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## **Regents Approves Budgets**

BATON ROUGE, La – The Board of Regents approved the current year operating budgets for all higher education institutions, as required by law, after holding a series of budget hearings earlier this week.

“The budget for higher education in Louisiana has become a very important topic for the past several years as state revenues have declined,” said Board of Regents Chairman Bob Levy. “These hearings allow us to understand each system’s unique budget realities and strategies.”

“It’s important for our board to see the steps being taken by our system and campus leaders to address the continued budget challenges facing higher education,” said Commissioner of Higher Education Jim Purcell. “There has been significant effort to do things differently.”

The Legislative Fiscal Office, which provides independent guidance to both the House of Representatives and the Senate, presented a statewide budget picture to Regents in advance of individual system/campus updates. While still very cautious about the state’s financial outlook, staff reminded Regents that this year’s Legislative Session will focus on fiscal issues, including tax breaks, which could impact the bottom line for higher education.”

According to the Legislative Fiscal Office the higher education state general fund budget and the Minimum Foundation Program (MFP), which funds K-12 education, represent 55% of overall state general funds in the FY 13 budget. However, the MFP is considered non-discretionary since it is mandated constitutionally resulting in significant cuts to higher education and health care when budget reductions are required. For FY 12-13 the total higher education budget is \$2.9 billion.

“The cultural shift that is necessary-- including working in a more centralized system, delivering more coursework online and having our two-year campus on our four-year campus is not easy, especially at the speed in which we are changing,” said Southern System President Ron Mason. “However, if we pull this off, we hope to be a model for the nation.”

“Many departments that should have been consolidated long ago didn’t for a number of reasons,” said Interim Louisiana State University System President William Jenkins. “But those reasons have dissipated now because the budget situation has become critical. These things take time and we are out of time.”

Jenkins also reports that Louisiana State University and A&M College has achieved several GRAD Act autonomies in the area of facilities and investments and the system is hopeful that solid savings and efficiencies will be realized as a result.