

Goal #2: Reset Higher Education for Excellence

The Problem

Recent reductions in state postsecondary education spending combined with the continuing threat of further reductions puts the basic integrity of Louisiana's higher education enterprise at risk. Louisiana has cut general state support for higher education more than any other state¹.

These cuts are especially worrisome given the economic expansion occurring in Louisiana today that includes an unprecedented level (over \$100 billion) of planned new business and industry investment. Louisiana needs a growing workforce of better educated and better trained citizens to support this economic expansion ... and Louisiana's residents deserve an opportunity to pursue the education and training to prepare them to fill the wide array of high-quality jobs opening up across the state.

Unfortunately, the deep cuts to higher education in recent years are tempting Louisiana leaders to lower admission standards to instantly create new paying customers for some campuses. This is a mistake (albeit a well-intentioned one) that could begin to reverse student performance gains and expose unprepared students with academic failure and burdensome student loan debts.

Instead, we need to provide our four-year universities with greater control over their revenues and their expenses, and we need to strengthen the ability of Louisiana's Community and Technical Colleges (LCTCS) to deliver qualified applicants to fill the vast majority of the approximately 14,000 tier one jobs² that will be available each year in Louisiana — because most of these jobs do not require a four-year degree.

THE BLUEPRINT for higher education excellence:

1. **Preserve Higher Admission Standards** — Raising admission standards has improved higher education outcomes in the form of improving graduation rates. Institutions should not retreat from these standards, and in fact, should continue to explore the possibility of increasing admission standards at the flagship, statewide and regional universities.
2. **Reform TOPS** — Eliminate the requirement that our Taylor Opportunity Scholarship (TOPS) grants automatically cover the full cost of university tuition and create an equitable TOPS benefit for community and technical college students.
3. **Greater Cost and Revenue Control** — Allow our higher education systems broad control over procurement, risk management, pension and other mandated costs, with savings retained at each institution used to reinvest in academic and student support. Also, provide greater autonomy for management boards to set tuition and fee rates.
4. **Right Size Higher Ed Programs and Campuses** — Establish a process that empowers higher education systems to consolidate and/or realign programs and campuses and retain savings achieved to strengthen their right-sized campuses and programs.

¹ Moody's Investors Service, U.S. Higher Education Sector Comment, February 18, 2015

² Gap analysis provided by Louisiana Economic Development and Louisiana Workforce Commission