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Agenda

Finance

Wednesday, June 10, 2026

11:25 AM

Claiborne Building, 1st Floor ▪ Thomas Jefferson Rooms A&B (1–136)
1201 N. Third St. ▪ Baton Rouge, LA 70802

- I. Call to Order
- II. Roll Call
- III. Review and Approval of the FY 2026–27 Operating Budget Distribution
 - A. Update on FY 2025–26 Supplemental Funding
 - B. Update on Legislative Study Resolutions/Bills with Fiscal Oversight
- IV. Other Business
- V. Adjournment

Committee Members: Blake R. David, Chair; Dallas L. Hixson, Vice Chair; David J. Aubrey; Christian C. Creed; Collis B. Temple III; Judy A. Williams-Brown; LCTC System Representative; LSU System Representative; SU System Representative; UL System Representative

Staff: Elizabeth Bentley-Smith, Deputy Commissioner for Finance and Administration

AGENDA ITEM III.

Review and Approval of the FY 2026–2027 Operating Budget Distribution

At its March 2026 meeting, the Board of Regents approved a preliminary distribution of the higher education operating budget as proposed in the Governor’s Executive Budget. The Executive Budget recommended \$1.3B in State General Funds (SGF) for higher education entities, which represented a net decrease of \$40M, achieved by removing one-time (non-recurring) State General Fund allocations (\$49.5M), mandated costs reductions of (\$4.2M) attributed to retirement cost savings, and a Taylor Opportunity Program for Students (TOPS) increase due to a means of finance swap between State General Funds \$4.4M and the TOPS Fund (\$4.4M). The decreases were offset by increases of \$5.3M for the LSU First benefits program, a \$4M addition for the START/529 savings program software platform, \$28,726 to support services provided to the University of Louisiana System by the Division of Administration, and a \$13,872 increase to cover inflation costs at the LSU Health Sciences Center – Shreveport per Act 171 of the 2019 Legislative Session.

During the budget development process, the Legislature increased the HB1 appropriations by \$65.6M, for a total of \$1.38B in SGF to higher education for FY27. This new funding includes \$56M in formula support for the two- and four-year institutions. The LSU, SU, and LCTC Systems each received an increase in overall SGF of \$8.8M, \$1.8M, and \$11M respectively; the UL System decreased in SGF due to the (\$20M) in non-recurring funding for the University of New Orleans’ debt payments during the current fiscal year. Higher education also received significant support for campus and security upgrades, training programs and workforce initiatives, and Division-1A athletic departments via Statutory Dedications, with additional funding of \$63.6M for FY27.

The Supplemental Bill (HB312) appropriated an additional \$5.8M SGF in the current fiscal year (FY26) across all our postsecondary institutions. Both HB1 and HB312 have been sent to the Governor for signature and enactment following the conclusion of the 2026 Regular Legislative Session on Monday, June 1st.

The FY27 budget added a further \$14.5M for a total of \$25M for the M.J. Foster Promise adult financial aid program; retained funding of \$70.5M for GO Grants, the state’s need-based aid program; and increased funding for TOPS to include HB325 (Brass), passed during the Session, and to reflect the increase in students receiving TOPS Excellence awards.

FY27 HB1 State General Fund (SGF) Adjustments	
Amount	Description
<i>\$1,321,988,254</i>	<i>FY26 State General Fund Base</i>
<i>(\$49,539,368)</i>	Non-recurring Adjustments (Carryforward and Line-items)
<i>(\$4,185,542)</i>	Mandated Costs savings
<i>(\$3,202,455)</i>	TOPS swap for TOPS Fund
<i>(\$3,000,000)</i>	BOR - LaSTEM Transfer to LaWorks
\$56,000,000	BOR - Funding Formula
\$5,265,856	LSU First health plan
\$4,500,000	LSU A&M - Graduate Assistantships
\$4,000,000	START Software Platform
\$4,000,000	Delgado - Maritime, Manufacturing, Energy, and Healthcare Programs
\$4,000,000	LaTech - Athletic Conference Realignment
\$3,300,000	RPCC - Hyundai Steel Training Center
\$3,000,000	SLU - General Operating Support
\$3,000,000	ULM - Pharmacy Accreditation
\$3,000,000	SUNO - General Operating Support
\$3,000,000	Grambling - General Operating Support
\$3,000,000	UL Board - General Operating Support
\$2,905,000	SU Board - General Operating Support
\$2,700,000	LSU A&M - Energy Institute
\$2,000,000	SU Law Ctr - General Operating Support
\$2,000,000	LSU Ag Ctr - Research Support
\$2,000,000	SUNO - Weekend and Evening Classes
\$2,000,000	SU Ag Ctr - General Operating Support
\$2,000,000	ULM - College of Pharmacy operating support
\$1,300,000	Fletcher - Workforce operations
\$1,300,000	SU Board - Utility Master Plan
\$1,250,000	LSU HSC NO - General Operating Support
\$1,250,000	LSU HSC S - General Operating Support
\$1,000,000	BOR - Hunger Free Campus Initiative
\$1,000,000	PBRC - Faculty Recruitment
\$1,000,000	LSU Ag Ctr - Youth Development Initiative
\$1,000,000	LSU-E - Competitive Pay Advantage
\$950,000	LSU-A - Campus Parking Additions
\$900,000	LSU HSC NO - Louisiana Tumor Registry program
\$600,000	McNeese - Gayle Hall upgrades
\$600,000	NiSU - Coastal Center
\$500,000	NiSU - Maritime Academy
\$500,000	SUSLA - Workforce Training and Development Programs
\$295,000	SUSLA - Mobile Health Unit
\$231,000	LSU A&M - Health Affairs
\$75,000	LSU-E - General Operating Support
\$40,000	ULL - Cajun Advanced Picosatellite Program
\$28,726	ULS Board - DOA Services
\$13,872	LSU HSC-S Cancer Center per Act 171 of the 2019 RLS (Inflation)
\$1,387,565,343	FY27 State General Fund Base in HB1
\$65,577,089	FY27 Higher Education State General Fund Increase

FY27 HB1 Statutory Dedication Adjustments	
Amount	Description
\$23,880,000	BOR - SPORT Fund - Divison I-A Athletic programs
\$14,500,000	BOR - M.J. Foster Promise Scholarship Program
\$5,000,000	BOR - Support Fund to align with Board action
\$3,800,000	LSU-A - Funding land acquisitions and facilities
\$3,300,000	RPCC - Equipment for training programs at training sites
\$2,500,000	LSU-S - Campus safety upgrades
\$2,000,000	Nunez - Welding and manufacturing program support
\$2,000,000	BOR - Support Postsecondary Inclusive Programs
\$1,500,000	McNeese - Scoreboard upgrade
\$1,000,000	LSU Ag Ctr - Strategic investment initiatives
\$1,000,000	BOR - Support Accreditation Task Force actions
\$1,000,000	Fletcher - Strategic investment initiatives
\$1,000,000	Nunez - Aerospace startup funding
\$750,000	LSU A&M - Campus security
\$425,000	McNeese - Sound system
\$385,000	LSU A&M - Oak trees maintenance
\$200,000	Grambling - Graduate education and adult learners' initiatives
\$200,000	ULL - Duson Tower upgrades
\$100,000	McNeese - Police Dept radios
\$50,000	Delgado - Small Business Center
(\$1,000,000)	BOR - LA Cybersecurity Talent Initiative Fund (SB484)
\$63,590,000	FY27 Statutory Dedication in HB1

FY26 HB312 Supplemental SGF Adjustments	
Amount	Description
<i>\$1,321,988,254</i>	<i>FY26 State General Fund Base</i>
<i>(\$5,155,511)</i>	TOPS swap for TOPS Fund and reduction due to REC
<i>\$7,700,000</i>	RPCC - Equipment for Hyundai training site
<i>\$750,000</i>	LSU A&M - Campus police equipment and security upgrades
<i>\$520,000</i>	NiSU - Athletic equipment
<i>\$350,000</i>	Grambling - Institution Partnerships
<i>\$295,000</i>	LSUS - Science Lab Renovations
<i>\$250,000</i>	ULL - Cajun Advanced Picosatellite Experiment Program
<i>\$250,000</i>	SoLaCC - Allied Health Expansion at T.H. Harris Campus
<i>\$200,000</i>	SU A&M - Global Innovation Building
<i>\$100,000</i>	McNeese - LNG Center of Excellence
<i>\$100,000</i>	SU A&M - School of Nursing JAG Mobile Health Clinic
<i>\$100,000</i>	SU A&M - Continuing Education and Student Services
<i>\$100,000</i>	SUSLA - Success initiatives and workforce training
<i>\$100,000</i>	LSU HSC-NO - Tumor registry information system
<i>\$50,000</i>	LSUA - Nursing program
<i>\$50,000</i>	Northshore - Patient navigator programming
<i>\$25,000</i>	SLU - Trees and landscaping
<i>\$25,000</i>	LSUA - Parking Garage Design
<i>\$15,000</i>	LSU HSC-NO - School of Dentistry
<i>\$10,000</i>	SU A&M - Marching Band
<i>\$10,000</i>	LSU Ag Ctr - 4-H Program in St. Mary Parish
<i>\$1,327,832,743</i>	<i>FY26 State General Fund Base in HB312</i>
<i>\$5,844,489</i>	<i>FY26 Higher Education State General Fund Increase</i>

With the SGF increases in HB1, the FY 2026–2027 operating budget distribution by system including all means of finance (State General Fund, Interagency Transfers, Self-Generated Revenue, Statutory Dedications, and Federal) is below:

HB 1 Enrolled - General Appropriations Funding for Fiscal Year 2027						
Means of Finance	BOR	LSU	SUS	ULS	LCTC	TOTAL
State General Fund	\$ 351,242,099	\$ 499,649,265	\$ 68,732,042	\$ 303,469,123	\$ 164,472,814	\$ 1,387,565,343
Interagency Transfers	\$ 14,256,109	\$ 8,485,184	\$ 4,476,791	\$ 259,923	\$ -	\$ 27,478,007
Self-Generated Revenue	\$ 16,050,299	\$ 890,696,001	\$ 116,289,046	\$ 705,227,599	\$ 179,747,107	\$ 1,908,010,052
Statutory Dedications	\$ 208,933,512	\$ 33,250,546	\$ 4,671,737	\$ 20,248,029	\$ 23,435,318	\$ 290,539,142
Federal	\$ 34,232,149	\$ 14,018,275	\$ 3,654,209	\$ -	\$ -	\$ 51,904,633
Total	\$ 624,714,168	\$ 1,446,099,271	\$ 197,823,825	\$ 1,029,204,674	\$ 367,655,239	\$ 3,665,497,177

STAFF RECOMMENDATION

Senior Staff recommends that the Committee approve the funding recommendations for higher education in FY 2026–2027. Additionally, staff requests permission to make adjustments among institutions within each system as permitted by law.

AGENDA ITEM IV.

Update on Legislative Study Resolutions

During the Regular Legislative Session, action was taken with significant fiscal implications for higher education. The following details the two bills and two resolutions that require various degrees of fiscal oversight by postsecondary institutions.

HB 1084 (Rep. Turner): This bill authorizes each public higher education institution to increase tuition and fee amounts by no more than 10% annually, for all programs that grant any credential of value (i.e., diploma, certificate, degree, etc.) without approval of their respective system management board. In determining adjustments to tuition and fees, each institutions must consider the following: 1) tuition and fee costs of peer institutions (both in and outside of the state); 2) median household income in Louisiana and respective states of peer institutions; 3) the overall affordability of college education; and 4) the total cost of attending a postsecondary institution. Each institution is subsequently required to submit an annual report to Board of Regents, House and Senate Education Committees, House Committee on Appropriations, and Senate Finance Committee discussing the implementation of the respective tuition and fees levels on both the institution and management boards. Of note, institutions that choose to implement differentiated tuition and fees costs for high-cost programs [as approved by the Board of Regents], no more than 10% every two years, must receive approval for these increases by their system management boards.

SB 484 (Sen. Abraham): In response to issues of financial accountability, this bill requires the Board of Regents to develop a comprehensive framework “that provides for the systematic and ongoing evaluation of fiscal health, operational efficiency, and institutional effectiveness” inclusive of a uniform fiscal policy, fiscal early warning system, and corresponding corrective action plan as needed. The purpose of the framework is to ensure that institutions are expending public funds efficiently and with appropriate oversight. The uniform fiscal policy will include the submission of quarterly financial statements, submitted by the system management boards to the Board of Regents no later than 30 days following the end of each quarter. Should an institution be deemed under financial distress, the respective institution will submit a corrective action plan no later than ninety days following the determination. Additionally, the Board of Regents will establish fiscal risk indicators that include metrics such as declines in cash on hand less than two months of operating expenses, unsustainable debt service ratios, and material enrollment declines.

HR 168 (Rep. Young): This resolution requires the Board of Regents to conduct a comprehensive study on collegiate athletic funding across the state. The study will review current athletic funding structures, fiscal impacts of revenue-sharing on operational budgets and roster limits, any costs related to name, image, and likeness and regulatory oversight, and athletic department staffing needs. Further, the study will discuss how these funding structures impact capital outlay and facility investments, non-revenue generating sports, broad-based participation athletic opportunities, Title IX compliance, and the competitive pressures on Division II and III institutions. Finally, the study will analyze the broad impact of athletics on local and regional economic development, as well as the impact on institutional subsidies and student fees, and any policies that govern collegiate athletics funding. It is the expectation that the study will highlight appropriate policies, funding structures, and/or statutory changes necessary to ensure financial sustainability of Louisiana’s public postsecondary athletic programs, while preserving the student-athletes’ collegiate experience and opportunities.

SR 172 (Sen. Reese): This resolution creates the “Louisiana Higher Education Funding and Formula Task Force,” which will evaluate both the funding structure of higher education in the state and the formula metrics that allocate funding to public two- and four-year institutions. In order to complete this evaluation, the Task Force will assess the historical and current funding sources for public postsecondary education, the historical and current formula methodologies and metrics for the two- and four-year institutions, provide a comparative analysis of Louisiana’s funding structures and formula with national best practices and regional peer states, and a historical evaluation of state funding, including the changing costs of educating students, and formula metrics. The Task Force will then submit any recommendations to the Legislature that aid in strengthening the financial stability of higher education funding and improving formula metrics to better align performance outcomes with workforce needs. The Task Force will include

members representing both the House and Senate, the Commissioner of Higher Education, a Chancellor of a two-year institution, and the four system presidents, who will serve in an ex officio capacity.