

**RESPONSE TO ACT 619
OF THE 2016 REGULAR SESSION
OF THE LOUISIANA LEGISLATURE**

LOUISIANA BOARD OF REGENTS



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EXECUTIVE SUMMARY

Across all areas (financial, academic, social, workforce), postsecondary education's contributions are being challenged and changed. In the State of Louisiana, specifically, several factors collectively have the potential to change the face of the postsecondary education system currently as well as what it could look like in the future. Considerations such as the emerging demands for a more educated and skilled workforce, the composite fiscal impact of years of budget cuts to postsecondary education, and the recent reduction/adjustments that have been made to the Taylor Opportunity Program for Students (TOPS) have had a profound impact on the four systems and their institutions by creating deficiencies and gaps that are causing many postsecondary institutions to operate at fiscally critical levels.

Act 619 of the 2016 Regular Session of the Louisiana Legislature (Senate Bill 446 authored by Senator Hewitt), seeks to address and provide direction to this changing scope by requesting a comprehensive review of the present postsecondary education system in the State while taking into consideration the State as a whole and its workforce development regions. This report reviews the current landscape of postsecondary education in Louisiana and offers recommendations for optimal delivery of postsecondary education in the future that will both meet the needs of the State's citizens and industries, and maximize its resources. This report addresses the following six areas: Governance and Structure; Finance and Facilities; Faculty, Innovation and Academic Programs; College and Career Preparation; College Access and Success; and Workforce and Career Readiness.

If postsecondary institutions in Louisiana are to compete for students nationally, as well as prepare their own students to meet the needs of the State in the future, it is essential for the various stakeholders (i.e., the Legislature, management boards, and institutions) to understand the current structure and move forward intentionally to achieve desired outcomes. Each of the six main areas addressed in this report was referenced from Act 619 and represent the foundational areas of the postsecondary educational system in Louisiana today. This response highlights actions needed to identify and address the assets, needs, gaps and barriers to creating a more comprehensive, efficient and cost-effective public postsecondary education system while delivering quality and meaningful (economically valuable) education to its students. The recommendations in the report enhance the dialogue necessary to move forward with a postsecondary agenda that will meet the needs of the various constituencies in the State not only currently, but most importantly for the future.

INTRODUCTION

This report, filed pursuant to Act 619 of the 2016 Regular Session of the Louisiana Legislature (Act 619), examines the issues enumerated in the Act within the current context of postsecondary education in Louisiana. Act 619 specifically requests a comprehensive analysis of the postsecondary system that allows the Board of Regents (Regents) and postsecondary education leaders to evaluate and streamline the postsecondary education enterprise to respond to local/regional workforce needs, while stimulating research and innovation, in turn, better prioritizing resources. Act 619 also requires the Board of Regents to collect and report various data regarding the status of postsecondary education.

The comprehensive analysis of Louisiana's public postsecondary education and recommendations for improvement envisioned in Act 619 support and are in line with the Regents' constitutional authority as a statewide coordinating body to develop and periodically revise a Master Plan for Postsecondary Education. As postsecondary education constantly evolves, shaped by social, economic, political and demographic forces, the Board of Regents regularly re-examines its Master Plan. Although much of this response will contribute to future iterations of the Master Plan, it is not currently intended to serve in that capacity.

As part of the ongoing assessment process, the Regents and stakeholders worked together in 2015 to develop an aspirational concept for Louisiana postsecondary education. The result of this work, Elevate Louisiana: Educate and Innovate, was adopted by the Board of Regents in December 2015.

The four principles from Elevate Louisiana which guided the Regents in developing this response to advance education and innovation in the State's postsecondary education system are:

1. Access to undergraduate education is essential to the population and economy of Louisiana.
2. Access to graduate education must be re-evaluated from a narrower statewide perspective.
3. Resources must be provided for essential cutting-edge research at selected sites.
4. Postsecondary resources must be targeted to respond to local/regional workforce needs.

Aligned to the four principles, the Board of Regents approved a series of initiatives that demonstrate its commitment to education and innovation, while preparing for a new reality for postsecondary education, including:

1. Policy on Guiding Principles for Proposed Mergers, Consolidations or Unifications.
2. Policy on Financial Health Analysis.
3. Revisions to Regents' Policy on Low-Completer Review, Elevating the Threshold for Review.
4. Statewide and Regional Review of all Graduate Programs.
5. Statewide and Regional Review of Targeted Undergraduate Programs.
6. Review of Degree Program Requirements and Available Courses to Encourage/Reward Structured Pathways to Degrees.

While these principles and initiatives offer a clear and adaptable framework to guide future policies and practices, they must nevertheless be considered within the context of the State's current postsecondary education enterprise. With input from various stakeholders (e.g., system management boards, the general public, business and industry, agency heads, campus faculty, staff and students, etc.), this response provides a thoughtful and comprehensive review that will assist the postsecondary education community in shaping policies and procedures that meet the needs of the State and its regions. For purposes of this work, references to the postsecondary education system refer to Louisiana's public system of postsecondary education.

BACKGROUND AND OVERVIEW

Postsecondary education is the great equalizer, providing a clear and deliberate pathway to upward social and economic mobility. Studies consistently show a positive correlation between educational attainment and wages and increased economic impact for local and state government. That is, individuals with higher levels of education are more likely to be successful in the workplace (e.g., employability and wage earnings) than individuals with less education, regardless of their socioeconomic background. In fact, a recent study concluded that students from low-income families have nearly the same odds of earning as much as their affluent counterparts who attend the same college (The Equality of Opportunity Project, 2017). The benefits of education go beyond personal economic gain: an educated citizenry is invaluable for the State's economic strength. Generally, compared to less-educated citizens, individuals with higher levels of education contribute more to the public's welfare through civic engagement and increased social tolerance and make fewer demands on social services like government assistance and corrections. Additionally, educated individuals are more likely to participate in the job market, support a family, and provide greater tax revenues. This leads to a virtuous cycle, with higher rates of employment generating a greater demand for goods and services that support local businesses and local economies, and ultimately bolstering the State's economic stability.

The "public good" role of postsecondary education yields value well beyond financial gains. In addition to its role in improving lives and educating our citizens, postsecondary education has always been in the vanguard of innovation, research and technological advancement. University researchers discover new knowledge and translate it into products and services essential to improvements in the quality of life. Medical advances, communication technologies, smart manufacturing and materials, and environmental preservation efforts are all rooted in the work and investment of universities in basic, applied, and translational research. Basic research, a principal focus of university-based innovation efforts, generates new knowledge and better understandings of fundamental scientific phenomena and ideas. This knowledge can then serve as a platform for applied and translational research, to determine whether and how discoveries can lead to social and/or economic benefits. Increasingly, campuses are participating in every phase of the innovation cycle, from knowledge development to product development, marketing, and distribution planning.

Given the value of postsecondary education for improving lives, stimulating research that develops knowledge, supports innovation, and contributes to the State's economic prosperity, the Educate and Innovate themes in the Elevate Louisiana plan are appropriate. This value cannot be realized unless Louisiana's educational attainment levels improve, and do so in short order. To that end, the State must create sound opportunities for students and adults to access postsecondary education and training for entry/re-entry into the workforce. The ramifications of educational underachievement are considerable for individuals, families, communities and for the economic viability of the State and its regions. Therefore, it is critical for postsecondary education leaders to identify and address gaps or barriers in the pipeline.

In addressing the six key areas previously identified, the following response to Act 619 is divided into three parts, with certain aggregated data items appearing in the body of the report while most campus-specific information appears as links.

- Part I describes the current landscape of public postsecondary education, its assets, identifiable gaps/challenges and recommendations regarding the following components: Governance and Structure; Finance and Facilities; and Faculty, Innovation, and Academic Programs.
- Part II describes postsecondary education's most important asset, its students and the challenges encountered on the journey: College and Career Preparation; College Access and Success; and Workforce and Career Readiness.
- Part III provides a summary of the report's recommendations.

PART I: THE LANDSCAPE OF LOUISIANA PUBLIC POSTSECONDARY EDUCATION

A 2016 Lumina Foundation (Higher Education Outcomes-Based Funding Models and Academic Quality, 2016) study speaks to the rapid increases in not only the need but also the demand for higher education over the last several years. Within that discussion are the very real pain points of an economic downturn: its impact on both state and federal higher education budgets, student enrollment and behaviors, financial need and supplying the workforce needs of the near future. As such, this Lumina Foundation study points to how these trends have converged into a perfect storm where state policymakers, coordinating boards, and other stakeholders consider ways to “better align institutional priorities and activities with state goals, create incentives for quality, and more efficiently prioritize dwindling state resources for higher education” (Lumina, 2016, p. 4).

The notion that there is a better way to align institutional priorities with the goals of a state or a region is challenging given that the postsecondary system currently has a variety of types of institutions with differing missions, populations, and resources. Therefore, it is all the more critical that all stakeholders sit collaboratively at the proverbial table in order to identify commonalities that they can strengthen and build on to maintain or increase academic and competitive capacity for the emerging workforce needs of the future.

Act 619 of the 2016 Legislative Session strives to identify those issues within the postsecondary educational system of Louisiana that need to be addressed and in some cases substantively transformed in order to meet the expanding and shifting missions of postsecondary education over the next fifty years. This report describes areas of concern and seeks to provide recommendations that can address these matters. Louisiana’s education leaders, policy-makers, and stakeholders, sitting squarely in the middle of this postsecondary storm, must carefully examine and discern where changes need to be made and direct resources appropriately. These measures can potentially provide a solid foundation from which to educate, train, innovate and produce the next generation of college graduates.

The Board of Regents has identified three areas of concern for Part I of this report: 1) Governance and Structure; 2) Finance and Facilities; and 3) Faculty, Innovation & Academic Programs.

Chapter I: Governance and Structure

Governance

No state has the ‘ideal’ public postsecondary education governance system, since each state’s system is a result of decades of actions, referendums, development, expansion, and political considerations. However, if a state today were to start from scratch, the design of its ideal governance system would be primarily driven by its economy, demography, geography and anticipated future needs.

There have been numerous studies of postsecondary education governance conducted throughout the United States. Generally, these studies have concluded that the quality of the system and its graduates is not a function of the governance structure, but rather of the leadership of the system, the support of the state’s administration, and the financial resources devoted to the enterprise. Most recently, Louisiana’s Governance Commission, created by House Concurrent Resolution No. 184 of 2011, reached that same conclusion.

It should come as no surprise that postsecondary education governance structures vary across the country. However, most structures fall into one of three broad categories:

- Governing Board States, with one or a pair of governing boards;
- Coordinating Board States, with a single coordinating board and multiple governing/management boards;
- Coordinating/Governing/Institutional Board States, with a coordinating board, governing boards over systems, and institutional boards.

There are quality and highly-regarded systems in states represented by each of the three general structures listed above. If Louisiana were building a postsecondary education governance system from scratch today, there would likely be advocates for each of these general models. Nevertheless, as a result of the Constitutional Convention of 1973, the subsequent vote of Louisiana’s citizens and a Constitutional Amendment in 1998, Louisiana’s governance system is comprised of five boards: The Louisiana Board of Regents as the statewide coordinating board; and four management boards--the Boards of Supervisors of the Louisiana State University System, Southern University System, University of Louisiana System and Louisiana Community and Technical College System. Recognizing the supremacy of the Constitution, the Board of Regents takes no position on the governance structure of Louisiana’s postsecondary education. However, in the event that a request to study or change the current governance structure was made to the Board of Regents, as part of its Elevate Louisiana initiative, the Board has adopted Guiding Principles for Proposed Mergers, Consolidations, and Unifications. While the Board has no planned study at this time, these guiding principles are designed to ensure that such studies, if requested, are conducted objectively, methodically, and with consistency.

Governance Challenges

The basic foundation of the current governance structure was created when Louisiana adopted a new Constitution in 1974. Prior to the 1974 Constitution, public postsecondary education was governed by two boards: the Louisiana State University (LSU) Board of Supervisors and the State Board of Education, which governed K-12 and public colleges and universities outside the jurisdiction of the LSU Board. The 1974 Constitution formed the Board of Regents as a statewide coordinating board and two additional management boards: the Southern University (SU) Board of Supervisors and the Board of Trustees for State Colleges and Universities (now Board of Supervisors of the University of Louisiana [UL]). In 1998, the Constitution was amended to establish the Louisiana Community and Technical College (LCTC) System. As systems, the management boards are charged in part with operating their assets as efficiently and effectively as practical.

Despite the fact that postsecondary education helps drive economic development, current economic pressures, both national and state, have constrained the resources available for its work. Postsecondary education in Louisiana can no

longer afford to conduct “business as usual.” In this environment, concepts such as productivity, efficiency, and accountability are central to discussions of the sustainability and quality of postsecondary education. In order to maintain the focus on high-quality programs, both academic and technical, services to support that function should be streamlined as much as possible. Therefore, to meet the needs of its citizens, now and in the future, Louisiana’s public postsecondary systems must continue to rethink how they practice, process, and deliver administrative and operational services. With few exceptions, centralization of services and functions proves to be more efficient than discharging these functions to the individual campuses. Historically, for a variety of reasons, different levels of centralization have occurred within the four systems.

A number of systems have responded to recent fiscal challenges through centralization. For example, LCTCS has all member campuses utilizing the same resource management system, which has enabled it to consolidate a number of enterprise services to the system office, including payroll, computing services (IT), auditing, E-Learning and facility management functions. According to LCTCS these measures resulted in an estimated \$29 million in savings. Given the benefits that LCTCS has realized, it is appropriate for the other Systems to investigate areas where centralization could be advanced. With some additional upfront costs, savings across each System would allow administrative dollars to be redirected to the classroom. The UL System has also implemented a number of cost-saving measures, including the elimination and consolidation of over 300 degree programs and reduction of faculty and staff salaries. The UL System reported that such efforts have lowered the cost per degree for its campuses by more than \$20,000.

As the longest established management board, the LSU Board has a history of engagement with its member campuses. The System office in Baton Rouge (in collaboration with the A&M campus) has for decades coordinated some of the functions for its member campuses, and under the recent *One LSU* program changes to the reporting structure of the LSU member institutions have also resulted in streamlining and elimination of positions. More recently, the LSU and SU Boards of Supervisors consolidated the positions of President of the System and Chancellor of the A&M campus. With a limited number of units (five), the SU System has administered some functions on behalf of member campuses.

A review of centralization of services reveals that the four systems have experienced different levels of success in realizing efficiencies. There are reasons why centralization at one system may not be as practical or yield the same efficiencies in another system. For example, in the LCTCS, with open admissions at member campuses, a centralized admissions process may yield efficiencies that would appear impractical in the LSU System, with its variety of admissions policies at member campuses. Still, an examination of functional centralization and resulting efficiencies by each system is warranted, to include purchasing, payroll, financial aid, maintenance and operations, human resources and other administrative functions currently performed on individual campuses.

The Board of Regents recognizes that the Systems have endured severe reductions in staffing as a result of budget challenges. It would be necessary for the State to invest some resources in rebuilding the associated staff and infrastructure before committing to further centralization efforts. Additionally, no discussion or examination of centralization of services and resulting efficiencies can be undertaken without recognizing the constraints that state government places on the management boards and institutions in seeking such efficiencies. Though the Legislature had urged postsecondary education and its boards to operate ‘more like a business,’ especially when budgets are lean, postsecondary education has found itself constrained by government regulations and policies which prevent it from seeking the very efficiencies state government is urging it to pursue. The Board of Regents and the management boards applaud State government for the recent progress made in removing bureaucratic shackles from postsecondary education in order to operate more efficiently.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

1.1 The Board of Regents recommends that the Boards of Supervisors of the LSU System, SU System, LCTC System and UL System develop centralization plans for consideration by the Board of Regents. These plans should review current centralization efforts and examine potential efficiencies for further centralizing administrative functions, including, but not limited to: purchasing, payroll, financial aid, maintenance and operations, human resources and other administrative functions performed on individual campuses. The plans should include the short-term and long-term costs of implementation and the potential short-term and long-term savings from such centralization. The plans must be submitted to the Board of Regents no later than January 1, 2018, for review and action, with a goal of implementation by 2020.

Structure

Louisiana's public postsecondary education landscape is comprised of a blend of universities, community and technical colleges, and specialized units. Its 14 public universities, 15 community and technical colleges and seven specialized units are geographically dispersed throughout Louisiana (figure 1.A.), and each has a role to play in providing services to the State's and/or Region's citizens. The postsecondary education community acknowledges the necessity for differentiation within and across Louisiana's postsecondary institutions. Traditionally, the basic functions of all have been identified as instruction, research, and public service, but it is not surprising that differences among institutions exist in the level of participation in each of these functions as defined by its role, scope and mission. Each institution's role, scope, and mission is included in the Board's current Master Plan for Postsecondary Education in Louisiana, available on the Regents' website at http://www.regents.la.gov/assets/docs/2013/03/MasterPlan_Revised_04-12.pdf.

Figure 1.A - Louisiana's Public Colleges and Universities



From the Regents' statewide perspective, the components of a balanced system of postsecondary education can be categorized as (1) comprehensive research universities, (2) specialized units, (3) statewide universities, (4) regional universities, and (5) community and technical colleges.

A comprehensive research university generally offers a wide range of programs at the undergraduate, graduate, and professional levels, but does not usually offer programs below the baccalaureate level. Research is generally directed to the solution of societal problems and the advancement of knowledge. Public service is far-reaching and varietal in nature. Typically, selective admissions and higher tuition characterize the comprehensive research university.

Specialized units typically offer academic and community education programs, conduct research, provide services in a particular field such as agriculture, law or health sciences, and are characterized by small or no enrollment. Like the comprehensive research university, specialized units are typically distinguished by selective admissions and higher tuition.

Statewide universities offer a wide range of programs at the undergraduate and masters levels, with selective offerings at the doctoral level. Research is selective in nature, focusing on those areas of graduate expertise. Typically, moderately selective admissions and higher tuition characterize the statewide university.

Regional universities offer a wide range of programs at the undergraduate and selected graduate offerings, primarily below the doctoral level. Research is limited and typically related to the institution's instructional mission. Public service activities generally emphasize services to the citizens, government agencies, business, and industry located in the region served by the institution. Regional universities generally are less selective than statewide and comprehensive research universities.

Community and technical colleges typically are characterized by open admissions, lower tuition, and a wide variety of technical associate degree, certificate and diploma programs focusing on workforce training. Liberal arts and science associate degree programs are offered for students planning to transfer to four-year institutions. Research activity is limited in the community and technical colleges.

Not unlike the governance structures of postsecondary education, the assignment of institutions to the various boards is the result of recommendations, referendums, historical developments, and political considerations. For the same reasons described above regarding governance, if one were to start from scratch in assigning institutions to management boards, the alignment of institutions and boards would likely look different. Institutions would be assigned to the board which most closely aligns with the mission of the board, e.g., 2-year institutions under a 2-year system, research institutions under a research system, regional institutions under a regional board, etc. The Board of Regents understands that the current institutional assignments are statutorily determined by the Legislature.

Structure Challenges

Under the leadership of the four boards, system members forge partnerships and agreements which can foster efficiencies, effectiveness and excellence. However, the organization of institutions under the four systems can sometimes deter such arrangements when institutions are geographically located in the same region (or in proximate regions) but are from different systems. While it is not uncommon for institutions or individual departments to have formal/informal agreements with nearby institutions, especially in the areas of articulated academic programs and cross-enrollment agreements, seldom are there agreements that unify programs, administrative functions and processes, especially across systems.

States normally designate regions for purposes of economic development, labor markets, etc. Although various agencies in Louisiana divide the State into regions for a variety of purposes, the most commonly used structure is Louisiana's

Regional Labor Market Areas (RLMA). Figure 1A. illustrates the eight RLMAs and the institutions located within each of them.

Although discussions of regions normally reference the eight RLMAs, no distinction of regional divisions is ever that clean and simple. For example, Southeastern Louisiana University (SLU) is located in RLMA 2, though some consider SLU in RLMA 1, serving students and communities of the New Orleans metropolitan area, when making comparisons. Similarly, Northwestern State University is in RLMA 7, but most acknowledge its affiliation with populations in RLMA 6 as well.

Some of Louisiana's larger metropolitan areas are home to public colleges and universities from most, if not all, systems. As an example, the University of New Orleans, Southern University of New Orleans, Delgado Community College and the LSU Health Sciences Center represent all four systems and are not only all domiciled in RLMA 1, but are all located in Orleans Parish. Similar examples can be cited in Baton Rouge (RLMA 2) and Shreveport (RLMA 7). Given the ongoing pressures on colleges and universities to cut operational costs, stabilize tuition and simultaneously provide more services to students, parents and the employment sector, Louisiana's postsecondary education leaders must continuously re-evaluate the delivery of postsecondary education to improve efficiencies and meet the needs of the State and its citizens, regardless of regional boundary lines.

Unification, an emerging concept in postsecondary education, has served to leverage state and federal resources while harmonizing comparable academic programs and service delivery systems. Unification can range from the sharing of faculty to the centralization of administrative functions and academic programs. The extent to which institutions unify their functions, services, and/or systems may largely depend on the geographic proximity of the institutions. For example, two institutions that are a few miles apart might share facilities and campus police, while institutions separated by greater geographic distance might only be able to share payroll and IT systems. Though different, these approaches can still achieve economies of scale and operational efficiencies.

The management boards, in collaboration with appropriate regional stakeholders, should further investigate unified services between and among proximate institutions to identify economies of scale in purchasing goods and services, regional workforce and economic needs, and provide necessary administrative functions and infrastructure. Similar to the Regional Coordinating Councils previously in existence for years, the management boards should work together to maximize the postsecondary education resources available in each of the eight RLMAs.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

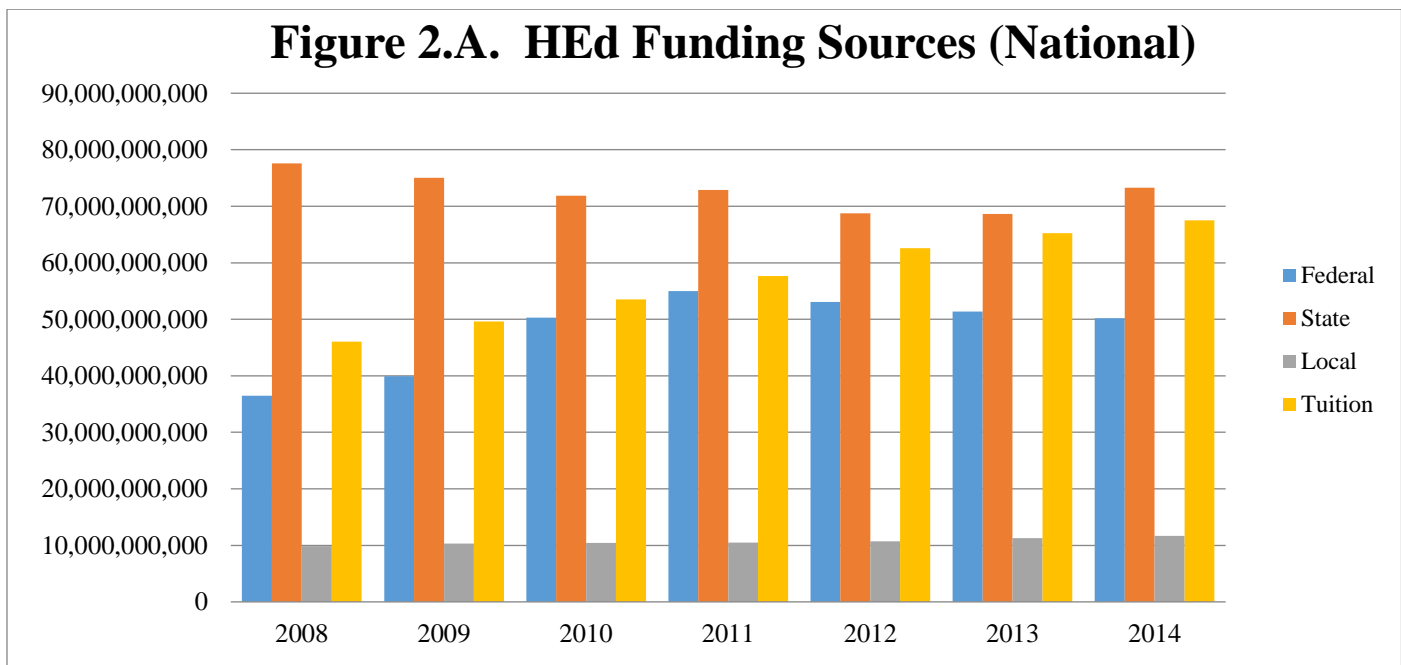
1.2 The Board of Regents recommends that the Boards of Supervisors of the LSU System, SU System, LCTC System and UL System develop cooperative unification plans, in collaboration with appropriate regional stakeholders, for institutions within each of the Eight Louisiana Regional Labor Market Areas and for institutions in proximity between contiguous regions. These plans must be submitted to the Board of Regents for consideration and include, at a minimum, potential efficiencies by unifying functions and processes, including, but not limited to, academic and technical offerings, identification of regional workforce and economic needs, student services, research, purchasing, food services, and security. In addition, the plans should examine the short-term and long-term costs and savings from such unification. The plans will be submitted to the Board of Regents no later than January 1, 2018, for review and action, with a goal of implementation by 2020.

Chapter II: Finance and Facilities

Finance

Public postsecondary education in the United States is granted public dollars from federal, state, and local sources. The two overarching goals of federal funding for postsecondary education are to increase access through financial assistance for students and to fund particular research projects. State funding for postsecondary education is predominately focused on the operations of institutions. Local funding is important to community college operations in many states (not including Louisiana), although it equated only to roughly 6% of all public funding for postsecondary education nationwide in FY 14. In previous years, state funding provided greater support to postsecondary education institutions and students in terms of aggregate dollar amounts than the federal government. Nationally, since the 2008 recession, the difference in funding levels has narrowed as a result of decreases in state funding, increases in tuition levels, and increases in federal student assistance (Integrated Postsecondary Education Data System [IPEDS], 2015). Figure 2.A. illustrates the change in public dollars nationwide as state appropriations decreased, federal appropriations increased, and local appropriations remained constant.

In addition to federal, state, and local dollars, public postsecondary education institutions also receive funding from tuition and fees, self-supporting operations, and private gifts. Over the past 25 years, public appropriations per full-time equivalent (FTE) student have dropped 20% while net tuition per FTE has risen 107% in adjusted dollars nationwide. State appropriations for postsecondary education have not kept up with enrollment increases since 1990, and in approximately half of the states, net tuition revenue has not made up for declines in state and local funding per FTE student. Although many states have started to reinvest in postsecondary education as an economic development and workforce tool, experts predict that state appropriations will never return to funding levels that existed prior to the 2008 recession (State Higher Education Finance Report FY2015).

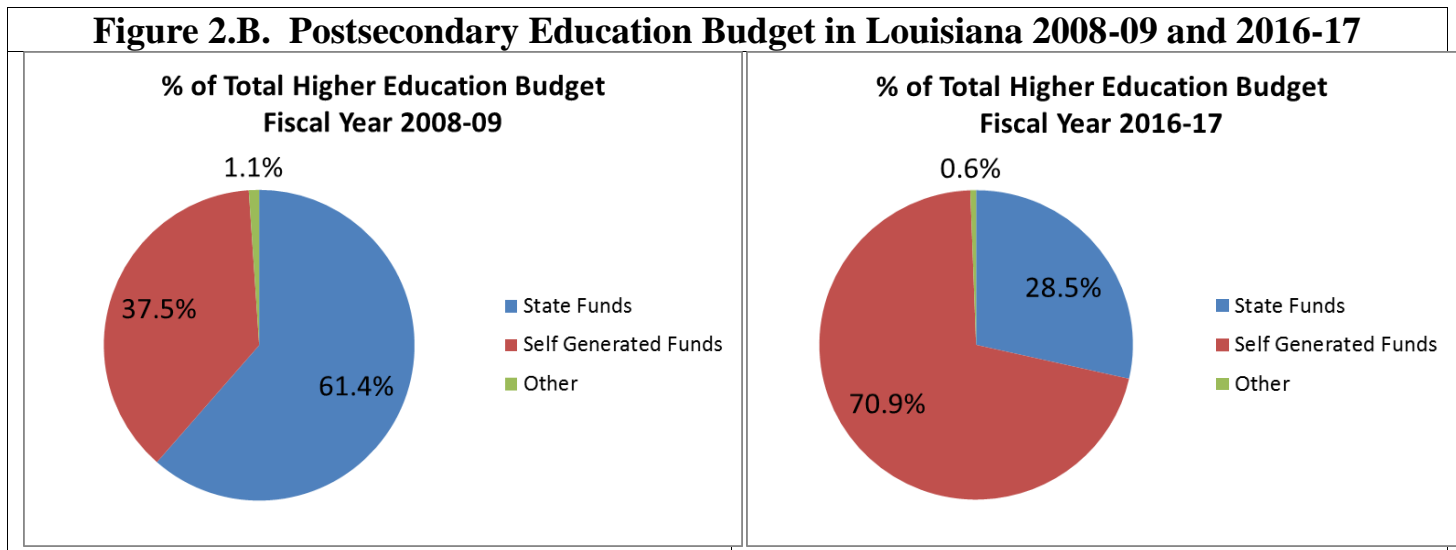


SOURCE: US Dept. of Education, National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS) Finance component (provisional data).

Finance Challenges

Colleges and universities must be good stewards of their financial resources regardless of the funding source. As a part of the Elevate Louisiana Initiative, Regents developed a policy providing a financial early warning system assessing financial stress of institutions. The Board of Regents monitors financial health based on each institution’s year-end audited financial statement and calculates a composite score. An institution at or below a certain composite score for two consecutive fiscal years is placed on fiscal watch and the respective management board must submit a corrective action plan for the institution. Despite these efforts, Louisiana is not insulated from these fiscal challenges. In fact, Board of Regents’ data indicate that Louisiana leads the nation in divestment in postsecondary education. In Louisiana, the funding burden has shifted to students and families more dramatically than in other states due to sharp decreases in state appropriations and corresponding increases in tuition and fees. Additionally, postsecondary education institutions do not receive local appropriations to support community and technical colleges as do many other states, which further places Louisiana at a disadvantage for funding local workforce priorities. Between FY 2009 and FY 2017, Louisiana’s postsecondary education system experienced a \$719.3M (46%) reduction in state funds, a \$667.7M (92%) increase in self-generated funds (tuition) and an enrollment increase of over 4,000 students (Board of Regents Factbook).

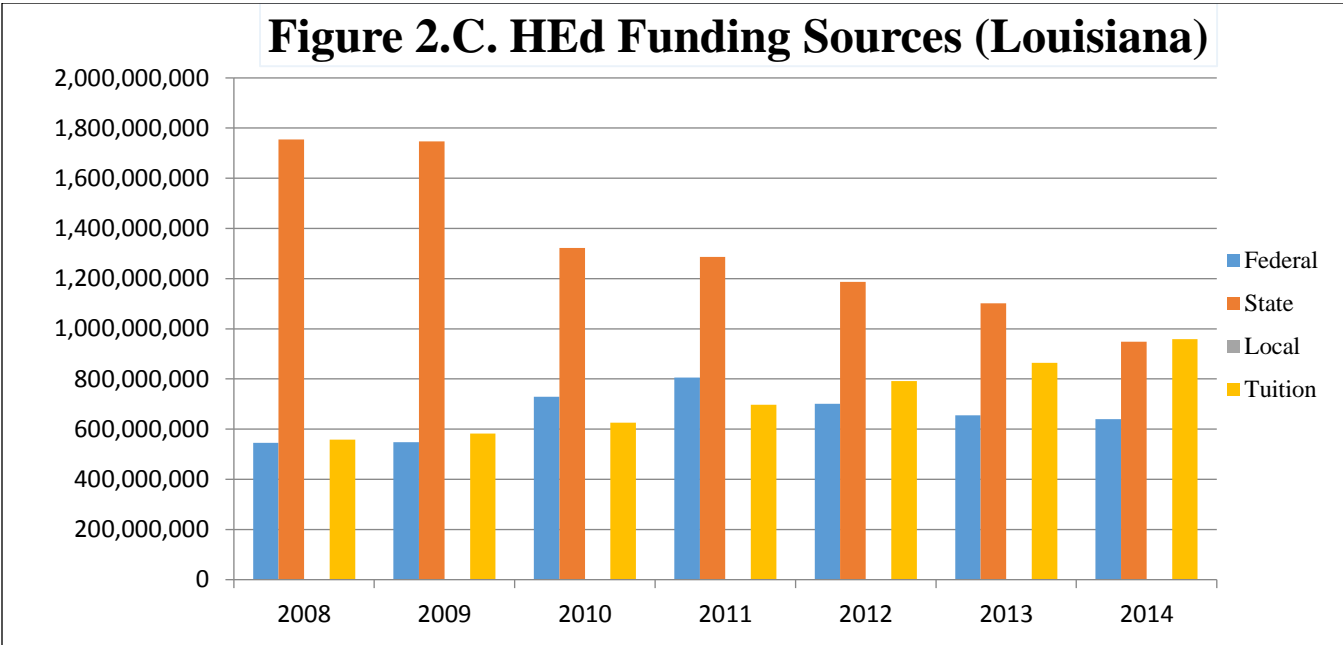
As noted in Figure 2.B., 61.4% of Louisiana’s postsecondary education budget was funded through the State with 37.5% of the budget supported through self-generated funds (tuition). The funding paradigm has shifted to where student tuition is supporting approximately 71% of the higher education budget.



Source: Board of Regents

Figure 2.C. below illustrates decreases in state appropriations, along with increases in federal revenues and tuition.

Figure 2.C. HEd Funding Sources (Louisiana)



SOURCE: US Department of Education, NCES, IPEDS Finance component (provisional data).

Although the increase in self-generated funds partially offsets the reduction in state funding, tuition and fees revenue to institutions is itself partially offset by institutional scholarships, fellowships, and exemptions totaling \$215M in FY 2017 (BoR). Furthermore, the net reduction in overall funding is coupled with a 27% increase (\$120M) from FY 09 to FY 17 in unfunded mandated costs from the State. Unfunded mandated costs to postsecondary education institutions totaled \$565M in FY 2017 and comprise Office of Risk Management insurance premiums, retirement costs (including the Unfunded Accrued Liability [UAL]), health insurance for active and retired employees, legislative auditor fees, civil service trainings, legacy costs and other costs. In FY 2017, 66 cents of every state dollar appropriated to postsecondary education is paid back to the State for mandated costs. The Board of Regents calculates a reduction in total dollars available for operations from FY 2009 to FY 2017 of \$364M, or a decrease of 19%. The reduction in total means of financing and available dollars for operations after mandated costs and scholarships, coupled with the increase in students, means that institutions have been appropriated fewer funds to educate and train more students and to conduct research, and to serve their community.

Predictable and sustainable appropriations are paramount to the success of postsecondary education in the State of Louisiana if workforce needs and quality of life demands are to be addressed. In order to achieve a robust postsecondary education system, Louisiana must prioritize postsecondary education and identify corresponding funding commitments.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

2.1 The Board of Regents recommends that the Louisiana Legislature remove all statutory dedications, thus allowing postsecondary education to compete for state appropriations on a more-level playing field.

2.2 If the Legislature is unable to support removal of statutory dedications, the Board of Regents recommends that the Louisiana Legislature support passage of a constitutional amendment creating a funding floor for postsecondary education appropriations indexed annually to the Higher Education Price Index (HEPI).

Fee autonomy is critical to an institution’s ability to target fluctuating costs and respond to specific initiatives that require funding. Act 377 of 2015 allows management boards to increase fees at institutions for the FY 16 and FY 17 academic

years and terminates on June 30, 2017. Upon termination of this Act, management boards will again need legislative authority to increase fees that support operations of the institutions.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

2.3 The Board of Regents recommends that the Louisiana Legislature remove the sunset on Act 377 of 2015 to allow for fee autonomy.

Prior to 1995, postsecondary management boards had the authority to set tuition, as is common practice across the United States. In fact, Louisiana is one of only two states in the nation that require legislative approval for tuition increases. Since the expiration of the Granting Resources and Autonomies for Diplomas Act (GRAD Act) six-year agreements, management boards no longer have the authority to increase tuition to make up for decreasing state support. Returning tuition authority to the management boards will allow the State's colleges and universities to stabilize funding, make new investments that aid the production of the State's workforce, and make them more competitive and market driven. Although the constitutional provision remains in effect, the legislature could enact legislation to provide limited tuition authority without further legislative approval, as was done prior to the expiration of the GRAD Act six-year agreements.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

2.4 The Board of Regents recommends that the Louisiana Legislature provide the management boards authority for limited tuition increases (including differential tuition) without requiring further legislative approval. Authority to reduce tuition and fees does not require legislative action.

Nationwide, approximately 6% of total postsecondary appropriations are derived from local funds, with 95% of the appropriations utilized by community and technical colleges. There are 37 states with local taxing districts that provide a local funding source to a community or technical college. Louisiana is one of only two states in the Southern Regional Education Board (SREB) that does not provide a local appropriation to community and technical colleges. With Louisiana's disproportionate wealth across its various parishes, allowing local taxing districts would have an uneven and inequitable effect on public postsecondary education's ability to serve their regions. However, the State of Louisiana has an untapped resource of a statewide property tax that could be used to support public postsecondary education. Allocating state property tax revenue to public and postsecondary education would be essential to the system's ability to respond to local workforce needs and maintain economic competitiveness in Louisiana while holding down tuition costs.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

2.5 The Board of Regents recommends that the Louisiana Legislature utilize the existing constitutional state property taxing authority (Article VII, Section 19) to support public postsecondary education.

Facilities

The primary functions of postsecondary education are instruction/training, research, and public service. Beyond a doubt, facilities that are functionally designed, aesthetically compatible with learning, research and/or public service activities, and modern and safe for their occupants are most conducive to support those functions. Louisiana's investment in public postsecondary education facilities and land has a replacement cost value in excess of \$9.1 billion, representing over 3,000 structures with in excess of 68.8 million square feet of building space and 32,381 acres of land. These lands and facilities are located on Louisiana's 14 universities, 15 community and technical colleges, and seven specialized units geographically dispersed throughout the State. This \$9.1 billion investment must be maintained and preserved.

According to Regents' data, in 2015, 26% of all assignable space was directly utilized for classroom and laboratory use. A total of 67% of all assignable space was used to help support the institutions' functions of instruction, research, public service, academic support and student services. Of the remaining 33%, seven percent was used for institutional support,

two percent for operation of plant and maintenance, and 24% percent for auxiliary enterprises, the majority of which are residential housing and athletics.

Recognizing and understanding the age of buildings is important for planning and administration purposes as it directly impacts decisions regarding repair, maintenance, renovation and replacement. As expected, some of the oldest facilities are located on the campuses of the land-grant institutions and the original state normal school, in contrast to some community and technical college campuses that are less than a decade old. Institutions in each system include a mix of old and new buildings.

Facilities Challenges

Challenges in the area of facilities include aging, deferred maintenance (including roofing and technological obsolescence), space utilization and shared facilities. Table 2.1 displays the amount and percentage of building space constructed by decade. Detailed data on public postsecondary facilities, including type of use of the facility, age, square footage, and condition, etc., can be accessed at the following link: www.regents.la.gov/page/619Response.

Approximately 50% of the total square footage of postsecondary education facilities is nearly 40 years old or older. While these older buildings may be structurally sound and do not pose a danger to occupants, it is questionable whether they remain functional and compatible with the education or research responsibilities of the campus. Oftentimes, the age of the building is directly related to the reported condition of the structure. According to Regents’ 2015 data, approximately 20% of buildings were in need of some level of restoration to bring the buildings up to current acceptable standards.

Table 2.1: Louisiana Public College and University Facilities Percent of Space Constructed by Decade			
Date of Construction	Gross Square Footage	Percent of Total Area	
Unknown	639,001	1%	
Pre-1920	437,311	1%	
1920-1939	4,192,248	6%	
1940-1959	6,570,476	10%	
1960-1979	22,509,842	33%	
1980-1999	15,885,105	23%	
2000-present	18,619,175	27%	
Grand Total	68,853,158	100%	
Source: Louisiana Board of Regents’ 2015 Facilities Inventory and Space Utilization System			

A serious problem institutions face involves the repair of older building systems. In some instances, replacement parts no longer exist due to the age of a particular system, leading to a need for costly replacement of an entire system. Building codes are dynamic in nature and require institutions to be vigilant in ensuring that the students, faculty and staff have access to suitable and safe space for the delivery of services and instruction. Older facilities tend to face a greater challenge of staying current with code compliance. Data supplied to the Board of Regents by the institutions indicate that there were a number of code violations cited which could lead to costly litigation. For a reported list of code violations and/or deficiencies, please visit the following link: www.regents.la.gov/page/619Response.

Deferred Maintenance, Roofing and Technological Obsolescence

Historically, when operating budgets have faced reductions, one of the first and often hardest hit areas is maintenance of facilities. Like any household, in times of fiscal constraints, maintenance and repairs are postponed ‘until times get better.’ The reason for this is simple: many maintenance actions can be postponed in the short term without immediate consequences. However, after a decade of annual and mid-year budget cuts, this practice has resulted in a huge backlog of projects. Once this occurs, emergency repairs consume what few dollars are available and the deferred maintenance situation worsens. A list of current capital outlay and deferred maintenance needs can be found at the following link www.regents.la.gov/page/619Response. After over a decade of budget cuts, the cost to address deferred maintenance on Louisiana’s public campuses exceeds \$1.7 billion.

A major component of deferred maintenance is roof repairs and replacements, a problem exacerbated by delays in repair. In the early 2000s, the State established and managed the Roofing Asset Management Program (RAMP), a tiered roof repair/replacement fund which campuses utilize to prevent further structural damage to buildings and their contents. The RAMP program has not received adequate funding over the last several years and campuses have fallen further behind in repairing/replacing damaged or worn roofs that have well exceeded their useful lifespan. Unfortunately, roofs left in disrepair can lead to expensive damage to the building’s structure, utilities and contents, with costs far exceeding that of a roof replacement. The RAMP Program did receive funding from the Legislature in 2016 in the amount of \$8.5M but the available RAMP funds will only go towards roofing systems qualifying under Tier I status. Tier I includes (but is not limited to) facilities such as libraries, facilities that may be used as shelters during times of emergency, and facilities for police and/or first responders. Generally, buildings on a college campus do not fall under the RAMP program’s Tier I status and, as such, do not qualify for funding during the 2016-2017 fiscal year.

As documented above, approximately 50% of postsecondary education’s square footage was constructed prior to 1980. While the buildings may have been considered ‘cutting edge’ at the time, they may no longer serve the needs of the 21st century institution. Technological obsolescence sets in somewhat unexpectedly in many campus buildings. When initially constructed, many buildings may have had adequate ventilation, room arrangements and equipment. Science labs designed and built in the 1960s are no longer functional, and in many cases are unsafe. In some older facilities, the cost for renovation has become prohibitive due to associated abatement of hazardous materials and the repair of dated building systems, as well as the need for wiring for modern technology. In such cases, constructing a new facility is in the best interest of the State and institution.

Space Utilization and Facilities Sharing

The Board of Regents collects facilities and space utilization data on an annual basis and utilizes it in its outcomes-based formula. Any examination of facilities or space represents a snapshot in time, as institutions’ facilities inventory constantly changes as rooms are re-purposed, new or renovated space is put into use, or other space is determined to be unusable. Thus, an institution’s utilization status changes both frequently and over time. Examples of factors that impact space utilization are:

- Enrollment. Traditionally, classrooms and labs are static and hard to repurpose in times of enrollment change.
- Old or Obsolete Equipment. Equipment used in teaching and/or research could be outdated or physically inoperable, making the space housing it unusable, undesirable or inadequate.
- Changes in Workforce Needs. The current emphasis on increasing the workforce in STEM-related fields requires alterations to physical facilities to meet the changing demand for space.

- Electronically Delivered Hybrid Courses. Electronically delivered courses have a direct impact on space utilization. Courses that are taught 100% online do not normally require classroom/laboratory space, while hybrid courses have both a traditional classroom/laboratory aspect requiring space along with an online component.

To become more efficient and make better use of underutilized facilities, some institutions have made efforts to rent/lease space to others. Typically, these arrangements are made with other educational entities, governmental agencies including state/parish/local governments, and entities such as local non-profit organizations, especially those involved in economic development and those for which a synergistic relationship with the university/college would be mutually beneficial. However, as simple as sharing facilities sounds, as a practical matter, the use of space by others can carry with it considerable challenges for the institution and the lessee.

Usually, institutions do not have blocks of space that sit idle at all hours. Rather, some instructional space goes unused periodically or has fewer students per class than would be ideal, making the space underutilized. To make space available for use by outside constituents, institutions will need to consolidate operations to free up blocks of space. Leasing space to outside agencies might require physical modifications to the space to meet the needs of the lessee. These modifications could be costly to make and even more costly to revert back if the institution's enrollments increase. Other possible problems to leasing would be a lack of nearby parking spaces necessary for the lessee's operations, or arrangement of operating hours not in-line with the institutions. Also, potential lessees may not be a good fit for co-location on a college campus.

It is more common and educationally efficient for colleges and universities to share facilities, especially special-purpose space which is frequently not in use and expensive to duplicate. Special-purpose laboratories, such as those for coastal and marine sciences housed at the Louisiana Universities Marine Consortium (LUMCON), and unique equipment are common examples.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

2.6 The Board of Regents recommends that the Louisiana Legislature recognize and give priority to the severity and urgency of the deferred maintenance needs of postsecondary education and heed the requests of the Board of Regents and the management boards for annual appropriations to address these needs, as they worsen on an annual basis.

2.7 The Board of Regents recommends, in addition to the current status of the campus's instructional space utilization already required, that the management boards submit plans to improve space utilization as part of an institution's request for funding new capital outlay construction or renovations.

2.8 The Board of Regents recommends that the management boards submit, on a biennial basis, a report which identifies unused or underused space that could be reallocated to other governmental agencies and entities such as local non-profit organizations, and document attempts to accomplish such arrangements.

Chapter III: Faculty, Innovation, and Academic Programs

Faculty

An institution's quality and character depend primarily upon the qualifications, commitment and reputation of its faculty. No other single factor has as much influence as faculty in determining the contributions of the institution to its primary missions of teaching, research and public service.

A task of every college and university is to recruit and retain qualified faculty. The institution's ability to successfully recruit faculty depends on a number of factors, including: (1) the current faculty mix; (2) the salary resources and benefits available; (3) the commitment to academic freedom and responsibility; (4) campus policies to promote high standards; (5) procedures to assure faculty involvement in determining campus policies; and (6) the institution's overall reputation, as well as its reputation in the faculty member's field.

In AY 2015-16, Louisiana public postsecondary education employed 9,252 faculty, 6,872 (74%) on a full-time basis. The distribution of full-time instructional faculty by rank was: professors (21%); associate professors (22%); assistant professors (23%); and instructors/others (34%). Although instructors make up the largest percentage of faculty (which is similar to the national trend), they do not hold tenure-track positions. Faculty data (including faculty status, faculty salary, faculty/student ratio, etc.) for individual campuses can be found at <http://www.regents.la.gov/page/619Response>.

Faculty Challenges

Recruitment of faculty is a highly competitive process. As mentioned above, a primary factor in both recruiting and retaining quality faculty is the compensation package, which can include salary, benefits, equipment, laboratories, assistants, and similar components. Depending on the level of the institution and the skill set being sought, the geographical reach of a faculty search can range from local to national/international in scope. For example, the Flagship competes nationally and internationally for renowned faculty, while LCTCS institutions often have to compete with local private industries that can afford to pay higher salaries. Once faculty are employed, the compensation and benefits package become critical in an institution's ability to retain them.

Oftentimes, institutions are in a competition to both *hire* and *retain* quality faculty. When an institution fails to recruit competitive faculty or fails to retain them, it is not merely a case of losing the individual. Successful faculty, particularly at research campuses, typically have grant funds attached to them which are used to purchase much-needed equipment, employ graduate assistants and support research laboratories. Failure to retain a faculty member due to lack of a competitive compensation package can result in a loss of hundreds of thousands of dollars in external support, which is generally tied to the faculty member rather than to the institution. Depending on the relative stature of the faculty member, successful recruitment and retention enhance the institution's reputation, while losing a prominent faculty may adversely affect its reputation.

A review of faculty salaries for Louisiana public postsecondary education in comparison to regional peers clearly demonstrates the challenges faced by Louisiana institutions in recruiting and retaining qualified faculty. Table 3.1 below indicates that at every level of institution, Louisiana lags behind the 16-state SREB region, which in turn lags behind the nation. For an explanation of SREB categories, visit <http://www.sreb.org/criteria-and-definitions>.

Table 3.1 Weighted Average Salaries of Full-Time Faculty, Public Two-Year and Four-Year Institutions, by SREB Classification¹

	All 2-yr	4-yr 1	4-yr 2	4-yr 3	4-yr 4	4-yr 5	4-yr 6
SREB States	\$52,070	\$88,729	\$79,116	\$65,709	\$63,879	\$61,690	\$59,150
Louisiana	\$44,066	\$85,066	\$67,781	\$56,593	\$55,361	\$51,118	\$47,883
LA rank (1=best, 16 =worst)	16	11	9	15	9	12	11

¹SREB classification is based on institutional enrollment, completers, and academic program mix.

Source: SREB Data Exchange 2014-15

As with any profession, qualified individuals are more mobile. The lack of benefits (e.g., employer contribution to retirement, social security benefits and salaries) to recruit and retain highly-qualified faculty leaves institutions in a more vulnerable position of retaining those faculty in lesser demand.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

3.1 The Board of Regents will investigate statewide and campus-based incentives to assist in recruitment and retention of productive faculty members, including use of State-matched faculty endowments for start-up and ongoing professional support packages, grant programs to assist researchers in becoming consistently competitive for federal research and development dollars, and opportunities for entrepreneurial faculty to pursue commercialization and technology transfer activities.

3.2 The Board of Regents recommends that the Louisiana Legislature fund a plan to bring faculty salaries to the Southern Regional Average.

Innovation

Innovation functions as an ecosystem, bringing together in symbiotic relationships different approaches to educating, training and researching. Basic education, training and research programs in postsecondary education are typically where fundamental knowledge underlying innovation is discovered. Education, training and research results can benefit the public, postsecondary institutions, through applied and translational research as well as commercialization, help to facilitate the movement from the discovery of basic knowledge to its deployment in society and the market. By partnering with business and industry and providing incubator and technology transfer services to faculty, staff, and students, the high costs, in time and money, required to bring a product from the lab bench to the public square means that business and industry will not invest in innovative ideas until they are ready for the market, leaving colleges and universities as the invention and testing grounds for the 21st-century economy. Examples of Louisiana’s testing grounds are the Regents’ designated Centers of Excellence.

Centers of Excellence

A Center of Excellence may consist of a unit, program, or functional area that, as a Center, is accountable for a higher expectation of performance and productivity, including contributions to the body of knowledge and to economic development, placement of graduates, generation of external interest and support, formation of joint ventures and partnerships, and positive recognition of the area and its faculty and students. If not the sole provider of education and research in the focus area, the designated Center is recognized as a leader in the field and a concentration of expertise.

The process for the designation as a Center of Excellence is meant to be rigorous and include a demonstration of the proposed center’s qualification for the distinction. There are three types of Board of Regents’ Centers of Excellence: Centers for Workforce Excellence, Centers of Academic Excellence, and Centers of Research Excellence. A list of the Centers of Excellence that are recognized by the Board of Regents are located at: www.regents.la.gov/page/619Response.

Basic Research and the Federal Marketplace

Though its direct economic benefits are limited, basic research is where new and advancing technologies begin. Federal agencies are its primary funders, sustaining innovation in its earliest stages, and the strength of an institution's research program is often measured by the amount of competitively awarded federal support it attracts. Over the past decade, Louisiana campuses have increased research expenditures (the National Science Foundation's standard measure) by 10%. Continued growth depends on increasing research capacity and competitiveness, maintaining cutting-edge facilities, and recruiting the best and brightest faculty and student researchers. For this reason, since 1987, the Board of Regents Support Fund (BoRSF) has targeted more than \$80 million toward preparing faculty to be consistently competitive for federal support. The return on these efforts through the Research Competitiveness Subprogram (RCS) has been a healthy \$10 for every Support Fund dollar spent. In addition, since 1987 the Support Fund has used matching opportunities to help leverage federal research funding, with the State receiving \$9 for every Support Fund dollar matched.

Applied Research: Moving Toward the Real World

Applied research is the exploration of practical applications of knowledge, theories, and methods, often continuing or accumulating basic research results. Through initiatives like the Industrial Ties Research Subprogram (ITRS), the Support Fund has supported applied research and partnerships among university personnel and industry, to begin the work of moving ideas from concept into real-world uses by building relationships with and early buy-in from potential end users.

Translational Research and Commercialization

Proper research support can be the difference between a marketable innovation and a defunct idea. Because the private sector is often unwilling to invest until a concept is proven viable and marketable, while federal funding is geared toward basic research, translational research and commercialization phases are commonly known as "the valley of death," where good ideas can starve for lack of resources. State focus on this final stage of development, along with funding for projects with evident utility, a known market, and a defined plan for completion, helps build the bridge from campus-based research to the social and economic benefits of innovation. In 2015, the Support Fund initiated a proof-of-concept and prototyping subprogram to address this need; in future years, demand and outcomes should be assessed to determine success and better direct investments.

Innovation Challenges

Research is an expensive enterprise, consuming time, resources, money, and energy for a long-term reward. The scale of investment required – of both tangible and intangible resources – is the most significant challenge to success. Public resources to support innovation at all stages are declining and must be better targeted to ensure areas and ideas of highest priority can be successfully pursued. Though Louisiana has long dedicated funds for both basic and applied research at postsecondary education institutions through the constitutionally established Board of Regents Support Fund (BoRSF), investing more than \$150 million since 1986, recent allocations have declined substantially due to a more than 40% drop in annual earnings to the BoRSF – from a high of \$35 million in FY 2007-08 to a FY 2015-16 level of \$21.4 million; the Treasury estimates further significant declines in the coming years. Because the BoRSF provides not only direct support for research, but also equipment funding, student support, and faculty endowment matches, this decline has affected the ability of campuses to maintain the infrastructure necessary to underpin major innovation efforts.

Even when public funds are plentiful, cutting-edge research remains out of reach for many institutions. Only the largest and best-funded campuses can afford the expense of equipping and maintaining top-flight facilities, as well as employing staff with the right expertise to support innovation activities. A plan for resource-sharing or fee-for-service access is necessary for many researchers to pursue their ideas. Beyond collaboration across departmental, college, and campus boundaries, relationships with business and industry to develop and transfer innovations to the marketplace are

increasingly essential. Such relationships can, however, be difficult to establish and maintain, especially given the minimal industrial Research and Development (R&D) located in Louisiana.

Finally, given the scale of investment required and the reality that not all research projects will yield a marketable product or even succeed in their objectives, incentives are necessary to push researchers to pursue risky but potentially life-changing ideas, particularly through the challenging near-commercialization phases. Late-stage research activities among faculty researchers, including entrepreneurship and commercialization efforts, are often not formally valued by postsecondary education institutions or considered in the context of promotion and tenure, so can be difficult to foster and sustain.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

3.3 The Board of Regents will, beginning in FY 2017-18, align the constitutionally-dedicated Support Fund and its competitive programs with the goals and priorities of the State, Board of Regents, systems, and campuses. Eligibility for funding will be limited to those academic areas reflecting existing and/or potential excellence and strongly associated with research, educational, and workforce emphases.

3.4 The Board of Regents will continue to promote and facilitate research resource sharing among campuses and systems to ensure faculty and students have access to cutting-edge equipment and facilities, as well as assistance with intellectual property development and commercialization.

3.5 The Board of Regents will incentivize campuses to pursue research and development activities that contribute directly to economic development in Louisiana, in partnership with Louisiana Economic Development, Louisiana Innovation Council, and other stakeholders.

Academic Programs

Academic programs designed to fulfill personal, vocational, economic and social needs lie at the heart of the educational enterprise. Institutions often measure overall strengths or weaknesses on the basis of the quality and effectiveness of their academic programs. Directly and indirectly, academics engage most of an institution's energies and resources.

The array of academic programs offered must collectively reflect actual social goals and the State's commitment to those goals. Projections for academic programs involve assessments as well as conjecture about the evolving social trends and the economic/workforce needs of the State. As of December 2016, Louisiana public postsecondary education offered 2,067 academic programs: 492 certificate, 200 diploma, 242 associate, 516 baccalaureate, 326 master's, 17 professional, 101 doctorate, and 173 other (including post-associate, post-baccalaureate, post-master's, post-doctorate, specialist and graduate certificates). It is important to note that the Board of Regents and the LCTCS are working together to identify and account for awards below the certificate level that are not included in the counts above and not currently acknowledged on the statewide curriculum inventory (CRIN). Program areas range from the highly technical and skilled majors to the liberal arts and sciences. The number of programs available changes throughout the year with the approval of new programs or terminations or revisions to existing programs. Completer data for the programs listed on the CRIN over the five year period of 2011-12 through 2015-16 can be found at www.regents.la.gov/page/619Response.

Enrollment in academic/credit programs exceeded 215,000 in Fall 2016 (not including adult basic education and non-credit enrollment). For data showing all enrollment (including non-credit and adult basic education as reported by LCTCS) by institution and program, visit www.regents.la.gov/page/619Response.

Academic Program Challenges

Over the past decade, Louisiana public postsecondary education has undergone a painful transition. Prior to this transition period, the infrastructure with respect to faculty, facilities and academic programs remained relatively strong. As the infrastructure weakened under the weight of repeated annual and mid-year budget cuts, campuses attempted to maintain existing levels of programs and services. Unfortunately, the painful transition for postsecondary education has been one of doing *more with more*, to *more with less*, and finally *less with less*.

In the earlier years of budget cuts, campuses were more adept to sustain academic offerings and protect their academic core through administrative reorganizations and cuts to services. Faced with continued financial shortfalls, the Board of Regents, the systems and the campuses have been forced to revisit academic program offerings with an eye toward streamlining the menu while maintaining the quality of the programs that remain. While recent literature has focused on college affordability from the perspective of students and families, program affordability is also an issue for institutions, systems and the Regents. Visit www.regents.la.gov/page/619Response for a detailed examination of cost per academic program.

The Board of Regents' *Elevate Louisiana: Educate and Innovate* initiative includes several components tied to academic programs. Two of the initiatives are: (1) revision of Regents' approach to program review, elevating the threshold for required low-completer review, and (2) statewide and regional review of all graduate programs.

The low-completer program review is designed to ensure that programs on the statewide curriculum inventory (CRIN) are strategically connected to state priorities, respond to local/regional workforce needs, and also consider the viability of programs based on student enrollment. The Board of Regents manages the public academic program inventory with the goal of providing the education and training opportunities that are needed while both avoiding unnecessary duplication and increasing effectiveness. Given the dynamic nature of postsecondary education financing, it is important that the Curriculum Inventory (CRIN) be reviewed periodically to assess its continued relevance and identify possibilities for refocusing limited faculty resources into more productive areas. Through Regents' statewide program reviews in 2009, 2011, 2013 and, 2015, 485 programs were terminated, with many being consolidated and/or absorbed into new or other degree programs. During that same time, through separate Board actions from 2008-2015, the Board of Regents approved 165 new programs (not including post-baccalaureate and graduate certificates) and 97 terminations. These actions do not include those programs terminated by LCTCS under its constitutional jurisdiction.

Any program on the CRIN is subject to review. Regents' staff identify programs for which a response from the institution is required, triggered primarily by a viability threshold: the average number of awards conferred over the last three years. (See Table 3.2 below.) Since 1994, CRIN program reviews had been triggered by the same viability thresholds; however, since the new reality for postsecondary education in Louisiana entails doing less with less, the BoR recently elevated the thresholds to concentrate resources into the more productive program areas and to respond to local/regional workforce needs. Science, technology, engineering and mathematics (STEM) degrees are consistently in high demand, more directly related to research and industry needs, and harder to achieve. To recognize the challenges inherent in maintaining STEM offerings, and the benefits they provide, STEM programs were held at the previous thresholds while increasing all others.

Table 3.2: Productivity/Viability Thresholds (3-year Average Number of Completers)

<u>Degree Level</u>	<u>Productivity Threshold (3-Yr Average)</u>	
	1994-2017	2017 (non-STEM)
Undergraduate Programs (Associate/Bachelor)	8	10
Master/Post-Master/Specialist	5	6
Professional/Doctoral/Post-Doctoral	2	2.5

Mandatory program reviews are triggered when a program falls short of the productivity threshold. Program lists are sent to the campuses for review and response. Campuses may appeal for program continuation (e.g., local/regional/state need, utility or sustainability; changes in marketing or delivery; impact on or contributions to the remaining inventory, etc.), propose a consolidation or change to a current program, or support the program's termination. Staff evaluate the responses in light of the argument presented, which include statewide and regional availability of similar offerings, to generate a recommendation to the Board. The biennial program review is currently underway, scheduled for completion with staff recommendations in April 2017.

Graduate Program Review

Graduate education is more expensive than undergraduate education (due in part to smaller classes, delivery in more interactive seminar formats, more writing and research, and greater faculty involvement in advising and guidance) and places additional stress on institutional resources. The reality of continuing budget cuts has prompted the Board of Regents to examine the graduate program inventory, specifically, in addition to the periodic comprehensive in-house program review. The Regents asked the National Center for Higher Education Management Systems in 2016 (NCHEMS) to conduct an analytic review of graduate programs. Data on programs at the doctoral, professional, post-master's/specialist, and master's levels were examined, to include subject areas, geographic distribution, and annual program enrollment and graduates. At the conclusion of its examination, NCHEMS found little evidence of unnecessary duplication or excess, but reported a number of observations.

1. Louisiana has, appropriately, concentrated its research doctoral (Ph.D.) programs at the Flagship (LSU A&M), the three statewide institutions (LA Tech, ULL, UNO), and the LSU Health Sciences Centers. While other institutions grant doctoral degrees, they do so primarily in a limited number of professional practice-oriented fields (predominantly education and health care).
2. Most doctoral programs are small in size and fall within the university's mission; nevertheless, the System and Board of Regents must determine whether each one remains necessary and/or sustainable.
3. All of the universities award a significant number of master's degrees. With few exceptions at each institution, these programs are small in size; however, it can be argued that all fall within the missions of the institutions and many are conceivably grounded in regional interests. The decision as to program viability and continuation rests with institutional leadership, the management boards and the Board of Regents.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

3.6 The Board of Regents will complete its statewide program/low-completer review in Spring 2017 and will re-evaluate the thresholds in 2018 to assess their appropriateness.

3.7 The Board of Regents will continue to restrict approval of additional doctoral programs outside the Flagship and statewide institutions except under exceptional circumstances related to the university's mission, area strength, and regional support. Existing and proposed graduate degree programs at all levels will continue to be closely scrutinized for the same factors, and new doctorates at regional universities will be restricted to 'professional/practice doctorate' fields.

3.8. The Board of Regents will investigate incentives to reward institutions for engaging in exceptional collaborative program delivery. There is much to be gained if the delivery and business models can be changed in such a way as to both increase revenues (by increasing student numbers) and sharing some of the costs (reducing the marginal cost of serving students).

PART II: A POSTSECONDARY EDUCATIONAL PIPELINE

Over the last few decades, policy and decision makers have explored how best to define and assess college and career preparation. This includes helping high school students get a head start in college, increasing access for adults to enter or re-enter postsecondary education, in order to improve completion rates, while reducing time to degree and financial aid debt.

For eligible high school students, dual enrollment efforts are expanding to increase access to rigorous pre-college academic and/or technical skills courses in order to prepare them for postsecondary education or direct entry into the workforce. These opportunities can facilitate the transition from high school through postsecondary education and then ultimately to a career path. Additionally, developing strategic ways to adopt and incorporate more competency-based education (CBE) will provide more flexible pathways that encourage adults to enter or re-enter postsecondary education. The infusion of non-traditional students into colleges and universities requires incorporating innovative strategies for completing credentials. The use of college and career preparation initiatives as a bridge to postsecondary success is critical for all stakeholders: parents, students, high schools, colleges, state and national legislative bodies as an educated and trained populace is crucial in building strong and thriving communities.

It is imperative, then, that postsecondary leaders work collaboratively to address each point along the postsecondary pipeline without losing sight of the subsequent transitions. Those points in the pipeline include: (1) college and career preparation, (2) college access and success (i.e., timely completion); and (3) entry into the workforce with periodic returns for additional postsecondary education and training. Chapters IV-VI provide an overview of each of the three transitions, examine current shortcomings and barriers at each juncture in the pipeline progression, and offer observations/recommendations.

Chapter IV: College and Career Preparation

College and Career Preparation

Access and success in college are largely dependent upon preparation, for which Louisiana has historically faced challenges among both the youth and adult populations. Some might argue that students are “college ready” if they earn a high school diploma or pass an equivalency test; however, data tracking students in college suggests that currently a high school diploma is not always a “good” predictor of college readiness. In fact, statistics on remediation in Louisiana highlight the scope of the problem: in 2016, based on ACT score results, 61% of Louisiana’s high school graduates were estimated to need remedial math and 42% to need remedial English.

Lack of preparation forces students, their families and the State to spend valuable resources, accumulating student loan debt or using scholarship dollars on remedial coursework in addition to or in place of degree credit-bearing courses. Three key policy areas that connect secondary and postsecondary education efforts have been identified to promote college and career readiness: (1) multiple pathways for high school students and adults; (2) college-prep and technical skills courses and assessments; and (3) placement policies.

Pathways for High School Students

In 2009, the Louisiana Legislature passed the Louisiana College and Career Readiness Act (Act 257), requiring the Board of Elementary and Secondary Education (BESE), in collaboration with post-secondary management boards, “to establish state strategic initiatives to improve high school graduation rates and ensure student readiness for post-secondary education and career opportunities ... enacting strategies that seamlessly connect PreK-12 education with post-secondary education and career opportunities.” As a result, the LA Department of Education (LDE) has implemented a number of policies and supports that focus on increasing the high school graduation rate, preventing dropouts, and increasing rigor, relevance, and efforts toward ensuring college and career readiness.

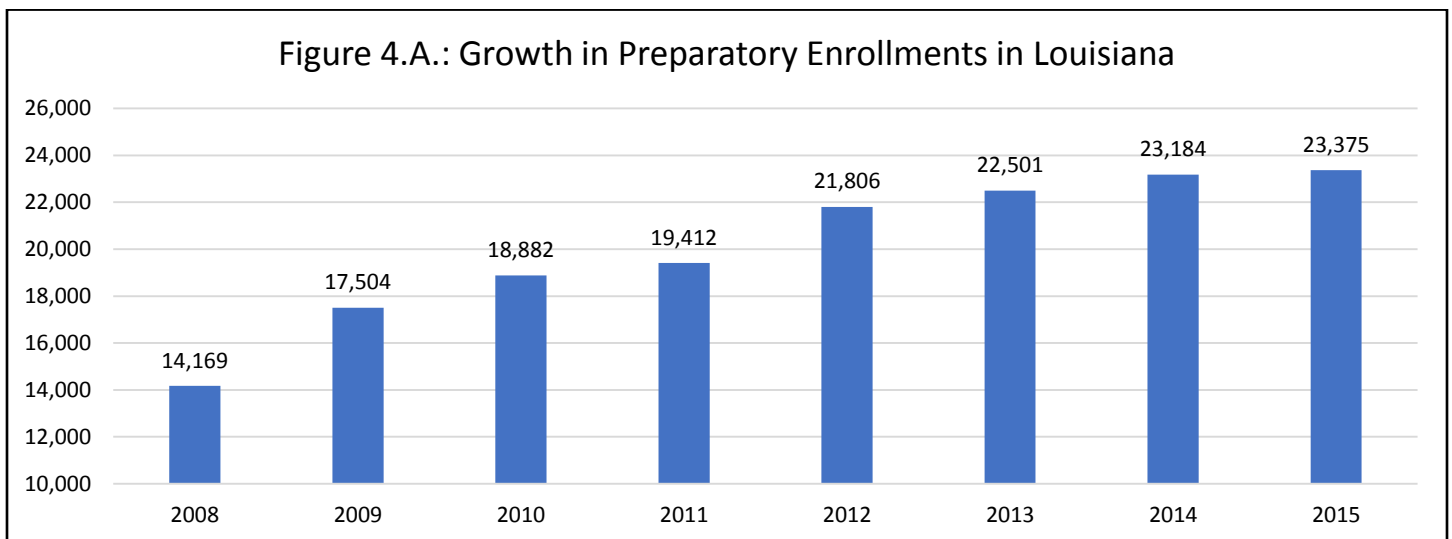
LDE’s student pathways connect with real outcomes after high school, whether the student is college- or career-bound. The TOPS University Pathway is designed so that students planning to enroll in a university have taken a true college preparatory curriculum while in high school and have every chance possible to receive TOPS. Effective with the 2017-18 high school graduating class, students on the TOPS University Pathway will be rewarded for completing more rigorous Advanced Placement (AP®), International Baccalaureate (IB®), and Dual Enrollment (DE) courses by placing additional weight in the calculation of the TOPS GPA. The TOPS GPA determines eligibility for the TOPS award, and Regents data indicate that students on TOPS tend to graduate from college at approximately twice the rate of students who do not earn TOPS, whether or not the TOPS student kept the award for the whole eight semesters.

Jump Start is the State’s graduation pathway that leads to industry credentials and meaningful workplace opportunities for students on any diploma path. Colleges, businesses, and industry form partnerships with local schools to provide career courses and workplace experiences for eligible high school students. It is an expectation that career and technical dual enrollment courses have sufficient rigor and relevance for students to obtain the competencies necessary to be successful in the workforce. Under the Jump Start vision, students can complete high school having earned credentials that provide new opportunities. State-of-the-art career and technical education facilities, equipment and instruction are critical elements of Jump Start success. Students completing a statewide or regional Jump Start pathway are prepared to continue their postsecondary education and training and could be eligible for a TOPS Tech scholarship.

Dual Enrollment

The creation and implementation of higher graduation standards aligned to college and career expectations are among the most visible and symbolic efforts by education leaders to ensure that students are prepared to succeed after high school. An emerging body of research and practice suggests that providing college-level coursework in high school has promise to better prepare a wider range of students for college entry and success. Dual Enrollment (DE) allows eligible high school students to take college-level coursework and earn college credit. Students take an actual college course (academic or technical), following a college syllabus, and immediately receive college credit when they pass the course. DE students concurrently earn high school credit that counts toward graduation for the completed college course, and thus earning “Dual Credit.” Since they are college courses, DE courses are offered by the postsecondary institution, and designed to provide the same level of rigor whether the student is taught by college faculty on the college campus or by a qualified, affiliated high school teacher in a high school classroom. DE opportunities may be in academic or technical/work skills areas, leading to a head start in college or credentialed workforce readiness upon high school graduation. Participation in these courses helps high school students maximize their academic progress in the senior year.

High school enrollments in college courses are tracked in the postsecondary systems as preparatory students, whether or not students are also earning high school credit for the college course. Over the last decade, high school enrollments in college courses have grown annually making available an early college experience that, previously had been limited to exceptionally prepared high school students. (See figure 4.A.)



Challenges with Dual Enrollment

DE students have college credit upon successfully completing the course, but the lack of a uniformity in access and eligibility, faculty qualifications, rigor and delivery, and cost and funding models are often listed as challenges. Without statewide guidelines, colleges must trust that the DE credit coincides with the same content and learning regardless of instructor, delivery, or age of the student.

Students seeking entry into four-year institutions must meet minimum standards for admission set by both the Board of Regents and the admitting institution, while eligibility standards for high school students wishing to take college courses are not defined. Should these students be able to demonstrate readiness for college-level English and mathematics before leaving high school studies and enrolling in academic DE coursework? What if the prospective DE course is not directly focused on either English or math? Should remedial education needs be addressed as part of DE, or solely through a

concentrated high school/college-preparatory course? How should students seeking to enroll in technical courses demonstrate the foundational skills necessary to succeed in the course? Should the price for DE tuition be discounted for high school students? How should campuses be compensated for DE course tuition, and by whom? Board of Regents and Louisiana Department of Education (LDE) staff have been studying DE to identify ways to address these questions while also expanding access and ensuring quality and rigor.

Broadly speaking, one purpose of DE is to give students early exposure to a college or career experience and promote either continued matriculation beyond high school into college or entry into the workforce. During 2015-2016, high school students accounted for over 47,000 college course enrollments (duplicated). However, DE opportunities remain unequal and depend largely on the geographic locations of high schools and colleges and/or their cooperative partnerships. The State bears responsibility to make these opportunities available for all of its high school students who are college-ready; qualified students should not be disenfranchised by residence and family income. The use of online or virtual DE courses can contribute to providing equitable access, particularly in places where postsecondary institutions are not conveniently located; however, while they can increase access and preparation, some question whether an online course provides a high school student a real ‘taste’ of the college or career experience or a sense that they, too, can succeed at the next level. Working cooperatively and with the support of the Legislature and Administration, the education community can bring quality and meaningful postsecondary and career opportunities to all eligible and interested high school students.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

4.1 The Board of Regents will examine existing state funding for dual enrollment, in collaboration with BESE and the LDE, including TOPS Tech Early Start and Supplemental Course Allocation, to develop policy or recommend changes to ensure availability of opportunities for eligible high school students to earn up to one year of college credit through dual enrollment agreements.

4.2 The Board of Regents will develop statewide guidelines and adopt appropriate policies for Dual Enrollment that addresses: access and eligibility, faculty qualifications, rigor and delivery, cost and funding and will restrict dual enrollment for high school students who demonstrate a need for developmental services.

College Readiness and Developmental/Remedial Education

Critical elements of college readiness reform are the process by which colleges and universities determine college entry and whether or not students need remediation. In Louisiana, nationally normed test scores are used to determine eligibility for enrollment in entry-level, degree-credit English and mathematics courses: ACT subscore; SAT subscore, or ACCUPLACER placement tests. Gains on standardized assessments have been realized. For example, the number of high school seniors earning composite scores of 18 or above on the ACT has increased: among the spring 2015 high school seniors, 24,619 students earned a composite score (18 or above), an increase of nearly 1,000 students from the 23,660 in 2014.

Challenges with Placement Tests and Developmental/Remedial Education

BoR data indicate that 19,343, or 10% of total undergraduate students in 2015, were *enrolled* in remedial coursework. This data does not capture the students in need of developmental education that did not enroll in public postsecondary education or who took care of their developmental needs prior to enrollment. Data on the percentage of undergraduate students enrolled in remedial courses by institution can be found here <http://www.regents.la.gov/page/619Response>. While these statistics (10%) appear to suggest that the number of students in need of remedial education is low, these data

may not accurately reflect college preparation. ACT offers a different perspective, focusing on high school graduates: in 2016, 61% (based on ACT scores) of Louisiana’s high school graduates were in need of remedial math and 42% needed remedial English¹, suggesting that many of Louisiana’s graduating high school students are un/underprepared for college.

Recent data supplied by LDE indicate that approximately one-half of high school seniors do not enroll for a full-load of courses, and over 8,000 enrolled for four courses or less. For those students who are college-bound, but fail to achieve the necessary ACT score(s) required for placement into college-level courses, the balance of their junior and/or senior year should be devoted to remediating any academic shortcoming(s) so the student will be prepared to enroll in college-level courses upon high school graduation.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

4.3 The Board Regents recommends that the Louisiana Department of Education use all means necessary to provide college-bound students demonstrating developmental needs the opportunity to remediate those deficiencies prior to high school graduation.

Even more problematic, research has shown that students in need of remediation are less likely to complete a degree program than those students who are prepared for college when they begin. It is not surprising that remediation is often referred to as the “Bridges to Nowhere.” Complete College America’s (CCA) research indicates that, unfortunately, very few students who are placed into traditional remedial education ever complete the gateway courses for which the remedial courses were designed to prepare students. CCA has demonstrated that low success in remedial education is a result, in part, of the design of remediation as a sequence of one-, two-, or three-semester courses that students must complete before entering a college-level course in math and/or English. This approach adds significant time and cost to a college education, which in turn creates a disincentive to pursue a college credential. Co-requisite delivery of entry-level college course material and appropriate developmental support have proven to be much more effective in remediating shortcomings for students who are close to college readiness.

Under the current Board of Regents’ Minimum Admission Standards and Placement Policy, students within 1 ACT subscore point of the breakpoint for enrollment in college-level Mathematics (or within 2 subscore points in English) may be admitted to a postsecondary institution if enrolled in an English/math course with supplemental/co-requisite delivery of developmental support, until the course is successfully completed.² Additionally, students who are within 2 points of minimum college-level placement in Mathematics may be offered summer provisional admission after which they may achieve regular admission after meeting specified performance measures during the summer term. For more information on the Board of Regents Minimum Admission Standards and Placement Policy, please visit the following links: <http://regents.state.la.us/index.cfm/page/475> and <http://regents.state.la.us/page/academic-affairs-policy-218>.

Currently, the admission standards do not address *when* students must address their developmental needs. Given that remediation must be accomplished in order for other aspects of the degree to be completed successfully and on time, eliminating the option of when to take the remedial course makes sense. Mandating that students complete required remediation either in the summer preceding fall enrollment, or in the first semester as a co-requisite allows students to begin on similar footing with an entering freshman cohort and increases students’ chances of beginning on a successful path to timely graduation.

¹ It is important to note that in 2013, Louisiana implemented statewide ACT test-taking, promulgated by the Louisiana Department of Education. Thus, these statistics reflect a large proportion of the class – which represents a broader cross-section of talent taking the test.

² The Board of Regents’ Minimum Admission Standards allow the institutions to admit a limited number of students by exception. Information on the number/percentage of degree-seeking First-Time Freshman and Transfer students who were admitted by exception in Fall 2015, as reported by 4-year institutions in the Statewide Student Profile can be found here <http://www.regents.la.gov/page/619Response>.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

4.4 The Board of Regents will revise the BoR Minimum Admission Standards and Placement Policy 2.18 to address when remedial needs must be met: requiring that university students complete co-requisite math/English courses in the first semester of enrollment or as soon as practical, and that provisionally admitted students achieve a placement score that qualifies them for regular admission or return later as transfers.

Chapter V: College Access and Success

College Access

Access to postsecondary education remains a challenge for many students and families. A major impediment to college access and success is cost. Repeated declines in state appropriations have led to unpredictable funding levels and unstable budgetary planning at public postsecondary institutions and in student households, as reductions in state funding have been necessarily offset by higher tuition and fees. While there may be no “one size fits all” approach to making college affordable, it is imperative for the State to have a comprehensive financial aid framework in place to put postsecondary education within reach for more of Louisiana’s residents.

Need-Based Aid Program: Go Grant


Need-based financial aid programs can be an instrumental resource in promoting access, participation and degree completion, especially among underserved groups. Recognizing this value and based on recommendations from the Board of Regents, in 2007, the Louisiana Legislature approved and funded the Go Grant Program. The Go Grant added a need-based component to the State’s financial aid portfolio that supported non-traditional and low-income students. The program is managed by the Board of Regents and administered through its Louisiana Office of Student Financial Assistance (LOSFA). To be eligible for a Louisiana Go Grant, students who are Louisiana residents and receiving a Federal Pell Grant must demonstrate a remaining financial need after deducting the Expected Family Contribution (EFC) and any other aid (federal, state, institutional) from the cost of attendance (COA). The Go Grant was first awarded to students during AY 2007-08.

Challenges with Need-Based Aid


The Go Grant program is designed to increase college access and success by providing supplemental funding to help needy students with basic college costs. However, due to the program being historically underfunded, its potential impact on college access and success has not been fully realized. During its initial implementation year 2007-2008, an appropriation of approximately \$17 million provided support for approximately 10,500 entering freshmen. During the second year of the Go Grant program, there was about \$26 million available to cover entering freshmen in 2008-09 and the returning eligible students who had entered as freshmen in the prior academic year. Appropriation amounts for the Go Grant have remained in the \$24-26 million range since that time, which essentially support four years of students with two years’ worth of funding.

Recognizing these aforementioned funding constraints, a study was conducted by Noel-Levitz in 2011 to develop a framework that would help Louisiana distribute the Go Grant more efficiently. The study sought to maximize enrollment, retention, and completion by developing a targeted strategy for allocating limited need-based aid. The findings revealed that students who had less than 60% of need met with gift aid were most susceptible to drop out; therefore, available need-based aid should be targeted at those students. While the research indicated increases in retention, progression and graduation rates at all levels of additional need met by aid, the largest gain in these rates were realized for students with 60% of need met, with declining gains thereafter. These findings were the impetus for policy changes that addressed how Go Grant could ration a limited pool of funding more effectively. While these changes benefit many students, the 60% threshold leaves many students without a Go Grant and with a large cost gap for some of the neediest students as illustrated in figure 5.A. below:

Figure 5.A.: Examples of Cost Gap Analysis



Louisiana Office of Student Financial Assistance (LOSFA)
A program under The Board of Regents



LCTC SYSTEM EXAMPLE*

2016-17 Cost of Attendance Annual (Fall & Spring)

BPCC– Living At Home

• Full Time Tuition & Fees	\$ 4,428.00
• Books/Supplies	1,220.00
• Room/Board	3,228.00
• Transportation	1,916.00
• Personal	2,003.00
• TOTAL COA	\$ 12,795.00

GO Grant Awards – Allowable Amounts:

- Minimum Annual Award \$300
- Maximum Annual Award \$3,000
- Campuses allowed to set award amounts within these allowable ranges.

LCTC System Average GO Award = \$700.96

*Example reflect Students with Greatest Amount of Need (\$0 EFC) at the Highest Cost school within the System.

Maximum Pell without TOPS @ BPCC at home, 2016-17

COA	\$12,795
-EFC	\$0
=Financial Need	\$12,795

60% of Need (\$12,795) = \$7,677

-Federal/State Gift Aid	= \$5,815 (Pell)
Go Grant Eligibility	= \$1,862

Annual Go Grant Award - \$ 1,000 (BPCC set maximum)

Total Gift Aid: \$6,815 (Pell - \$5,815; Go Grant - \$1,000)

Cost Gap - \$5,980 after Federal/State Aid and GG have been awarded.

Maximum Pell with TOPS @ BPCC at home, 2016-17

COA	\$12,795
-EFC	\$0
=Financial Need	\$12,795


60% of Need (\$12,795) = \$7,677

-Federal/State Gift Aid	= \$7,982 (Pell, TOPS)
Go Grant Eligibility	= \$0* (\$305 above 60% threshold)


Annual Go Grant Award - \$0

Total Gift Aid: \$7,982 (Pell - \$5,815; TOPS - \$2,167)

Cost Gap - \$4,813 after Federal/State Aid and GG have been awarded.



Louisiana Office of Student Financial Assistance (LOSFA)
A program under The Board of Regents



LSU SYSTEM EXAMPLE*

2016-17 Cost of Attendance Annual (Fall & Spring)

LSU-BR – Living On Campus

• Full Time Tuition & Fees	\$ 10,814.00
• Books/Supplies	1,160.00
• Room/Board	14,780.00
• Transportation	2,906.00
• Personal	2,514.00
• TOTAL COA	\$ 32,174.00

GO Grant Awards – Allowable Amounts:

- Minimum Annual Award \$300
- Maximum Annual Award \$3,000
- Campuses allowed to set award amounts within these allowable ranges.

LSU System Average GO Award = \$1,205.25

*Example reflect Students with Greatest Amount of Need (\$0 EFC) at the Highest Cost school within the System.

Maximum Pell without TOPS @ LSU-BR, on campus, 2016-17

COA	\$32,174
-EFC	\$0
=Financial Need	\$32,174

60% of Need (\$32,174) = \$19,304

-Federal/State Gift Aid	= \$13,846 (Pell, Pelican Promise)
Go Grant Eligibility	= \$ 5,458

Annual Go Grant Award - \$1,500 (LSU set maximum)

Total Gift Aid: \$15,346 (Pell - \$5,815; Pelican Promise - \$8,031; Go Grant - \$1,500)

Cost Gap - \$16,828 after Federal/State Aid and GG have been awarded.

Maximum Pell with TOPS @ LSU-BR, on campus, 2016-17

COA	\$32,174
-EFC	\$0
=Financial Need	\$32,174

60% of Need (\$32,174) = \$19,304

-Federal/State Gift Aid	= \$18,878 (Pell, Pelican Promise, TOPS)
Go Grant Eligibility	= \$ 426

Annual Go Grant Award - \$426

Total Gift Aid: \$19,304 (Pell - \$5,815; TOPS - \$5,032; Pelican Promise - \$8,031; GO Grant - \$426)

Cost Gap - \$12,870 after Federal/State Aid and GG have been awarded.

Louisiana is experiencing industrial growth at historic rates, demanding skilled individuals to support the expansion. While one cannot estimate the number of Louisiana residents who forego a postsecondary education due to financial hardship, it is undeniable that Louisiana must respond to this workforce demand by providing the necessary resources to train its residents with the appropriate skill sets to build rewarding careers. It is clear that with the current level of Go Grant funding, thousands of eligible students are denied an award, thousands more receive a reduced award, and others do not enroll at all due to insufficient funding. It is estimated that the State would need to appropriate an additional \$135 million to fully fund the Go Grant program. Recognizing the trying financial times the State finds itself in, however, it is more realistic to adopt a long-range plan to fully fund the Go Grant program. This increase in funds will provide broader access to postsecondary education services for needy residents to more fully participate in Louisiana's economy.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

5.1 The Board of Regents recommends that the Louisiana Legislature increase the appropriation for the Go Grant program by \$35 million 2017-18.

Another challenge regarding the Go Grant program is the measure used to assess need. For thousands of Louisiana working adults (25 and over), their modest incomes do not provide the means to pursue a postsecondary education while meeting all their other family and life responsibilities, though that income frequently exceeds the salary threshold for eligibility for Pell grants, the federal need-based student program. While Pell eligibility is a proper measure of financial eligibility for younger, recent high school graduates, it may not be the best indicator of financial need for working adults. During these times of shortages in the workforce and the need for a better-educated adult citizenry, it is critical to examine the feasibility of an alternative grant program to assess and address unmet need among non-traditional adults.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

5.2 The Board of Regents will study the unmet need among non-traditional adults as well as the feasibility of developing an alternative grant program targeting needy non-traditional adult students, who are ineligible for Go Grant assistance.

Finally, given the declines in state funding of public postsecondary education, it is not surprising that institutional grants are becoming increasingly important to promote access and success for students. Unfortunately, because many campuses utilize merit-based aid as a recruitment incentive for talented students, the largest portion of campus-based aid is awarded based on merit. As indicated in Tables 5.1 and 5.2, Board of Regents' data indicate that in AY 2014-15, Louisiana postsecondary institutions awarded over \$144 million in institutional merit-based aid, while approximately \$18 million of institutional resources were dedicated to need-based aid. When analyzing the data in Table 5.1, it is important to note that in the Board of Regents' Financial Aid Data System (FADS), when a merit-based award also requires financial need, the award is coded as merit. Therefore, an indefinable number of the merit-based awards (cited in Table 5.1) include a need component. A list of financial aid disbursement by institution for AY 2014-15 can be found at <http://www.regents.la.gov/page/619Response>.

In addition to funding the Go Grant, if the Legislature were to fund a matching program for need-based aid, campuses would be more incentivized to devote additional institutional resources to need-based aid, leveraging legislatively-appropriated funds for this purpose. This program would further increase access to postsecondary education services.

Inst Level	Inst Merit Aid Funded/ Unfunded	Distribution of Inst Merit Aid		Inst Merit Student Count
4-Yr	Funded	\$28,238,725	20%	9,905
	Unfunded/Waiver	\$111,008,384	78%	22,362
	Room/Board	\$3,725,330	3%	1,094
4-Yr Total		\$142,972,439	100%	33,361
2-Yr/Tech	Funded	\$130,599	8%	172
	Unfunded/Waiver	\$1,422,646	92%	1,616
2-Yr/Tech Total		\$1,553,245	100%	1,788
Grand Total		\$144,525,684		35,149

Inst Level	Inst Need Aid Funded/ Unfunded	Distribution of Inst Need Aid		Inst Need Student Count
4-Yr/Spec	Funded	\$258,496	1%	269
	Unfunded/Waiver	\$17,965,862	99%	6,357
4-Yr/Spec Total		\$18,224,358	100%	6,626
2-Yr/Tech	Funded	\$6,670	25%	6
	Unfunded/Waiver	\$19,867	75%	13
2-Yr/Tech Total		\$26,537	100%	19
Grand Total		\$18,250,895		6,645

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

5.3 The Board of Regents recommends that the Louisiana Legislature appropriate funds for a need-based grant program that requires a campus match.

Textbook Affordability Challenges

The rising costs of textbooks must also be included in the college affordability discourse. During the past decade, students have assumed an ever-growing proportion of the costs of a postsecondary education. According to the Government Accountability Office, textbook prices increased 82 percent between 2002-12, and the average student budget for books and supplies has grown to \$1,207 annually. There is a growing public interest in Open Educational Resources (OER) as a way to help buffer the cost of college for students (and their families).

OERs are defined as teaching, learning and research resources that are open licensed — users can legally adapt and redistribute the contents because they reside in the public domain or have been released under an open intellectual property license (Education Commission of the States, 2014). Although several states have used legislation to encourage the use of electronic and digital learning resources, such resources are not necessarily freely usable as OERs — and therefore can still be expensive for students. The use of OERs can reduce (or even eliminate) the costs of course materials. Louisiana Online University Information System (LOUIS), the Louisiana Library Network, and the Board of Regents’

eLearning Taskforce have been addressing this from a statewide perspective. Faculty representing Mathematics, English, History and Physical Science have been meeting to review national OER materials in their respective disciplines in an effort to design entry-level courses without the need for students purchasing textbooks. The development and implementation of a statewide OER initiative will require a plan that will at a minimum: (1) review other states' initiatives to identify best practices; (2) concentrate initially on lower-level general education courses with highest enrollments; (3) identify strategies for faculty buy-in and training; (4) fund incentives for faculty involvement and materials design; (5) provide professional development in the use of OER; and (6) include mechanisms for updating/revising OER and related materials.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

5.4 The Board of Regents, in cooperation with LOUIS: The Louisiana Library Network, and the Regents' eLearning Task Force will develop a statewide plan for the utilization of Open Educational Resources (OER) throughout postsecondary education. The Affordable Learning Louisiana Plan will build on current efforts related to eTextbooks, eLearning and related technologies designed to significantly lower costs of course materials for students while enriching the educational experience. The plan will be submitted to the Board of Regents for review no later than October 1, 2017.

Funding the Merit-based Program: Taylor Opportunity Program for Students (TOPS)

The TOPS program, administered by the Louisiana Board of Regents, qualifies students based on their academic performance. Today, there are four TOPS award levels available to recent Louisiana high school graduates enrolling at Louisiana's colleges and universities: TOPS Tech, Opportunity, Performance, and Honors. The criteria for eligibility for the TOPS Tech, Opportunity, Performance and Honors awards include completion of a defined high school core curriculum, a minimum grade point average in core courses, and a minimum ACT composite score.

From 1999 to 2016, the State spent approximately \$2.6 billion supporting the TOPS program with total expenditures on the TOPS program increasing nearly 391%. The growth in TOPS expenditures is largely attributable to two factors: tuition increases and increases in the number of TOPS recipients. Since the program's inception, tuition has increased by 212% and the number of students receiving the award has increased by 103%. Although legislators recognize that the TOPS program has been linked to better academic preparation and increased persistence and graduation rates, the State has struggled to keep pace with the growth in cost of TOPS. In an effort to control spending on TOPS, thus also supporting its future sustainability, Act 18 of the 2016 Legislative Session established the 2016-17 award level as a base award amount that would not automatically increase with the cost of tuition. Any future changes in the award amount are now subject to an action of the Legislature. For the first time since the program's inception, in 2016-17, the State did not fund the TOPS program at 100%. The program was cut by more than \$84M. To address the potential loss of TOPS funding in times of budget shortfalls and to protect TOPS recipients from losing their awards, the Legislature passed Act 503 of 2016 which distributes any potential shortfall on a pro-rata basis to all TOPS recipients. This resulted in students being paid TOPS awards at 93.06% for the fall, 67.44% for the winter quarter, and 41.80% for the spring, the total annual payment was 67.43% of the 2016-2017 TOPS award.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

5.5 The Board of Regents recommends that the Louisiana Legislature amend Act 18 of the 2016 Regular Legislative Session so that the TOPS award amount is equal to the projected full award amount for the 2016-17 academic year.

Innovative Business Engagement

As highlighted in Chapter II, postsecondary education has been cut by over \$700 Million in General Fund Revenue over the last seven and a half years. All institutions have had to increase tuition in order to meet funding needs to continue to

provide access to and serve students, and several have faced serious cash flow issues between semesters and during the summer months. As mentioned, TOPS was not fully funded in 2016-17, and there could be challenges to identify the funds necessary to sustain the program for the foreseeable future.

As in times past, postsecondary education has developed public/private partnerships with business to maximize opportunities and leverage resources to meet the needs of education and industry. For example, several LCTCS colleges already have dedicated scholarships from chemical companies for PTEC students. The State's financial aid programs may provide another opportunity for companies to partner with the State to establish a dedicated source of funds to support state scholarship and grant programs.

In the private sector, "naming rights" are a form of paid advertising whereby an entity purchases the right to name a facility or event, typically for a defined period of time. They may be applicable for this type of matching or underwriting to support and sustain Louisiana's merit- and need-based financial aid programs. Although the details would have to be fleshed out, an appropriate company, based on its multi-year financial commitment, would retain the naming rights to a particular program. Examples could include: The XX TOPS Scholarship; The XX Go Grant; or The TOPS Scholarship Opportunity Award powered by XX.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

5.6 The Board of Regents recommends that the Louisiana Legislature establish a process and an opportunity for business and industry to underwrite, through the purchase of naming rights, the State's scholarship and grant programs (TOPS, Go Grant, etc.), to include: requirements for participation; definition of eligible and ineligible business types; duration of the naming cycle; etc.

College Success

It is critical that efforts are directed not only at increasing college *access*, but also at increasing student *success*. In fact, many would argue that it is questionable to target access and fail to address success: if there are gains in postsecondary enrollment but few students actually earn credentials, the odds of increased contributions to the State's economy are compromised and come at great cost to students, families, and the State.

Louisiana has made gains in college completion. In AY 2011-12, Louisiana's public postsecondary institutions produced 39,532 completers, and four years later (AY 2015-16), that number grew to 40,190—a 1.6 percent increase. While these numbers are moving in the right direction, the State will need to produce substantially more graduates to fill the workforce gap. Assuming that students are ready for college-level work and responsibilities, the postsecondary community, from open- to highly selective-admission institutions, must have supporting structures to address and diminish the challenges facing its students.

College Success Challenges

Postsecondary education leaders recognize that a major factor that can impact whether and how a student progresses through the education pipeline is the student services environment. Innovative student service models that include a "one-stop" approach can help students get on more effectively with the "everyday business" of being a student. The one-stop model relies heavily on co-located, cross-trained staff and thorough integration of traditional services such as registration, financial aid and billing under one roof, as well as intuitive online portals enabling efficient self-service. The ultimate goal of the one-stop is to empower students to get what they need when they need it, from a centralized, easily accessed resource, liberating institutions and their students from archaic inefficiencies that require travel across campus or phone calls to multiple offices to get a basic task completed. The Board of Regents applauds the colleges and universities that have fully implemented the one-stop model and encourages the remaining institutions to move in this direction.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

5.7 The Board of Regents urges institutions to develop/enhance a “one-stop” approach that combines student services across the institution (e.g., financial aid, registrar, student accounts, basic advising, etc.) to minimize student confusion and wasted time.

Timely Completion

“Time,” which includes both the student’s course load and how effectively they plan their courses, has also been identified as a major factor impacting student success. Earning 30 credit hours or more per year is mathematically essential to completing a 60-hour associate or 120-hour bachelor’s degree “on time,” i.e., within two years for the two-year degree or four years for the four-year degree. However, since 12 hours per semester is the norm for many students, and since the summer term is not nearly as heavily utilized as the fall and spring semesters, many students spend extra semesters or years in college to enroll in the classes that are needed for the major they eventually choose. BoR data indicate that first-time, full-time degree-seeking university students enrolled in at least 15 hours during their first term graduate in four years at more than twice the rate compared to students who enrolled in less than 15 hours that first term. Establishing an early pattern of completing 30 hours or more per year is clearly associated with graduating ‘on time’.

Not only does taking a full course load increase the likelihood that a student will graduate on time, Complete College America (CCA) has demonstrated that completing 15 credit hours per semester (or 30 per year) improves academic outcomes, reduces student loan debt, saves students money on tuition and improves their employment prospects and lifetime earnings by allowing graduates to enter the workforce sooner. However, one must recognize that taking the additional hours does not come without a cost to the college or university. In order to recover the cost, the institutions and their management boards would need the tuition authority cited in Recommendation 2.3.

Recognizing these benefits, in Fall 2016 the BoR applied for and was selected for CCA funding and support to implement a campaign to inform postsecondary students of the importance and benefits of completing at least 15 credit hours every semester - or at least 30 hours every year. The financial and technical support received from CCA will provide the State with the necessary resources to effectively implement its *Think 30 Louisiana* campaign. This campaign will educate students (and families) about all the benefits of timely completion.

Academic Pathways (Meta Majors)

Wandering through course catalogs in random directions comes at a high cost for students, postsecondary institutions, and the State through extra tuition costs, postponed opportunities, unknowns in course planning, increased needs for state appropriations and financial aid, and lost wages/taxes. Students who choose a major program of study in their first year are more likely to graduate on time, but many first-time students have, at most, only a general sense of their interests. As a result, many tend to spend extra semesters and years in college to complete the classes required for the major they eventually choose. Research has demonstrated that meta-majors – or foundation courses related to broad clusters of existing majors or specializations – can streamline the process of major selection by guiding students’ choices at the onset. As an example, a meta-major sequence in Natural Sciences would include the foundation course sequences for science majors as well as the other requirements in the General Education core. Undecided majors who know their general area of interest could have fewer un-counted courses and quicker completion by exploring the general subject matter through a meta-major, if the option were available to them.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

5.8 The Board of Regents recommends that, in cooperation with the management boards, Louisiana's public postsecondary institutions develop/strengthen plans for the designation and implementation of meta-majors to help undecided students make informed course choices and maximize their likelihood for timely completion. In addition, all public postsecondary institutions should provide degree maps, identifying course paths to graduation and guaranteeing access to critical courses.

Innovative Models to a Postsecondary Credential

The implementation of both academic and financial awards supporting structures as discussed previously will assist many students in their pursuit of a postsecondary credential; however, these structures may not benefit the non-traditional student. Postsecondary leaders must address the needs of the growing number of non-traditional students, including military veterans, dislocated workers, and adults with family and work obligations. For example, programs and course pathways should be available to experienced workers who return to the education system to learn new skills, advance in their current field or switch to another occupation. In addition, supporting structures should be available to recognize the accomplishments of students who have to stop out of college after completing a substantial portion of a credential. Competency-based Education (CBE) and Upper-level Undergraduate Certificates are two innovative models that states have implemented to support the non-traditional, experienced student.

Competency-based models are being explored as a low-cost alternative to a traditional postsecondary degree. Such programs are promising for the future of higher education because they establish clear expectations for what graduates must know and be able to do, and many models are self-paced. The emphasis on learning acquired rather than seat time is particularly important for adult and nontraditional learners who bring learning from their work and life experiences to higher education.

Upper-level Undergraduate Certificates (ULC) may also provide a pathway to support the non-traditional student en route to the bachelor's degree, particularly those students who stop/drop out as Juniors with 'some college, but no degree.' The Board of Regents is studying the feasibility of developing a *General Studies ULC* to recognize those that have accomplished at least 90 hours of college-level work, including a General Education Core plus a concentration of coursework in a general topical area. The certificate would be designed as an interim credential for students who have to stop out; it could not be pursued by entering students. Alternatively, a ULC could be in a specific content area in which the student completes a number of upper-level courses in a major. Nationally, several states and institutions have developed and successfully implemented the latter form of undergraduate certificates to acknowledge students who demonstrate competency in a subject area.

While Louisiana has successfully implemented 'stackable' credentials with multiple exit points en route to an associate degree, students at a university have minimal options for interim credentials if they do not complete the full bachelor's degree. Implementation of an upper-level undergraduate certificate in Louisiana may help recognize the upper level of academic achievement for students who specialize in a particular area or who, due to employment or life circumstances, are unable to complete graduation requirements without a break in education. Even if the Board of Regents and management board find the upper-level certificate feasible, campuses should not launch without input from business and industry advisors who can predict whether the credential would present value in workforce, while Regents continues to gauge the interest and potential value of the concept.

It is time to develop and implement innovative models that provide students with alternative pathways to the postsecondary credential. Such models are designed to recognize competencies acquired through experiences, allowing students to build on what they already know to obtain a postsecondary credential that aligns with the 21st Century workforce needs.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

5.9 The Board of Regents will work with the management boards and postsecondary institutions to study the feasibility of developing alternative pathways – competency-based education programs and the upper-level undergraduate certificate – for students who have military or other work experience: findings of the study should lead to proposals for such programs.

Chapter VI: Workforce and Career Readiness

Workforce and Career Readiness

The next, but not necessarily the final juncture along the education continuum is the transition into the workforce. Over the past few years, the State's economy has grown despite fluctuating oil prices. Workforce projections indicate that approximately 67,000 new and replacement jobs will need to be filled each year as the State's economy further develops. As this report documents, Louisiana is committed to a pipeline that encompasses the entire spectrum of education, from K-12 to skills training and certification through the baccalaureate and graduate degree with relevant cutting-edge research, innovation and commercialization, to align educational attainment to current and future jobs in areas of highest priority.

By 2020, approximately 53% of open jobs in Louisiana will require a career credential or college degree according to the Georgetown University Center on Education and Workforce (2013). It will take a comprehensive approach to address the challenges the State faces in meeting this expectation. Filling these college-trained jobs will prove challenging to Louisiana's undereducated adult population.

According to the National Center for Higher Education Management (NCHEMS), Louisiana ranks 49th in educational attainment with only 29.1% of working-aged residents, 25-64 years, possessing an associate's degree or higher. In order to reach the average educational attainment rate for southern states, Louisiana will need to increase the percentage of adults with some college from 29.1% to 46.6% by 2025, an increase of 148,277 credentials³.

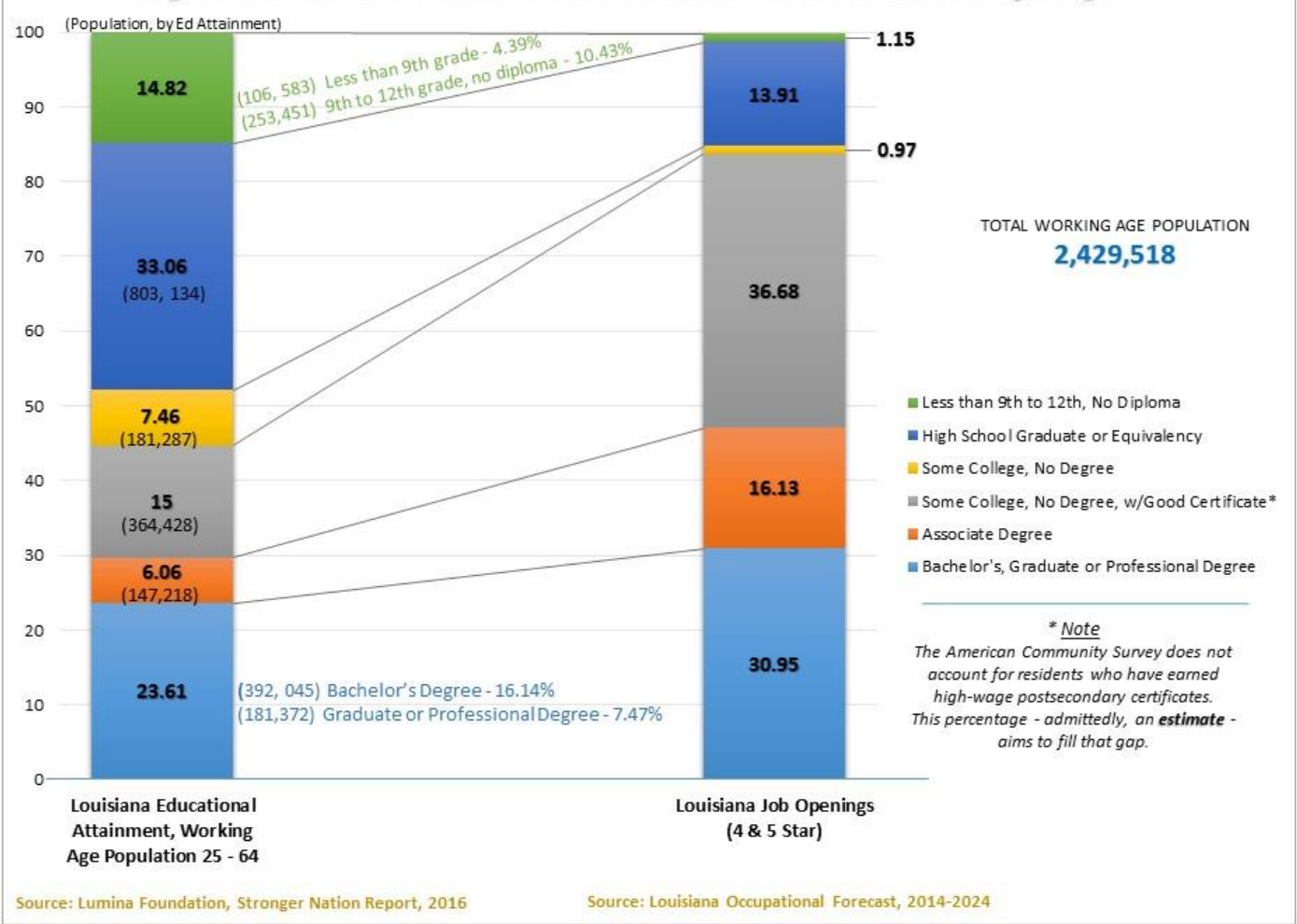
The Lumina Foundation maintains that other postsecondary credentials — including certificates and certifications — should count toward national and state goals for attainment, with one important caveat: they should be of high quality, defined as having clear and transparent learning outcomes leading to further education and employment. A 2016 Lumina study estimates that Louisiana's postsecondary attainment was 44.7%, including high-quality certifications. Lumina acknowledges that Louisiana's estimated certificate-attainment percentage may be overstated and needs further refinement. Louisiana looks forward to future work by Lumina in this regard. Overall, whether NCHEMS or Lumina estimates are used, the State's educational attainment projections still fall short of reaching the recommended rate by 2025 of producing sufficient individuals to fill the openings of good jobs in Louisiana. The mismatch in level of education to job openings is illustrated in figure 6.A below.

Essentially, 15% of good jobs (high demand and well paying) that will become available each year will require no formal education beyond a high school diploma or equivalency. Slightly more than half of the good jobs across Louisiana today and those that will become available each year require a community or technical college degree or other credential. Slightly more than 30% of good jobs in Louisiana requires a bachelor's degree or higher.

Postsecondary education must provide a highly skilled and well-trained workforce for Louisiana's existing businesses and equip the State with the human capital needed to attract new business and industry. Secondary and postsecondary education leaders must partner to strengthen the connections between the senior year of high school and the freshman year of college. Postsecondary leaders must advance strategies that minimize college seat-time to degree completion, and there must be an expectation that collaborative postsecondary education and business and industry public/private partnership efforts are necessary. A quality postsecondary education experience should be available, accessible and affordable to all the citizens of the State, from the recent high school graduate to the adult returning to receive training or a credential.

³ National Center for Higher Education Management Systems (NCHEMS) 2011.

Figure 6.A - Louisiana Educational Attainment vs. Louisiana Job Openings



For many adult students, multiple barriers exist that stymie engagement and completion. All means necessary must be employed to provide early exposure to valuable employment experience and award credit for the variety of experiences which military and veterans, working adults and re-engaged students bring or bring back to college. Previously referenced competency-based education, as well as work-based learning, targeted workforce-centered funding support, and flexible admissions criteria for adult students are ways to move the needle in this area.

According to R.S. 17:3217.1 C (1) LCTCS was created "In recognition of the critical importance and value of vocational and technical education in the implementation of initiatives, including college and career readiness, workforce development, adult learning, and workforce competitiveness...". In addition, Act 732 of the 2010 Regular Session of the Louisiana Legislature assigns the LCTCS Board of Supervisors the responsibility for adult basic education in Louisiana.

The Board of Regents is working with LCTCS and the other management systems, agency partners, business and industry, and other stakeholders to implement comprehensive workforce development and career readiness strategies across the State focused on regional workforce. The strategies will center on the alignment of programs to industry-defined regional workforce needs; and building enhanced pathways for citizens, into the best job opportunities available in the regions.

Existing assets and resources will be leveraged wherever they exist, but where they do not, the Board of Regents will assist regional stakeholders in building new assets to address the gaps. Industry engagement will focus on identifying

ways in which the education and workforce development systems can better contribute to the economic health of the State and its regions, rather than the solicitation of funds in the absence of a clear value proposition.

Workforce

Work-Based Learning (WBL)

One of the primary reasons students go to college is to increase their chances of getting a good job. However, it takes college graduates an average of three to six months to secure meaningful employment after earning a degree; and for early exiters without a credential, the time to obtain a job with a livable wage could be longer.

A solid career-seeking strategy and early exposure to work-based learning (WBL) opportunities are key components to making the school to work transition successful. Work-based learning has been referred to as “test driving a career.

These work-based experiences can take on different forms, including internships, co-ops, pre-apprenticeships, and registered apprenticeships.

WBL experiences can assist with narrowing career options, provide opportunities to network with potential employers, assist a struggling student decide on a major, or help to hone job skills directly relevant to future employment. WBL provides an outlet to gain early exposure to employment, allowing students to “earn while you learn.” Work-based learning programs currently exist through programs like JumpStart, On-the-Job-training, externships, LOSFA field outreach services, and WorkReady U.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

6.1 The Board of Regents will work with management boards and campuses and in concert with business and industry partners, to develop a plan that guides the creation and expansion of programs that connect students with work-based (employer-based) learning opportunities, including internships, co-ops, and apprenticeships. The plan will address, at a minimum: business partnerships, student eligibility, structure, access, delivery, costs, funding, documentation, and ways to determine the amount of employer engagement time needed to acquire the skills to succeed in real-world work environments.

6.2 The Board of Regents will work with LCTCS to develop a plan that guides the expansion of opportunities for adults who have basic skills deficiencies or lack a high school diploma or equivalent. Following a review of WorkReady U, the plan will address access, delivery, costs, and funding.

Increase degree and certificate production in high-demand fields at all levels

Increasing degree and certificate production in high-demand fields at all levels and narrowing the workforce gaps that stifle the State’s economic viability are shared goals of many agencies and entities throughout state government. For postsecondary education, guiding students into programs that will lead to productive employment is one focus, and partnering closely with business and industry to more appropriately align career and college programs to create seamless transitions is another.

To assess workforce supply, the Board of Regents maintains data on enrollments and completers in programs across the postsecondary system and has developed metrics summarizing employment outcomes through data sharing agreements with the LWC. LCTCS maintains data on enrollments and completers in credentials below the certificate level over which it has jurisdiction and has developed metrics summarizing employment outcomes for those completers through data sharing agreements with the LWC. However, while the types of businesses these program completers move into can be identified, there is not yet a Louisiana-specific link between instructional programs and specific occupations. As with the

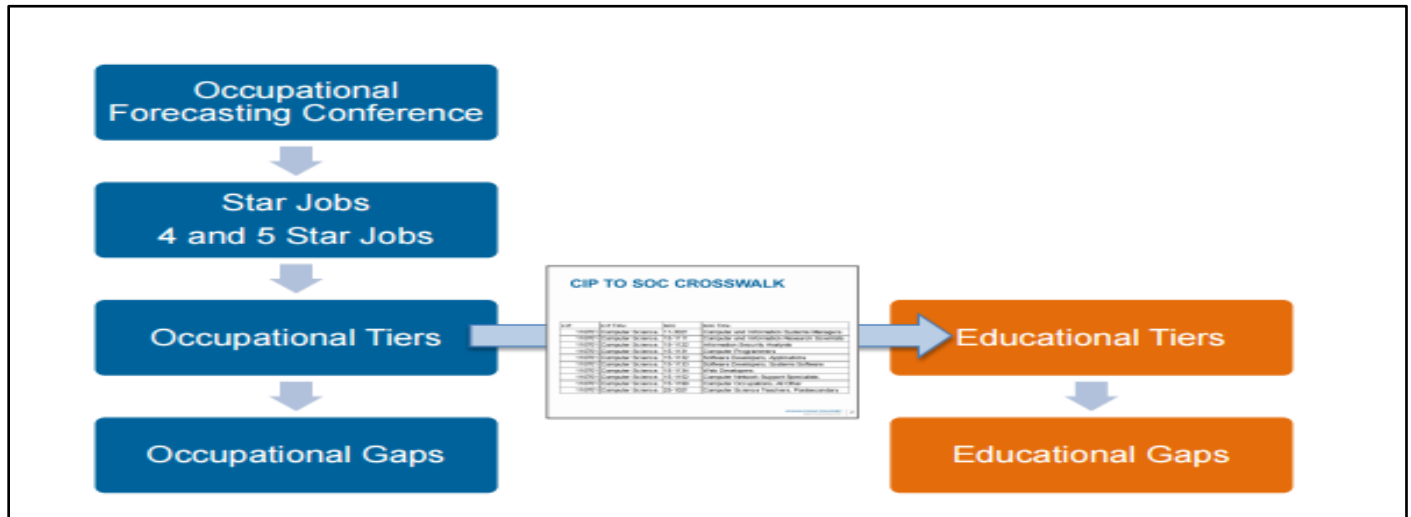
Lumina Foundation, the Board of Regents recognizes the importance of certificates of value (short-term certificates in high demand by Louisiana’s employers) offered by the State’s community and technical colleges. As cited in Chapter III, the Board of Regents and the LCTCS are committed to identifying and accounting for all certifications that are not currently included in the Board of Regents counts or acknowledged on the statewide CRIN.

The State’s occupational forecast projects short- and long-term *employer demand* for detailed occupations at the regional level. The improvements made to the occupational forecast over the last seven years have generated strong interest in using the forecast as a planning tool for education and training providers. However, the lack of a definitive guide linking instructional programs to occupations limits the ability to develop systematic benchmarks from the employment forecast.

The solution to these problems is in the development of a crosswalk between instructional programs and occupations. Instructional programs are tracked using the Classification of Instructional Programs (CIP) and occupations are tracked utilizing the Standard Occupational Classification (SOC) System, and the connection is commonly called a CIP-SOC crosswalk. The National Center for Education Statistics (NCES) publishes a CIP-SOC crosswalk, but it has limitations that prevent it from being actionable for policy planning purposes. Work is needed to develop a Louisiana-specific CIP-SOC crosswalk with a data-driven link between programs and occupations accounting for the likelihood of an easy job match.

There is a need for Regents to partner with LCTCS, LSU’s Economic Research group -- which provides support for the Louisiana Occupational Forecast -- and LWC to develop a methodology for using existing occupational data to produce a reliable crosswalk as well as a mechanism for keeping it updated and relevant. Using the CIP-SOC crosswalk, a workforce gap analysis report would be developed to compare projected workforce demand and workforce supply, given recent completions trends and current enrollment by program.

Figure 6.C: Classification of Instructional Programs (CIP) and the Standard Occupational Classification (SOC) Flowchart



(Source: Louisiana Economic Development)

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

6.3 The Board of Regents will, in collaboration with workforce agency partners, initiate and support the creation of a CIP - SOC Crosswalk and a comprehensive workforce gap analysis based on the CIP - SOC Crosswalk to determine appropriate education to workforce alignment and increase degree and certificate production in high-demand fields.

Enhancing Adult Workforce Engagement

Addressing the education and skills gaps of the workforce is critical. Louisiana is one of the richest states in cultural and natural resources, yet its performance lags in almost every critical category. The following are some very daunting demographics of the Louisiana emerging workforce:

- Louisiana ranks 49th in K-12 academic achievement; and its improving high school graduation rate of 72.3%, falls below the national average of 80%.
- One in four children in Louisiana is born in poverty.
- Louisiana is noted as the worst state in the union in pay equity.
- Louisiana has one of the nation's highest adult illiteracy rates.
- Louisiana ranks 38th in the country in terms of the employment rate of people with disabilities.

Louisiana recognizes that for many low-skilled and disadvantaged youth and adults, improved economic opportunity depends on their ability to access education and training necessary to prepare them for college and career success. Postsecondary education, in particular a degree or industry-recognized credential related to in-demand jobs, is the primary determinant of lifetime earnings. Incorporating Registered Apprenticeship and other WBL opportunities into service design and delivery is one way to address the middle skill jobs that account for over half of Louisiana's labor market, and it likewise addresses the need to focus on in-demand occupations and recognized credentials.

LCTCS operates the WorkReady U program, a comprehensive adult education system that focuses on providing pathways for undereducated adults to earn their high school equivalency and increasing access for undereducated adults to earn college credentials and IBCs. WorkReady U providers are located throughout the State, and adult engagement strategies must be incorporated into the regional alignment plans that address high-priority workforce gaps.

Regional Alignment to High-Priority Workforce Gaps

Alignment of education and workforce is essential. When the education and workforce development system is poorly aligned to the needs of the State and employers, many top graduates leave the State to find employment in their chosen field and employers cannot find the employees they need. These prospects reduce the level of educational attainment in the State and prevent the state from recouping its educational investment in the form of tax revenues and other social benefits of retaining its strongest students.

Furthermore, poor alignment of the system to the State's and employers' needs impedes the ability of economic driver industries to grow to their maximum potential, which in turn impedes growth in many other industries dependent on the economic drivers. Small- to medium-sized businesses are often disproportionately impacted due to greater difficulty in recruiting workers from out of state and/or sustaining in-house training capabilities.

Conversely, when the system is well aligned to the needs of employers, a positive cycle of economic growth and employment opportunity results. (See Figure 6.D.)

Figure 6.D: The Cycle of Economic Growth and Expansion (Source: Louisiana Economic Development)



To enable effective alignment, the Board of Regents and its partners will engage at the regional level to support a well-balanced labor market with efficient connections among learners, workers, employers, and education providers. Specific strategies include the development of robust regional workforce supply-demand gap analyses; the mapping of needs to existing education, training, outreach and funding resources; and the development of plans to filling the remaining gaps.

The Board of Regents will partner with Louisiana Economic Development (LED), the Louisiana Workforce Commission (LWC), the Louisiana Department of Education (LDE) and representatives of business and industry to maximize employment in Louisiana and the State's potential for economic growth. This partnership will continuously improve the education and workforce preparation system to expand economic opportunities for citizens, increase state revenues; improve the State's competitive position nationally and globally; and support a cycle of sustained business growth and investment.

Additionally, to meet the current and forecasted educational demand to ensure that the State's public postsecondary education system is operating in a comprehensive, efficient, cost-effective, and integrated manner, collaboration at the State and regional levels is prioritized. Through this collaboration, determining how to efficiently and cost-effectively close the gaps to deliver comprehensive postsecondary education and training by region in order to meet the forecasted educational demand will be more easily realized.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

6.4 The Board of Regents will work with agency partners and representatives of business and industry to create a clear and measurable value proposition for industry partners through the enhancement of workforce pipelines and related drivers of economic growth. The partners will engage with management boards and campuses, K-12 education, service providers for adult learners, workforce development boards, regional and local economic development entities, and other stakeholders to build regionally-based strategies to identify critical workforce gaps, create asset maps, and implement plans to fill the gaps.

Targeted Workforce-Centered Funding Support

The Workforce & Innovation for a Stronger Economy (WISE) Fund and the WISE Council were created by Act 803 of the 2014 Regular Session of the Louisiana Legislature. The purpose of the initiative was to enhance degree and certificate production and research priorities in high-demand fields through programs offered by the State's public postsecondary education institutions to meet Louisiana's current and future workforce goals. Business and industry partnership and engagement were necessary to ensure that the programmatic thrusts advanced by the State's public college and universities met the needs of business. Thus, companies were vested by pledging at least a 20% match. Although colleges produced measurable results based on the commitment of WISE funds, the long-term desired outcome was unobtainable since regular funding never materialized. It was subsidized through varied means of financing, some of which came with restrictions that made it challenging, and in some cases impossible, for campuses to utilize the funds.

Once funding for WISE was cut, the Board of Regents incorporated the best principles of the WISE initiative into its outcomes-based funding formula. However, it remains critically important to locate a source of ongoing support for not-for-credit workforce programs that are not included in the funding formula. A dedicated funding stream that includes ongoing operational support for such programs will enhance colleges' ability to fulfill their mission of building pathways into the best jobs in Louisiana for all citizens while significantly expanding workforce pipelines available to employers.

This fund will also provide an opportunity for employers to channel investments through an entity specifically intended to support their highest-priority workforce needs. Employers can continue to partner with public institutions, programmatically and financially: programmatically, to ensure that college programs have the competencies and skills necessary to address business needs; and financially, to leverage and target their investment in postsecondary education

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

6.5 The Board of Regents strongly encourages public postsecondary institutions to partner and engage with business and industry to provide a technically-trained and highly-competent workforce. The Board of Regents encourages the Legislature to allocate additional resources to a dedicated fund to meet the highest priority workforce needs of the State. The Board of Regents will develop a mechanism outside of its outcomes-based funding formula specifically for business and industry to contribute to this workforce-centered fund, leveraging their investment in postsecondary education to strengthen and grow the State's economy.

Career Readiness

Continued support and priority can help the State develop the skilled workforce it needs and provide its citizens, particularly its youth, unemployed and underemployed, with the career opportunities they deserve. Louisiana's economic strength will depend on its ability to train and prepare skilled workers for the jobs of today and tomorrow. With a shrinking labor pool, businesses will be competing more than ever for skilled workers.

A significant proportion of all job openings will be middle-skills jobs, which require more than a high school education but less than a four-year degree. Citizens can be prepared for these jobs with funding for new or existing programs that provide job seekers with increased access to postsecondary training/education and basic skills training.

Career Pathways

In partnership with K-12 and workforce agencies, postsecondary education should continue to develop, implement and fine tune bridge programs and engage business and industry to define career pathways and skill crosswalks.

Educational and skill attainment are the cornerstones of a readied workforce. To continue to raise the State's economic trajectory, all populations must be fully engaged to the maximum extent possible: un- and under-skilled adults, people

with disabilities, returning veterans, ex-offenders, and others. Maximizing engagement may require supporting flexible scheduling and delivery models that allow students to work and learn simultaneously, further modifying the funding formula and accountability metrics to reward institutions for meeting the needs of these students in the least time and at the lowest cost possible, and creating dedicated and customized programs to address the needs of targeted populations (e.g., through outreach, mentoring, career coaching/counseling, and financial options). To be most effective in career preparation, the postsecondary education enterprise must partner closely with business and industry to align career and college programs, creating seamless transitions through high school, all levels of college, and into job placement.

Outreach and Marketing

For years, career and technical education (CTE) programs have been stigmatized, though many CTE programs lead to high-wage, high-demand occupations. Understanding that the State was battling this misconception, a contingent of business and industry partners came together, established and funded Louisiana Calling. This private non-profit is organized to address the State's workforce gaps by rebranding and marketing high-value CTE programs. According to Louisiana Calling, there is a general lack of awareness statewide about the availability of good jobs, the lifestyles associated with those jobs and the pathway(s) available to become qualified for those jobs. Many entities are providing outreach and career coaching and counseling to students and parents about the opportunities available through career and training programs offered by Louisiana institutions. The Board of Regents believes that a coordinated and prioritized effort to promote the value of programs that lead to good jobs in the State is worthwhile.

SENIOR STAFF PROPOSAL FOR BOARD REVIEW AND CONSIDERATION

6.6 The Board of Regents recommends that the Board of Elementary and Secondary Education (BESE) and the Louisiana Department of Education (LDE) prioritize career coaching and counseling that successfully communicate to high school students (and their families) the connection between postsecondary education and current and future jobs. The Board of Regents will support legislation to provide funding to implement a comprehensive career coaching strategy for Louisiana.

6.7 The Board of Regents will work with partner entities, like Louisiana Calling, to successfully communicate to adult learners the correlation between secondary/postsecondary educational attainment and wage earnings.

PART III: SUMMARY OF RECOMMENDATIONS

ACT 619 of the 2016 Regular Session of the Louisiana Legislature (ACT 619) acknowledges that the landscape of postsecondary education in Louisiana has changed and continues to change in order to meet the challenges and needs of the various constituencies' moving forward in the next five years.

This report provides a review of the present postsecondary education system and offers recommendations for optimal delivery of postsecondary education in the future that will meet the needs of the State's citizens and industries, while maximizing the State's and regional resources. While this report strives to provide a comprehensive analysis and recommendations, one must recognize that postsecondary education is dynamic in nature and will require continuous analysis and assessment to ensure that the delivery of services and educational options for students remain as efficient and integrated as possible. The recommendations by chapter appear below.

TABLE 6.1 RECOMMENDATIONS

CHAPTER 1: Governance and Structure

1.1 The Board of Regents recommends that the Boards of Supervisors of the LSU System, SU System, LCTC System and UL System develop centralization plans for consideration by the Board of Regents. These plans should review current centralization efforts and examine potential efficiencies for further centralizing administrative functions, including, but not limited to: purchasing, payroll, financial aid, maintenance and operations, human resources and other administrative functions performed on individual campuses. The plans should include the short-term and long-term costs of implementation and the potential short-term and long-term savings from such centralization. The plans must be submitted to the Board of Regents no later than January 1, 2018 for review and action, with a goal of implementation by 2020.

1.2 The Board of Regents recommends that the Boards of Supervisors of the LSU System, SU System, LCTC System and UL System develop cooperative unification plans, in collaboration with appropriate regional stakeholders, for institutions within each of the Eight Louisiana Regional Labor Market Areas and for institutions in proximity between contiguous regions. These plans must be submitted to the Board of Regents for consideration and include, at a minimum, potential efficiencies by unifying functions and processes, including, but not limited to, academic and technical offerings, identification of regional workforce and economic needs, student services, research, purchasing, food services, and security. In addition, the plans should examine the short-term and long-term costs and savings from such unification. The plans will be submitted to the Board of Regents no later than January 1, 2018, for review and action, with a goal of implementation by 2020.

CHAPTER 2: Finance and Facilities

2.1 The Board of Regents recommends that the Louisiana Legislature remove all statutory dedications, thus allowing postsecondary education to compete for state appropriations on a more-level playing field.

2.2 If the Legislature is unable to support removal of statutory dedications, the Board of Regents recommends that the Louisiana Legislature support passage of a constitutional amendment creating a funding floor for postsecondary education appropriations indexed annually to the Higher Education Price Index (HEPI).

2.3 The Board of Regents recommends that the Louisiana Legislature remove the sunset on Act 377 of 2015 to allow for fee autonomy.

2.4 The Board of Regents recommends that the Louisiana Legislature provide the management boards authority for limited tuition increases (including differential tuition) without requiring further legislative approval. Authority to reduce tuition and fees does not require legislative action.

2.5 The Board of Regents recommends that the Louisiana Legislature utilize the existing constitutional state property taxing authority (Article VII, Section 19) to support public postsecondary education.

2.6 The Board of Regents recommends that the Louisiana Legislature recognize and give priority to the severity and urgency of the deferred maintenance needs of postsecondary education and heed the requests of the Board of Regents and the management boards for annual appropriations to address these needs, as they worsen on an annual basis.

2.7 The Board of Regents recommends, in addition to the current status of the campus's instructional space utilization already required, that the management boards submit plans to improve space utilization as part of an institution's request for funding new capital outlay construction or renovations.

2.8 The Board of Regents recommends that the management boards submit, on a biennial basis, a report which identifies unused or underused space that could be reallocated to other governmental agencies and entities such as local non-profit organizations, and document attempts to accomplish such arrangements.

CHAPTER 3: Faculty, Innovation and Academic Programs

3.1 The Board of Regents will investigate statewide and campus-based incentives to assist in recruitment and retention of productive faculty members, including use of State-matched faculty endowments for start-up and ongoing professional support packages, grant programs to assist researchers in becoming consistently competitive for federal research and development dollars, and opportunities for entrepreneurial faculty to pursue commercialization and technology transfer activities.

3.2 The Board of Regents recommends that the Louisiana Legislature fund a plan to bring faculty salaries to the Southern Regional Average.

3.3 The Board of Regents will, beginning in FY 2017-18, align the constitutionally-dedicated Support Fund and its competitive programs with the goals and priorities of the State, Board of Regents, systems, and campuses. Eligibility for funding will be limited to those academic areas reflecting existing and/or potential excellence and strongly associated with research, educational, and workforce emphases.

3.4 The Board of Regents will continue to promote and facilitate research resource sharing among campuses and systems to ensure faculty and students have access to cutting-edge equipment and facilities, as well as assistance with intellectual property development and commercialization.

3.5 The Board of Regents will incentivize campuses to pursue research and development activities that contribute directly to economic development in Louisiana, in partnership with Louisiana Economic Development, Louisiana Innovation Council, and other stakeholders.

3.6 The Board of Regents will complete its statewide program/low-completer review in Spring 2017 and will re-evaluate the thresholds in 2018 to assess their appropriateness.

3.7 The Board of Regents will continue to restrict approval of additional doctoral programs outside the Flagship and statewide institutions except under exceptional circumstances related to the university's mission, area strength, and regional support. Existing and proposed graduate degree programs at all levels will continue to be closely scrutinized for the same factors, and new doctorates at regional universities will be restricted to 'professional/practice doctorate' fields.

3.8. The Board of Regents will investigate incentives to reward institutions for engaging in exceptional collaborative program delivery. There is much to be gained if the delivery and business models can be changed in such a way as to both increase revenues (by increasing student numbers) and sharing some of the costs (reducing the marginal cost of serving students).

CHAPTER 4: College and Career Preparation

4.1 The Board of Regents will examine existing state funding for dual enrollment, in collaboration with BESE and the LDE, including TOPS Tech Early Start and Supplemental Course Allocation, to develop policy or recommend changes to ensure availability of opportunities for eligible high school students to earn up to one year of college credit through dual enrollment agreements.

4.2 The Board of Regents will develop statewide guidelines and adopt appropriate policies for Dual Enrollment that addresses: access and eligibility, faculty qualifications, rigor and delivery, cost and funding and will restrict dual enrollment for high school students who demonstrate a need for developmental services.

4.3 The Board Regents recommends that the Louisiana Department of Education use all means necessary to provide college-bound students demonstrating developmental needs the opportunity to remediate those deficiencies prior to high school graduation.

4.4 The Board of Regents will revise the BoR Minimum Admission Standards and Placement Policy 2.18 to address when remedial needs must be met: requiring that university students complete co-requisite math/English courses in the first semester of enrollment or as soon as practical, and that provisionally admitted students achieve a placement score that qualifies them for regular admission or return later as transfers.

CHAPTER 5: College Access and Success

5.1 The Board of Regents recommends that the Louisiana Legislature increase the appropriation for the Go Grant program by \$35 million 2017-18.

5.2 The Board of Regents will study the unmet need among non-traditional adults as well as the feasibility of developing an alternative grant program targeting needy non-traditional adult students, who are ineligible for Go Grant assistance.

5.3 The Board of Regents recommends that the Louisiana Legislature appropriate funds for a need-based grant program that requires a campus match.

5.4 The Board of Regents, in cooperation with LOUIS: The Louisiana Library Network, and the Regents' eLearning Task Force will develop a statewide plan for the utilization of Open Educational Resources (OER) throughout postsecondary education. The Affordable Learning Louisiana Plan will build on current efforts related to eTextbooks, eLearning and related technologies designed to significantly lower costs of course materials for students while enriching the educational experience. The plan will be submitted to the Board of Regents for review no later than October 1, 2017.

5.5 The Board of Regents recommends that the Louisiana Legislature amend Act 18 of the 2016 Regular Legislative Session so that the TOPS award amount is equal to the projected full award amount for the 2016-17 academic year.

5.6 The Board of Regents recommends that the Louisiana Legislature establish a process and an opportunity for business and industry to underwrite, through the purchase of naming rights, the State's scholarship and grant programs (TOPS, Go Grant, etc.), to include: requirements for participation; definition of eligible and ineligible business types; duration of the naming cycle; etc.

5.7 The Board of Regents urges institutions to develop/enhance a "one-stop" approach that combines student services across the institution (e.g., financial aid, registrar, student accounts, basic advising, etc.) to minimize student confusion and wasted time.

5.8 The Board of Regents recommends that, in cooperation with the management boards, Louisiana's public postsecondary institutions develop/strengthen plans for the designation and implementation of meta-majors to help undecided students make informed course choices and maximize their likelihood for timely completion. In addition, all public postsecondary institutions should provide degree maps, identifying course paths to graduation and guaranteeing access to critical courses.

5.9 The Board of Regents will work with the management boards and postsecondary institutions to study the feasibility of developing alternative pathways – competency-based education programs and the upper-level undergraduate certificate – for students who have military or other work experience: findings of the study should lead to proposals for such programs.

CHAPTER 6: Workforce and Career Readiness

6.1 The Board of Regents will work with management boards and campuses and in concert with business and industry partners, to develop a plan that guides the creation and expansion of programs that connect students with work-based (employer-based) learning opportunities, including internships, co-ops, and apprenticeships. The plan will address, at a minimum: business partnerships, student eligibility, structure, access, delivery, costs, funding, documentation, and ways to determine the amount of employer engagement time needed to acquire the skills to succeed in real-world work environments.

6.2 The Board of Regents will work with LCTCS to develop a plan that guides the expansion of opportunities for adults who have basic skills deficiencies or lack a high school diploma or equivalent. Following a review of WorkReady U, the plan will address access, delivery, costs, and funding.

6.3 The Board of Regents will, in collaboration with workforce agency partners, initiate and support the creation of a CIP - SOC Crosswalk and a comprehensive workforce gap analysis based on the CIP - SOC Crosswalk to determine appropriate education to workforce alignment and increase degree and certificate production in high-demand fields.

6.4 The Board of Regents will work with agency partners and representatives of business and industry to create a clear and measurable value proposition for industry partners through the enhancement of workforce pipelines and related drivers of economic growth. The partners will engage with management boards and campuses, K-12 education, service providers for adult learners, workforce development boards, regional and local economic development entities, and other stakeholders to build regionally-based strategies to identify critical workforce gaps, create asset maps, and implement plans to fill the gaps.

6.5 The Board of Regents strongly encourages public postsecondary institutions to partner and engage with business and industry to provide a technically-trained and highly-competent workforce. The Board of Regents encourages the Legislature to allocate additional resources to a dedicated fund to meet the highest priority workforce needs of the State. The Board of Regents will develop a mechanism outside of its outcomes-based funding formula specifically for business and industry to contribute to this workforce-centered fund, leveraging their investment in postsecondary education to strengthen and grow the State's economy.

6.6 The Board of Regents recommends that the Board of Elementary and Secondary Education (BESE) and the Louisiana Department of Education (LDE) prioritize career coaching and counseling that successfully communicate to high school students (and their families) the connection between postsecondary education and current and future jobs. The Board of Regents will support legislation to provide funding to implement a comprehensive career coaching strategy for Louisiana.

6.7 The Board of Regents will work with partner entities, like Louisiana Calling, to successfully communicate to adult learners the correlation between secondary/postsecondary educational attainment and wage earnings.