BoRSF Overview and Updates

November 6, 2024





Board of Regents Support Fund LA Constitution Article VII, Section 10.1 (1986)

Structure

- Trust Fund in Treasury Dedicated to Education
- Division of earnings: 25% to fund growth; remaining 75% split between BESE & BoR

Constitutionally Mandated Higher Ed Goals

- Improve the Quality of Higher Education
- Enhance Louisiana's Economic Development

Constitutionally Designated Programs

- Endowed Chairs for Eminent Scholars
- > Enhancement of Academic, Research & Agricultural Departments and Units
- Targeted Research & Development
- Recruitment of Superior Graduate Students



Two Sources of Expendable Revenue

Investment Earnings: LEQTF – created with \$540 million from an oil and gas royalty settlement with the federal government – invested by Treasury; investment types/risk strictly limited by statute

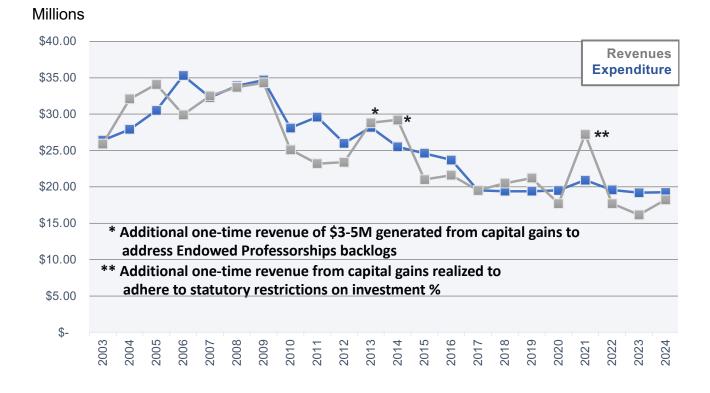
Royalties: Income from Gulf sector affected by settlement

Avg. Annual Revenue to BoR (37 Years): \$25.26 Million Value of LEQTF (Dec. 2023): \$1.56 Billion











BoRSF Structure: Adopted 11/16



Recruiting and retaining game-changing faculty: focus on high-priority research, education, and workforce areas aligned with campus role, scope, mission & priorities



Recruitment of Superior Graduate Students

(Endowed Graduate Scholarships)

Attracting the highest quality students to Louisiana for research & study in key programs: endowed scholarships for superior students in departments with existing or prospective eminence in priority areas; additional student support (assistantships, scholarships) available in R&D and Enhancement



Research & Development

(Research Competitiveness-Multi- & One-Yr Industrial Ties/Proof-of-Concept Awards to LA Artists & Scholars)

Building competitiveness & partnerships to contribute to fundamental knowledge and economic development in critical areas: summer research time, student support, travel, market studies, and equipment/supplies



Enhancement

(Departmental ENH BoR/SREB

Professorships

Workforce Scholarships

Federal Matching)

Support for high-priority academic & research programs/units: instructional and research equipment and supplies, curricular redesign efforts, student experiences/scholarships, endowment matching, and other departmental activities to grow quality.



BoRSF Award Types

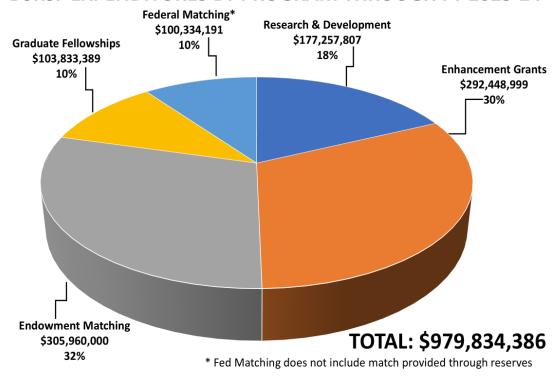
Grants (58% of funds expended since 1987): Direct support for educational/scholarly work (R&D, Dept. Enhancement, Graduate Fellowships)

Endowments (32% of funds expended since 1987): Matching funds to establish restricted permanent accounts which generate income for designated activities (student scholarships, faculty work – Chairs and Professorships) as defined by donors/BoR

Federal Matching (10% of funds expended since 1987): Matching funds to competitive federal awards managed through BoR (not including reserve allocations)



BORSF EXPENDITURES BY PROGRAM THROUGH FY 2023-24





Some Benefits of BoRSF Investments

- Supplementary support for faculty recruitment, retention & professional development (EC, EP, R&D)
- Student support: fellowships, scholarships, grant-based direct funding, cutting-edge equipment, curriculum updating/development, faculty & student training (all programs)
- Federal competitiveness & junior faculty preparation (R&D, Federal Matching)
- Academic program support, enhancement, & growth
- Facilities enhancements
- Growth of knowledge & research/education/training capacities & capabilities
- Statewide special projects: LOUIS, LONI, P-KSFI, etc.



Endowments

- More than 3,600 individual accounts
- Faculty support (Chairs, Professorships) and scholarships (First-Generation Undergraduate, Graduate/Professional, and Two-Year Workforce)
- 42 institutions participating
- \$800M corpus
- \$1.2B market value



Proposed Legislation in Tax and Revenue Special Session

- Liquidation of Kevin P. Reilly Louisiana Education Quality Trust Fund
- Constitutional amendment requires super-majority legislative support and vote of the people (March 29, 2025)
- ❖ LEQTF revenues comprise 100% of BoRSF budget, so BoRSF will be eliminated as an element in the Constitution and as a fund at Regents
- Division of Administration and others made aware of impact on multi-year awards, outstanding endowment match requests, and FY25 award cycle



