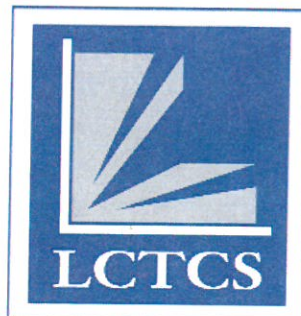


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LCTCS BOARD OF SUPERVISORS

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

**LOUISIANA COMMUNITY
& TECHNICAL COLLEGE SYSTEM**



January 2018

Introduction

Act 619 of the 2016 Regular Session of the Louisiana Legislature (Act 619) states the Board of Regents “shall conduct a comprehensive review of the present postsecondary education system in the state and recommend the 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 resources.” The Board of Regents adopted a response to Act 619 at its meeting on February 24, 2017. In March of 2017, Higher Education Commissioner Joseph Rallo requested that each management board respond to two items within the Regents’ response by January 2018:

Item 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.

Item 1.2: The Board of Regents recommends that 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.

Response to Item 1.1: Centralization within the LCTCS

Prior to the creation of the Louisiana Community and Technical College System (LCTCS) on July 1, 1999, forty-four vocational-technical campuses existed under the supervision of the Board of Elementary and Secondary Education (BESE), five community colleges managed by the University of Louisiana Board of Supervisors, and one community college jointly managed by the Louisiana State University and Southern University Boards of Supervisors. Consequently, this structure did not lend itself to much coordination among any of these campuses as each operated independently from one another, each with its own administrative function and delivery of instructional program offerings.

The creation of the LCTCS created a framework by which all vocational-technical campuses and most existing community colleges (less LSU-E and SU-S) in Louisiana were brought under the management of one board, the LCTCS Board of Supervisors.

1999



- Eight Regions
- Avg. of 5 Admin. positions per location
- Duplication of efforts



What became abundantly clear is that there existed differences in the levels and types of services provided at colleges given the various sizes of institutions and available resources. Action was needed to provide more services at a consistent quality level while still allowing the high performing institutions to innovate. As early as 2000, the LCTCS Board began exploring ways to provide centralized enterprise services.

- 2001, the Board established an internal audit department which took the place of various “compliance” officers located at some colleges thereby providing direct accountability to the board and not to colleges.
- 2002 to 2003, due to varying accounting and HR/Payroll operating systems at LCTCS colleges, the LCTCS launched the implementation of centralized systems for all LCTCS colleges, many of which did not have such systems needed for financial budgeting and reporting as required by the National Association of College and University Business Officers (NACUBO). All LCTCS colleges, except for Baton Rouge Community College (BRCC), Delgado Community College (Delgado) and Bossier Parish Community College (BPCC), migrated to this centralized system. The benefit of this action was realized in 2005 when Nunez Community College (Nunez) and SOWELA Technical Community College (SOWELA) were decimated by Hurricanes Katrina and Rita. The off-site, centralized system allowed these colleges to continue operations uninterrupted.

- 2003, two of the stronger technical campuses became technical community colleges- Fletcher Technical Community College (FTCC) and SOWELA.
- 2005, all forty-two technical college campuses were realigned into regional colleges collapsing the state central administration and the administrative offices of each campus into eight regional college operations. At this point, the LCTCS was comprised of seventeen separately accredited institutions including, eight regional technical colleges, seven community colleges, and two technical community colleges.
- 2009-2016, during this period, LCTCS colleges experienced a reduction in state funds of about \$80 million while more than doubling the tuition rate. This period represented a significant shift in the funding model for colleges that resulted in structural changes, enterprise services and efficiency efforts, and a range of college operational changes.
- 2010-2013 realignments
 - 2010, technical college campuses merged in the New Orleans region with Delgado
 - 2011, established the Northshore Technical Community College (NTCC) from former technical college campuses located in the Florida parishes region
 - 2012, merged campuses of Acadiana Technical College with South Louisiana Community College (SLCC); merged campuses of Northeast Louisiana Technical College with Louisiana Delta Community College (Delta); transitioned technical college campuses to Central Louisiana Technical Community College (CLTCC)
 - 2013, merged campuses of the Capital Area Technical College with BRCC
- 2010, Louisiana legislator gave responsibility to the LCTCS to administer adult basic education for the state of Louisiana.
- 2011-2013, centralized student and staff accounts: All LCTCS colleges and board office began migrating into one instance of the Ellucian Banner enterprise resource program:
 - Summer 2011—Accounting module
 - Summer 2012—Human Resources/Centralized Payroll
 - Summer 2013—Student Enrollment
 - The implementation of these modules provided an integrated database for all LCTCS colleges regarding all financial, human resources/payroll and student enrollment data. Students are easily able to cross enroll across colleges given that there is one student record created for each student with all credentials, courses and other student records held in one repository.
- 2012, LCTCS installed one Learning Management System (LMS) to serve its colleges.
- 2017, developed a surplus exchange system, where college staff can exchange equipment no longer being used, but may be useful to another college location.
- 2017, developed a student enrollment service center with multi-channel communications both in-bound and out-bound interface with students across our colleges. In addition, also developed common student admissions application that sits on top of the Banner system significantly reducing the hurdles for student admission and providing greater flexibility for enrolling students in non-credit and adult basic education programs.
- 2017-18, LCTCS Board realigned small rural campuses to ensure the future of the mission in those communities and to better serve the local workforce economy. These included:

- BRCC Westside Campus realigned with River Parishes Community College (RPCC)
- Northwest Louisiana Technical College (NWLTC) Natchitoches and Many campuses realigned with CLTCC
- CLTCC Oakdale campus realigned with SOWELA
- South Central Louisiana Technical College (SCLTC) Reserve Campus realigned with RPCC
- SCLTC Young Memorial Campus realigned with SLCC
- SCLTC Lafourche Campus realigned with FTCC
- Realignment result in the elimination of SCLTC effective June 30, 2018.

LOUISIANA'S COMMUNITY & TECHNICAL COLLEGES

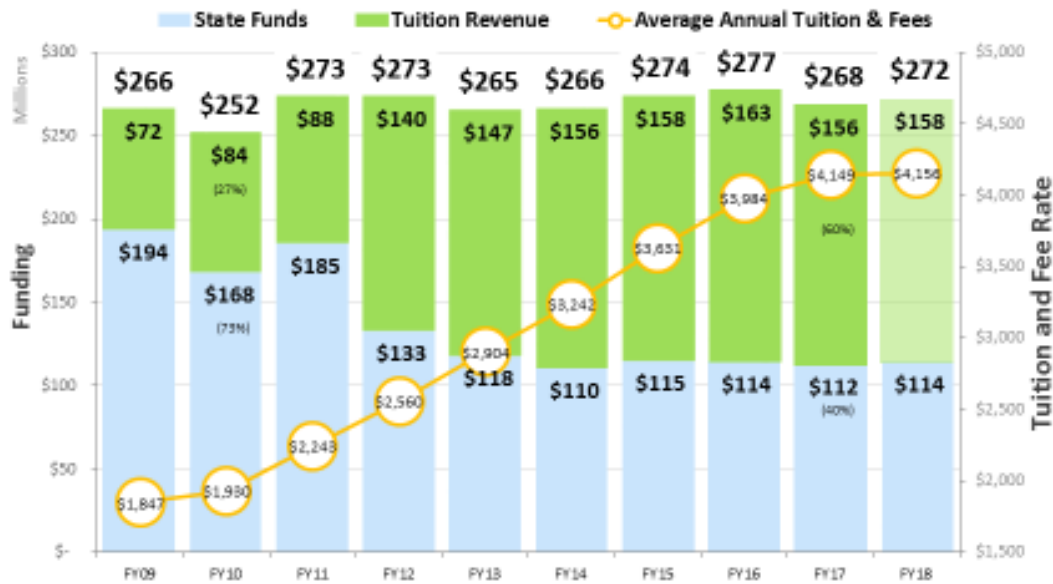


- Workforce Development
- College and Career Readiness
- Transfer
- Adult Education
- Open Admissions



As depicted in the map above, LCTCS will consist of twelve separately accredited colleges effective June 30, 2018. As depicted in the chart that follows, from 2005 to 2018, LCTCS colleges experienced the nation's largest disinvestments in public two-year education, the nation's largest increase in tuition among public two-year colleges, and merger/consolidation of five separate colleges.

EVOLVING FINANCIAL MODEL



Yet, through it all, our colleges have remained one of the nation's fastest growing in terms of students served and graduates. The two primary factors driving this success has been leadership and innovation. Leadership in the form of the Board of Supervisors that through all of the challenges has remained focused on ensuring the future of the two-year college mission for all of Louisiana. Secondly, the college leadership during this period has been stellar. Their ability to innovate and focus daily on delivering the mission has been a huge factor in the success. Since its creation, the LCTCS consistently strives to provide more efficient and effective operations of LCTCS colleges providing a value to our students, serving the workforce needs of our business partners, and providing a benefit to the tax payers of Louisiana. The efficiency and operational changes have yielded annual savings that are documented at over \$30 million. Those resources have been refocused into the classroom. LCTCS colleges have done a tremendous amount of work in building the comprehensive system of colleges that we have today. More importantly, the people of Louisiana are benefiting from the work of these colleges. The people of Louisiana are gaining education and skills that allow them to be gainfully employed or transfer to a university and pursue a bachelor degree. These students, upon graduation, are becoming taxpayers in the state, supporting our economy and helping our state work itself out of the difficult financial situation. However, policymakers need to be aware that LCTCS colleges have reached a point of

diminishing returns as it relates to efficiency efforts. Simply put, it is time for the State of Louisiana to invest in educating and skilling its people.

Response to Item 1.2: Cooperative Unification Plans

The significant performance of the LCTCS colleges in the face of economic challenges presented in the section above, should make it clear that there is very little remaining in terms of consolidation and efficiency that will help the state deal with its financial woes. To the contrary, the state's current circumstance is more likely to be solved by increasing the number of people with a college education and skills putting more of Louisiana's people to work.

Section 5(A) of the Louisiana Constitution established the Board of Regents as the State's coordinating board for public postsecondary education. The development of unification plans within and across postsecondary education systems is without a doubt a management board function. Below are a sampling of on-going higher education wide or cross-system efforts:

- Under the leadership of the Board of Regents and with strong involvement from all systems of higher education, the LOUIS Network has been active in the development and delivery of Open Education Resources (OER's) that are already driving down the costs of attendance for our students. We strongly urge that this effort continue and expand.
- Under the leadership of the Board of Regents, we have worked to established more effective uses of the LEQSF Funds designated for two-year colleges. In fact, the Curt Eysink Memorial Workforce Endowed Scholarship was born out of these efforts. We strongly urge a continued effort to review the use of the LEQSF Fund in terms of the effectiveness of the expenditures in solving the most pressing challenges of the state of Louisiana and its people.
- Under the leadership of the Board of Regents and coordination with LOSFA, we have developed a more suitable plan of action for using the limited GO Grant dollars to focus on meeting the financial needs of adult students attending two-year colleges.
- In conjunction with the University of Louisiana System and its member colleges, we have developed some of the most effective transfer agreements including most notably the relationship between NTCC and Southeastern Louisiana University. In fact, this work has led to our colleges transferring over 15,000 students to universities in each of the last two years.
- In conjunction with both the LSU System and the Southern University System, we have developed comprehensive transfer agreements that provide guaranteed admission and scholarships to those students completing associate degrees with merit.
- A number of LCTCS colleges have institutional agreements with universities that allow students to access university services from dormitories to libraries and other facilities.
- LCTCS works closely with a number of institutions as we administer the federal Carl Perkins Act funds. Those institutions include Southern University-Shreveport, Louisiana

State University at Eunice, Louisiana State University at Alexandria, Nichols State University, Northwestern State University, and Louisiana Tech University.

- LCTCS also administers the Workforce Rapid Response Fund. This fund is administered on behalf of all LCTCS colleges and Louisiana State University at Eunice and Southern University-Shreveport.
- Member institutions BPCC and Louisiana Tech University have recently announced an effort to share space on the BPCC campus delivering undergraduate and graduate coursework to the Shreveport/Bossier market.
- Member institutions NTCC and Southeastern Louisiana University have shared space on the SLU- South Campus for several years.
- Several LCTCS colleges offer developmental education courses on university campuses assisting students in attending the institution of their choice. In particular, the relationship between Louisiana Delta and Grambling State University is an example for others to emulate.
- LCTCS colleges in the New Orleans region worked closely with other higher education institutions and economic development professionals as part of the effort to land DXC in New Orleans. The coordinated effort was the state's most significant economic development win in history.

These items are a few examples of the robust relationships that exist between LCTCS colleges and the Board of Regents, other systems, and institutions across the higher education landscape in Louisiana. There are still areas where we believe we can improve the level of services to our students and further our collective efforts to improve the attainment rate of Louisiana's population. Those include the following:

- Continued work on transfer is critical. While great strides have been made within the past decade with regards to removing obstacles that prevent students from transferring between postsecondary institutions, more work is needed. Making transfer easier allows students in communities all across Louisiana the ability to start at a less expensive two-year institution with the assurance that they will be able to transfer seamlessly to a four-year institution to pursue a bachelor's degree. Specifically, LCTCS believes that the following initiatives hold promise:
 - (1) A statewide transcript sharing system in which students "opt out" upon application to a college/university. With a default "opt in," students with prior postsecondary experience could have their transcripts sent to the institution they are transferring to without having to contact their previous institution to request it. Making this an automatic process through the Board of Regents' Statewide Student Profile System would speed the delivery of the transcript data and would allow the data to be immediately imported into the institution's student information system, reducing the need for manual entry by college staff members.

(2) Common course numbering would allow for faster articulation of course credits from one institution to another. The majority of this work has already been accomplished through the Board of Regents Articulation Matrix. Moving to common course numbering, in combination with the statewide transcript sharing system outlined above, would allow for the automation of articulating credits within student information systems.

- As we consider the notion of consolidation and efficiencies, we strongly suggest that the lens within which we view these efforts not be limited to higher education. A number of states across the country place their higher education institutions at the center of providing services to state agencies thereby relieving significant state agency costs. As such, LCTCS has developed infrastructure to offer services to other state agencies and organizations in the form of payroll services, procurement services, contracting services, internal audit services, etc. However, it should be noted that while these services are currently operational for LCTCS colleges, there will most certainly be costs for infrastructure to expand to serve other agencies or organizations.
- LCTCS is currently developing a plan of action around an improved risk management insurance structure that will reduce costs to our colleges and likely improve the level of coverage.
- The costs of retirement premiums saddled on higher education institutions is far beyond the direct costs of current and legacy employees. It is beyond time that these costs be removed from the higher education institutions.

LCTCS has conducted analyses of many of the other proposed shared services and found little if any value in pursuing these areas. With regards to the other efficiencies identified by the Board of Regents (student services, research, purchasing, food services, and security), LCTCS does not feel any of these areas hold real promise for effective or efficient unification. Because Louisiana's public postsecondary institutions do not share a single student information system, unifying student services would be a challenge.