

Pat A. Strong
Chair

Artis L. Terrell, Jr.
Vice Chair

Robert W. Levy
Secretary

Sally Clausen
Commissioner of
Higher Education



Scott O. Brame
Robert J. Bruno
Richard E. D'Aquin
Maurice C. Durbin
Donna G. Klein
Ingrid T. Labat
W. Clinton Rasberry, Jr.
Mary Ellen Roy
Victor T. Stelly
Harold M. Stokes
Roland M. Toups
Joseph C. Wiley
Jamey Arnette, Student

BOARD OF REGENTS

P. O. Box 3677

Baton Rouge, LA 70821-3677

Phone (225) 342-4253, FAX (225) 342-9318

www.regents.state.la.us

Date: November 18, 2008

Contact: Meg Casper
meg.casper@la.gov

Commissioner Calls for More Performance and Accountability

BATON ROUGE, La. –Louisiana must increase the number of degrees and certificates it awards if it wants to be nationally and globally competitive. One way to achieve that goal, according to higher education leaders, is with a performance-based funding model. The new formula, included in the Board of Regents budget request to the Division of Administration, provides incentives to campuses for producing more graduates with degrees and certificates, not just enrolling more students.

“The United States has long been the world’s most prosperous nation, in part because our people have been the best educated,” said Commissioner of Higher Education Sally Clausen. “Today, our country ranks 10th among industrialized nations in the number of adults aged 25 to 34 years old with a college degree. We are losing ground to well-financed countries that are determined to have the best educated workforce.”

Chairman of the Board of Regents Pat Strong agreed. “Today, it’s not only about educating the best and brightest, it’s about educating the most. Our state and nation cannot meet the competition without dramatically expanding college access and increasing the success of all of our students.”

“Louisiana has gained some ground in the past 12 years,” noted Board of Regents member and former Chairman Roland Toups. “The timing is ripe for new emphasis on funding results and not just enrollment. It is not about how many students enroll in our colleges and universities, it is about how many graduate.”

Guided by national experts, all four system presidents have been working collaboratively with Commissioner Clausen in creating the performance-based funding formula for higher education. The new formula rewards campuses for increasing the number of degrees and certificates awarded, focusing on workforce development and successfully competing for external research grants. It also more accurately captures the true cost of educating students by taking into account the particular discipline and level of students enrolled at an individual campus.

PAGE 2-Funding Formula

“The Louisiana Community and Technical College System (LCTCS) is supportive of the redesigned funding formula that will greatly enhance economic development efforts in the State of Louisiana,” said LCTCS President Joe May. “We believe the modifications will address significant issues and help increase the capacity of community and technical colleges to meet the needs of the state’s workforce by ensuring that we support programs and services that align with business and industry needs. We also applaud Regents’ efforts of including performance based funding methods.”

“The new higher education funding formula rewards those institutions that make good on the public’s investment. And as a system that has led in the effort to increase academic quality and address workforce demands over the years, we wholeheartedly support funding that is tied to performance. Driving student success and doing our part to increase Louisiana’s economic vitality go to the heart of our mission at the UL System, and we look forward to working with our colleagues in the effort,” University of Louisiana System President Randy Moffett said.

The Division of Administration requires all state budgets be submitted by November 1st, so the Board of Regents has submitted a preliminary figure of \$116 million in new state dollars to fund the performance-based formula. During the first year of implementation, the formula does not contemplate a reduction in funding for any campuses. Additional funding will reflect success in producing more graduates, meeting workforce needs, attracting more federal research dollars, realizing growth in enrollment and the high-cost of some programs.

“This formula will require a significant investment from the state, but the timing is right to focus on accountability and transformational change in Louisiana. This formula allows us to reward results, not just enrollment. Institutions that accept the challenge of producing more graduates, attracting federal research activity, and increasing enrollment in high demand areas will provide Louisiana’s taxpayers with a significant return on their investment,” Clausen said.

In the coming weeks and months Clausen says she and the system presidents will continue to work collaboratively with the administration, legislators, and the Board of Regents to address more specifically the actual cost of the funding formula and how to phase in the performance measures over time if necessitated by the state’s financial situation.

###