,000 per student.
    - Additional funding would allow more students to be served and existing students to receive further support to attain their educational aspirations.
- **TOPS Increase - $1.7M (Projected)**
    - Early TOPS analysis projects an increase of Excellence award students. This would align total funding to the anticipated need.
- **Increase in Cybersecurity Funding for Security Operations Center - $0.5M**
    - First funded in FY24 and sustained in FY25, the Security Operations Center (SOC) administered by LONI utilizes industry partners' technology and skilled staff to monitor institutions and respond to potential attacks. Additionally, the SOC serves as a training area for students to gain experience and enhances the cyber workforce in Louisiana. This funding increase will support rising service costs to keep pace with changing technology.

One-Time Funding Requests - $26.9M

In addition to annual, recurring increases, the Board of Regents also requests the use of available dollars to support one-time initiatives for specific areas that can benefit students and institutions across the state.

- **Campus Safety - $10M**
    - Through third-party experts, the Board of Regents conducted safety assessments across all public institutions. In response to the reported safety assessments, the additional $5M request will be used to support development of safety implementation plans and assist with safety needs and purchases, both physical and cyber, that may arise as institutions implement the assessment recommendations.
- **Louisiana Optical Network Infrastructure Fiber Buildout - $5.5M**
    - The LONI network provides reliable high-speed connectivity to both private and public colleges and universities across the state. The requested funding will aid in purchasing and deploying additional fiber routes to campuses which are not currently connected directly to the LONI network and require private "last mile" connections.
- **Mental Health/Power-based Violence/Hazing Support Funding - $5M**
    - Across all of our institutions, many students face mental health challenges. According to a 2026 national survey conducted by YouGov for UnitedHealthcare, almost 70% of college students reported experiencing a mental health concern over the past year, with anxiety, stress, depression and ADD/ADHD being the most common issues. According to the Hazing Prevention Network, about 55% of college students involved in clubs, teams, and

campus organizations experience hazing. Further, among those who experience both hazing and power-based violence, about 95% of student victims do not report the incidents to campus authorities. Support for mental health challenges and prevention of hazing/power-based violence is imperative to institutions' overall campus safety and, more important, the safety of students.
    - This funding will help provide specialized education to help recognize signs of distress and direct students to help across high-risk groups, such as Greek life, athletic teams, performing arts groups, and campus clubs, in addition to faculty, staff, and coaches.
- **Centralized Fiscal Data Software - $3.4M**
    - In recent years, the Boards of Supervisors for each of the public higher education systems have taken a more proactive role in fiscal monitoring across all their institutions. To support this endeavor, a centralized data management bridge system would aid in consolidating data and providing a consistent reporting structure. This request supports a data warehouse bridge software platform providing each of the four systems access to a single reporting structure, thereby cutting inefficient resources while allowing for real-time fiscal monitoring. Drawing information from different institutional software systems to a bridge platform at each system office allows for streamlined processing of information and stronger accountability measures by the systems, while maintaining the ERP data systems already in place at each of the institutions.
- **Louisiana Universities Marine Consortium Deferred Maintenance - $2M**
    - LUMCON has identified pressing repairs needed to maintain safe operation of the Marine Center in Cocodrie. The requested funding will be used to replace an elevator and underground sewer line. Other significant needs include replacing aging windows, cooling tower, generator fuel tank, and bulkhead/dock.
- **Increase Textbook Affordability - $1M**
    - The average full-time, in-state undergraduate student at a four-year public university pays $1,226 for books and supplies in one academic year. Studies show that the impacts of high textbook costs include students taking fewer classes, not registering for a specific course, earning a poor grade due to an inability to afford the textbook, and dropping a course. Improving textbook affordability is an important factor in increasing both overall affordability and student preparedness. This funding enables the statewide Louisiana Library Network (LOUIS) to provide institutions with open-source documents and eTextbooks, as we strive to reduce the cost of attendance for students.