

FY15 Recommended Budget Overview

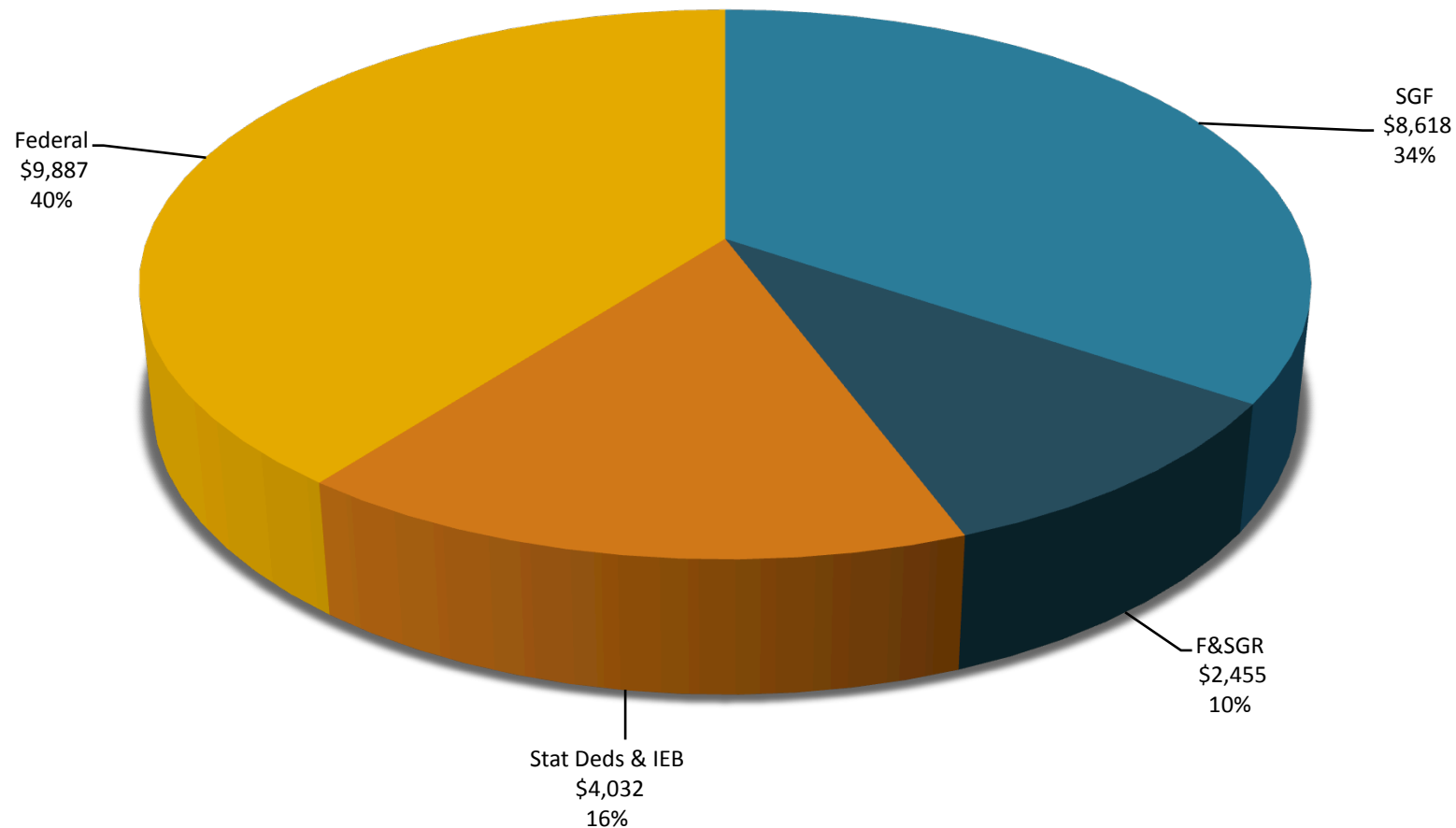
Louisiana Senate Finance Committee

March 17, 2014



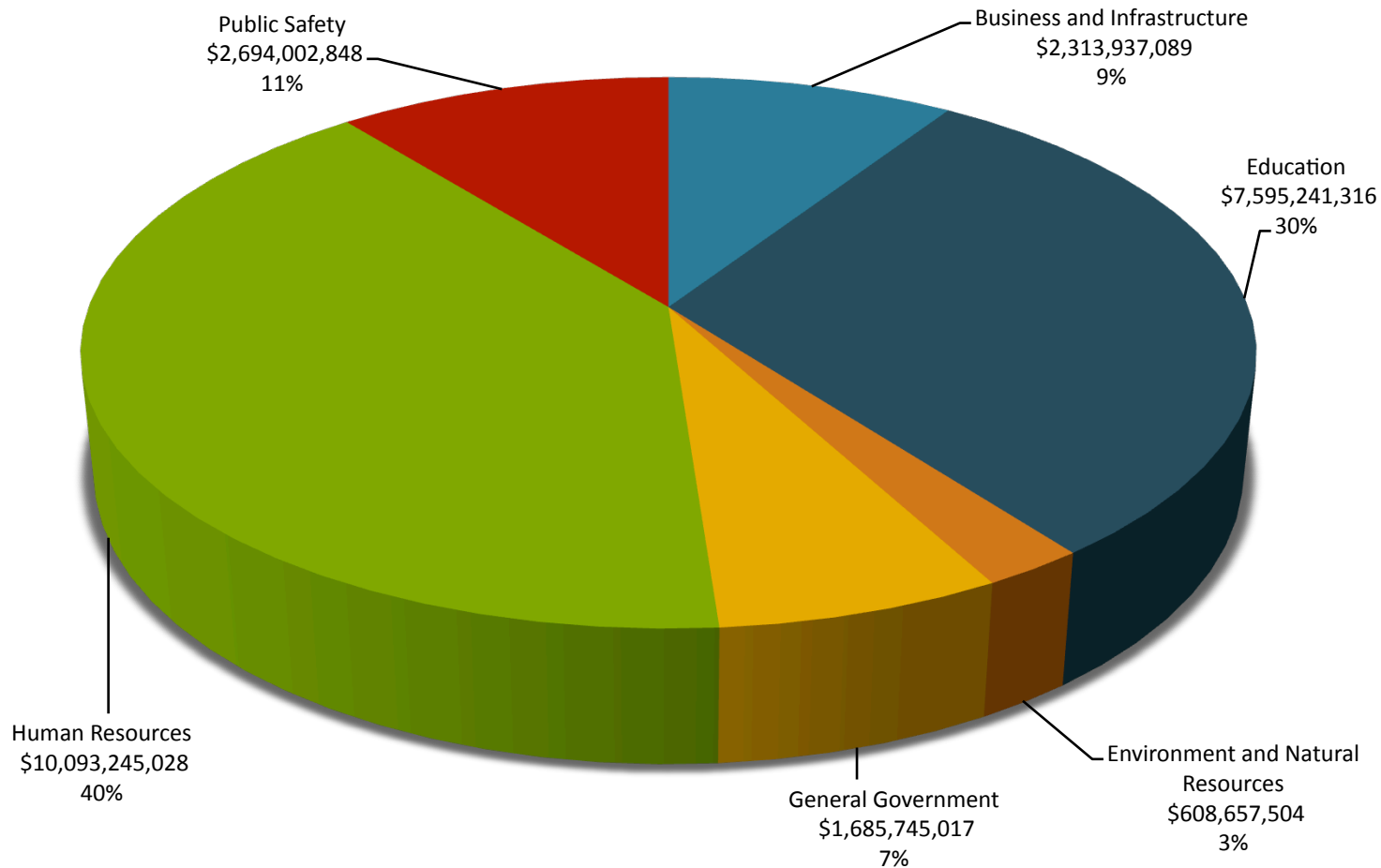
FY15 Recommended Budget Charts

Total Means of Finance — \$24.99 Billion



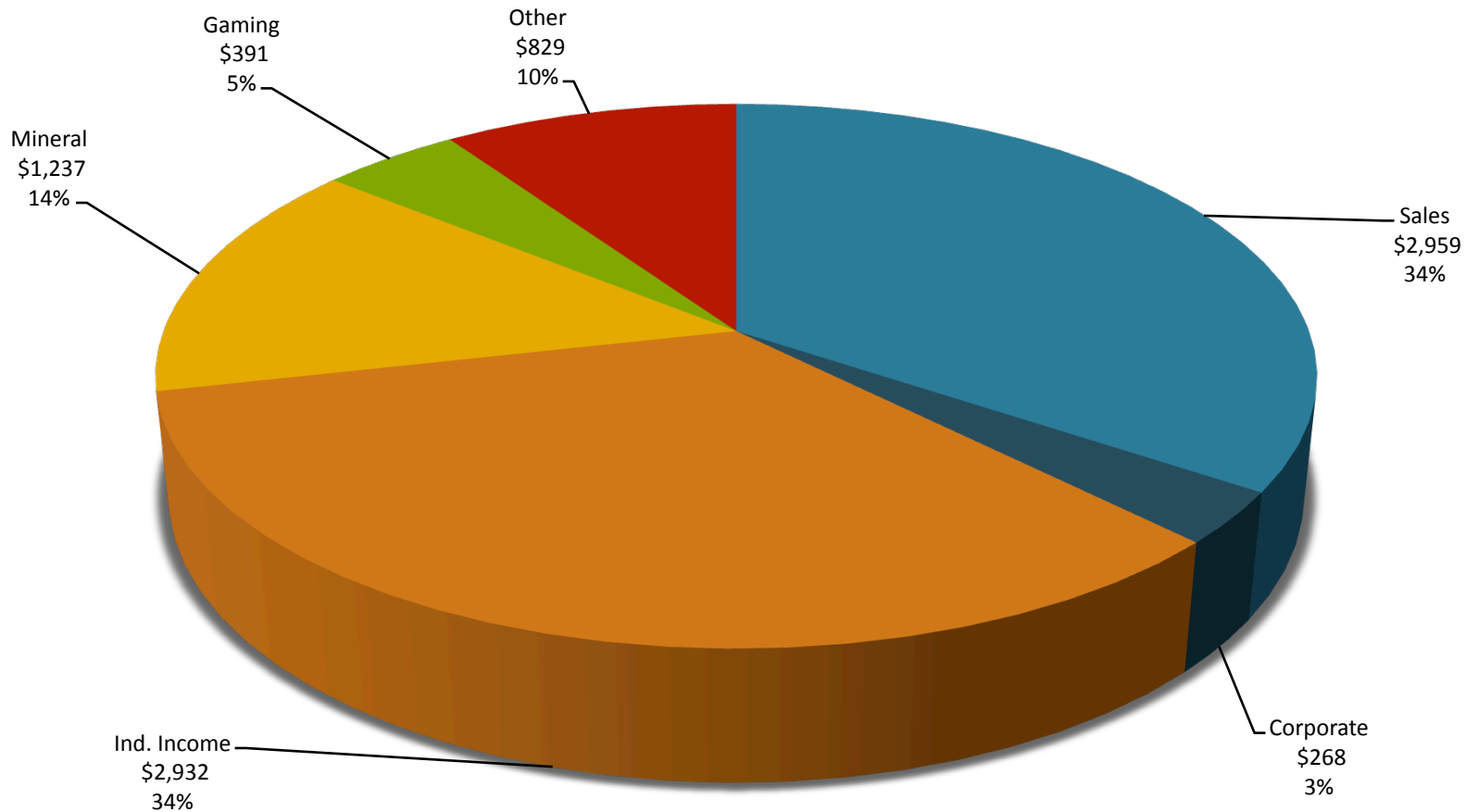
FY15 Recommended Budget Charts

Total Expenditures — \$24.99 Billion



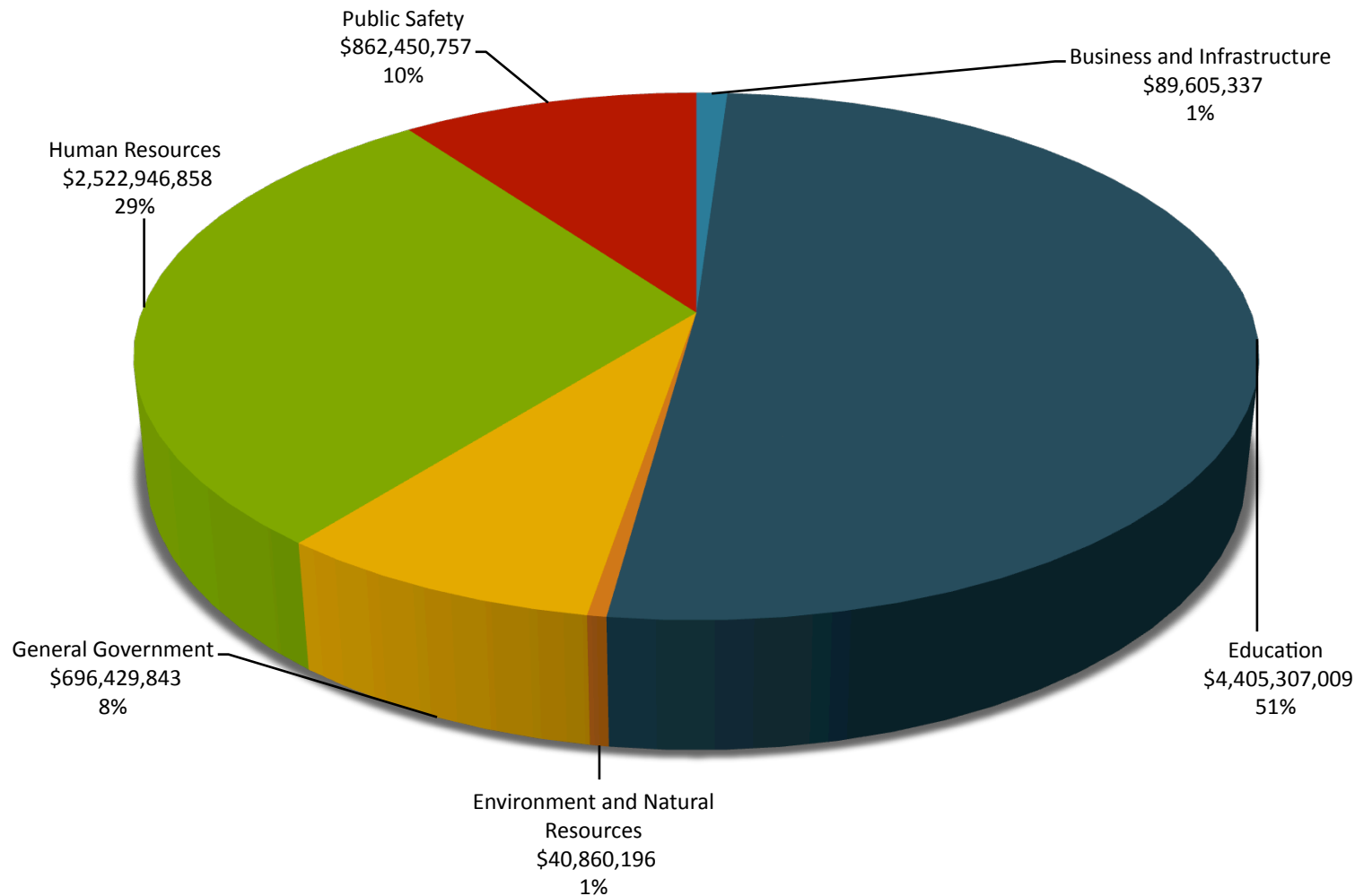
FY15 Recommended Budget Charts

State General Fund Revenue — \$8.6 Billion



FY15 Recommended Budget Charts

State General Fund Expenditures — \$8.6 Billion



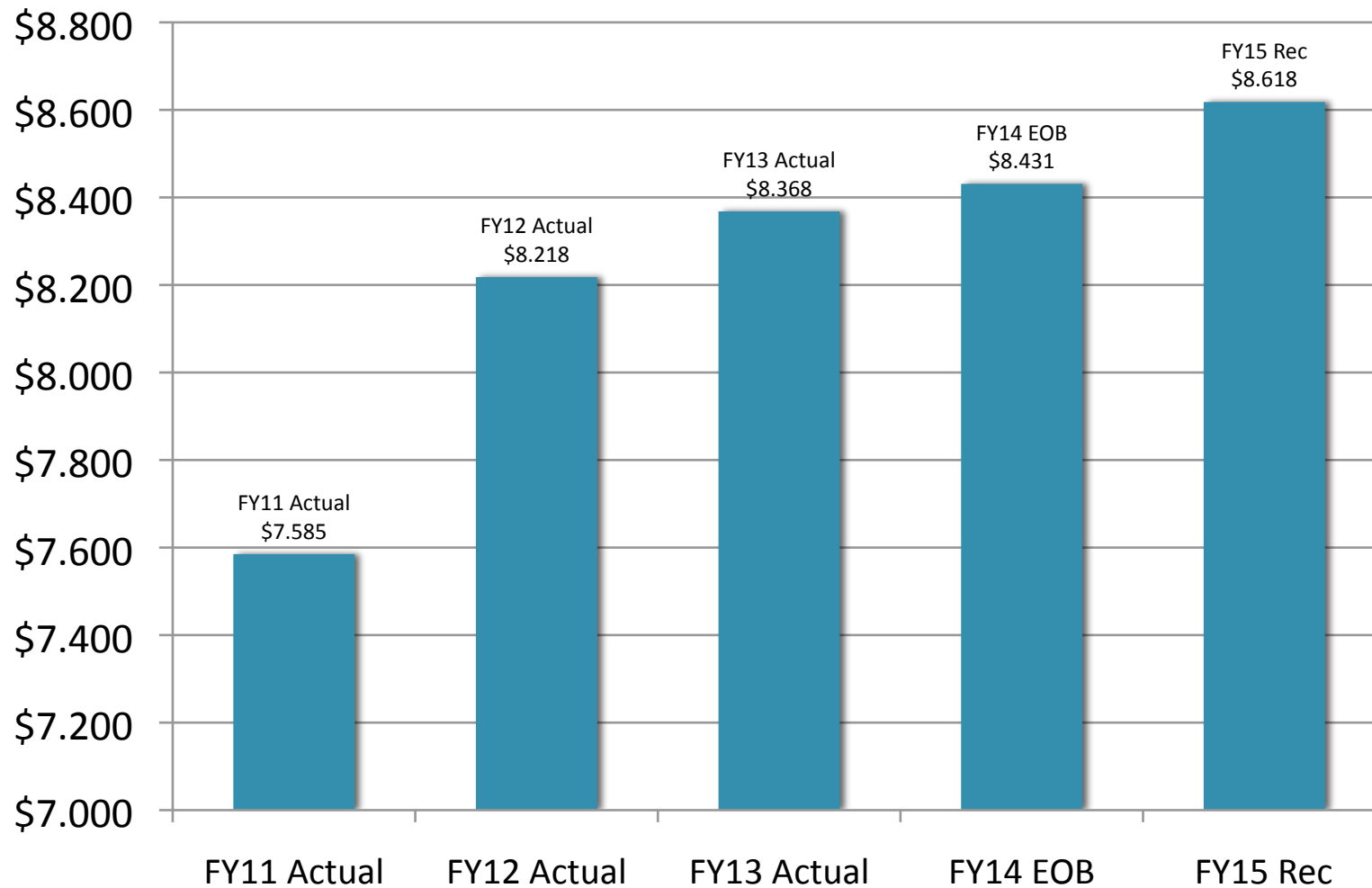
Comparison of FY15 Recommended to FY14 Budgeted

	FY14 Budgeted	FY15 Recommended	Difference	Percent Variance
State General Fund (Direct)	\$8,431.5	\$8,617.6	\$186.1	2.21%
State General Fund by:				
Fees & Self-generated Revenues	\$2,282.0	\$2,454.9	\$172.9	7.58%
Statutory Dedications	\$4,489.7	\$4,031.7	(\$458.0)	-10.20%
Interim Emergency Board	\$0.9	\$0.0	(\$0.9)	-100.00%
Total State Funds	\$15,204.1	\$15,104.2	(\$99.9)	-0.66%
Federal Funds	\$10,410.6	\$9,886.6	(\$524.0)	-5.03%
Grand Total	\$25,614.7	\$24,990.8	(\$623.9)	-2.44%
Total Authorized TO Positions	54,210	53,109	(1,101)	-2.03%

In FY15, there are also 1,900 authorized Other Charges positions and 1,500 non-TO FTE positions recommended.

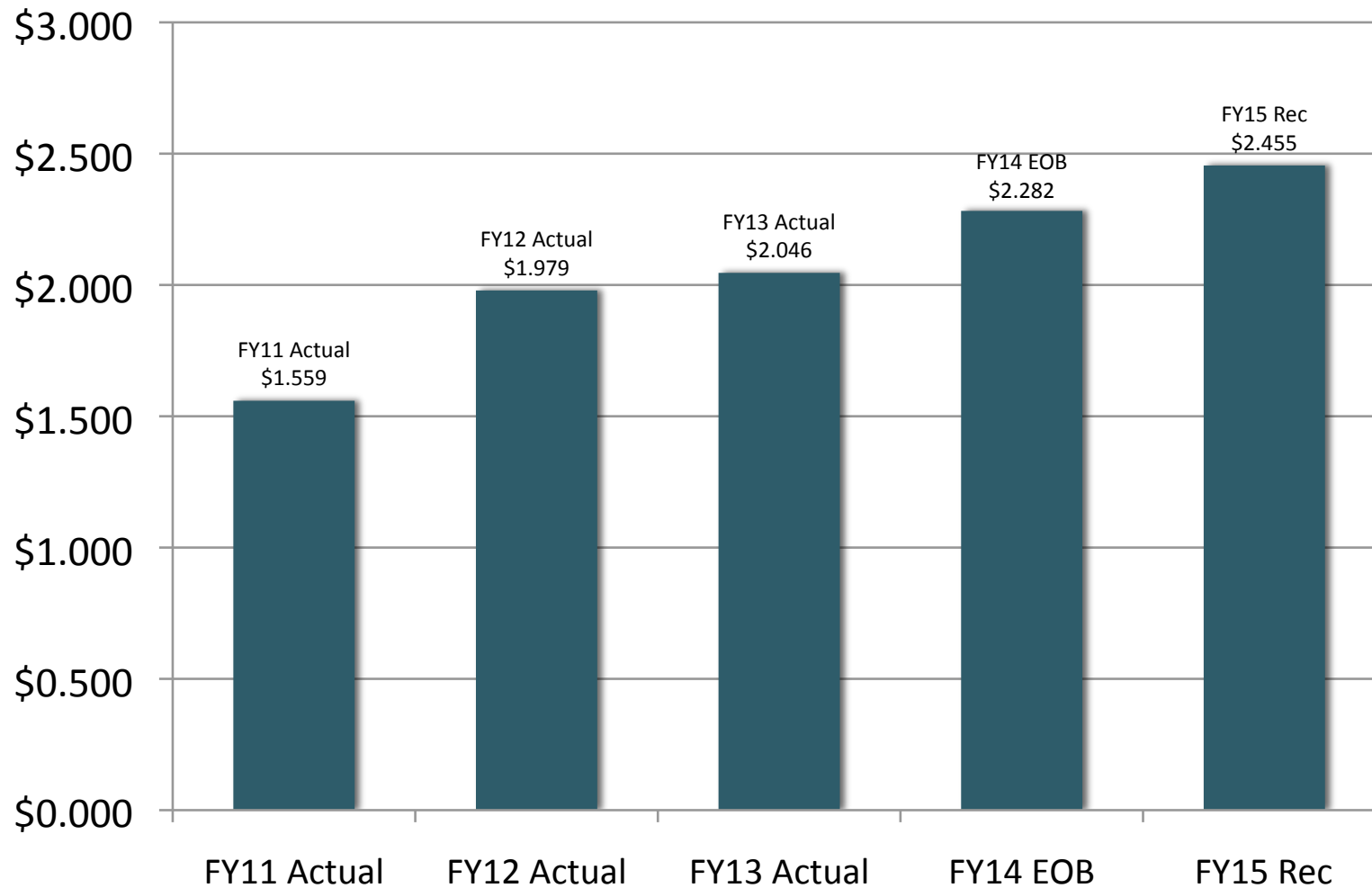
Historical Budget Charts

State General Fund (in Billions) — FY11 to FY15



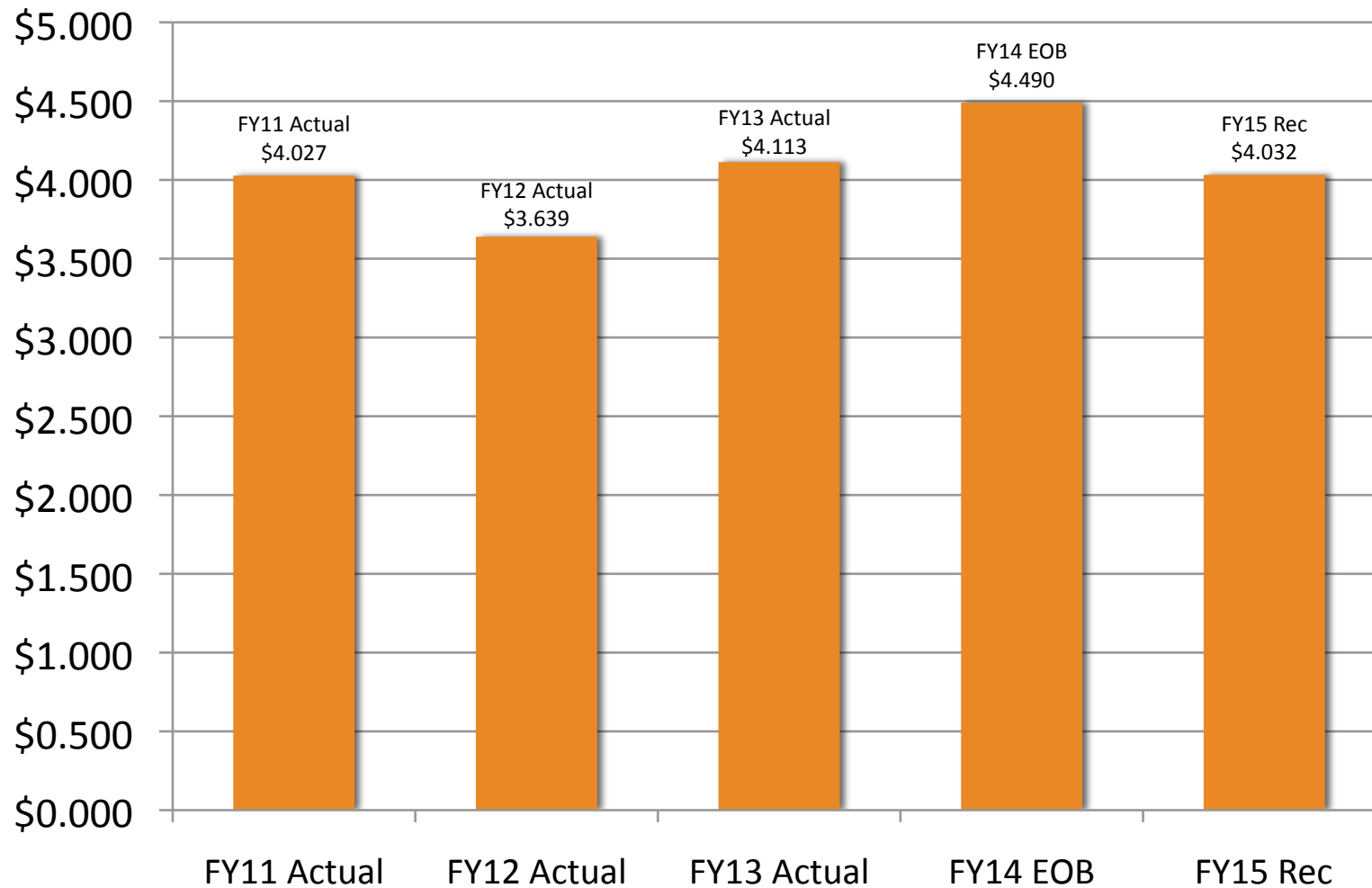
Historical Budget Charts

Fees and Self-generated Revenues (in Billions) — FY11 to FY15



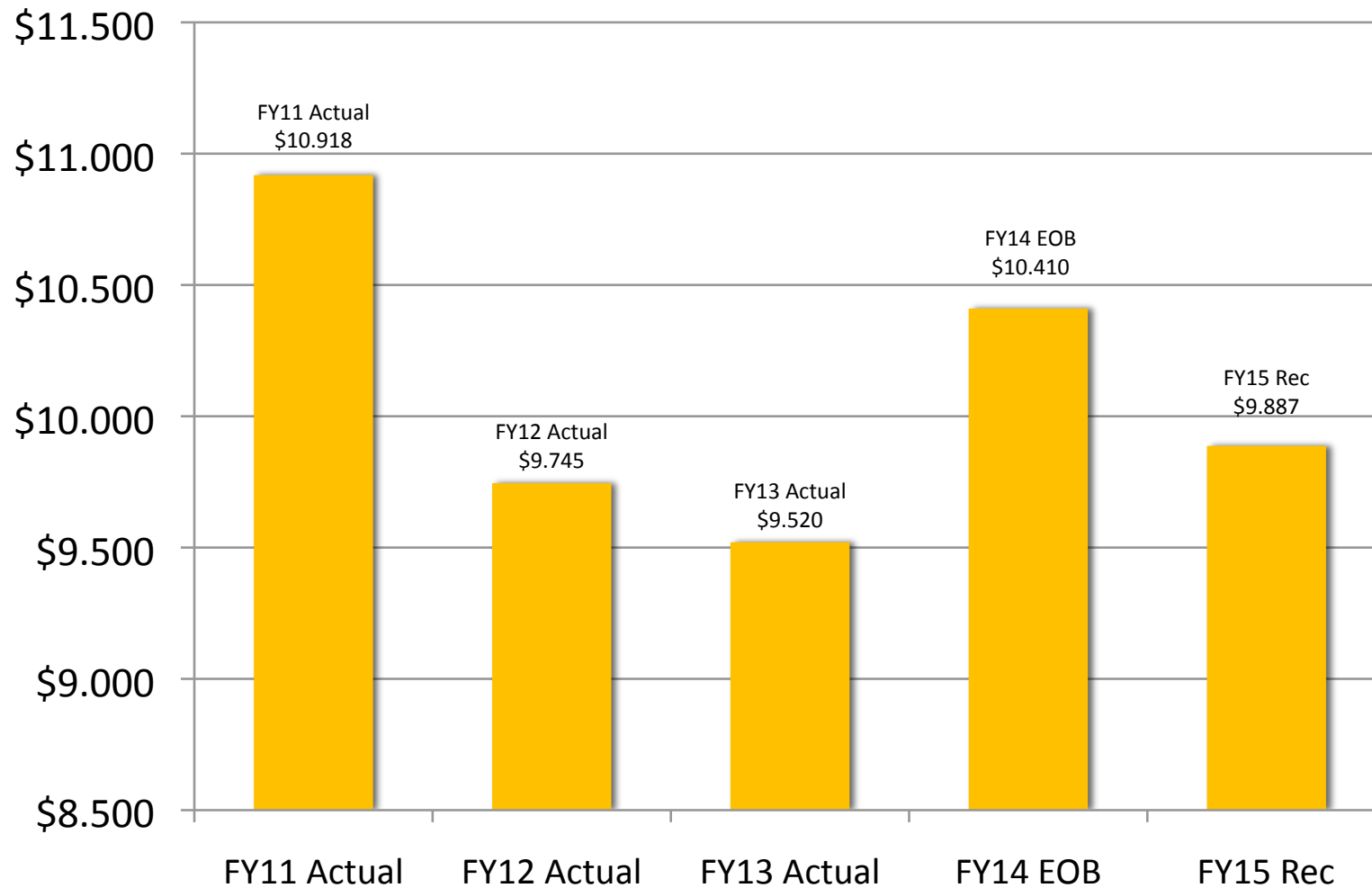
Historical Budget Charts

Statutory Dedications and IEB (in Billions) — FY11 to FY15



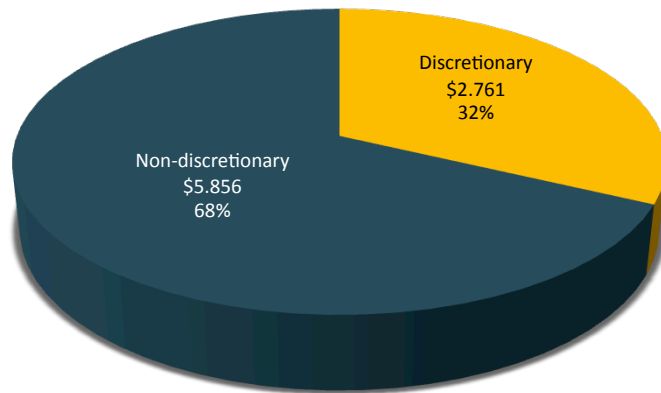
Historical Budget Charts

Federal Funds (in Billions) — FY11 to FY15

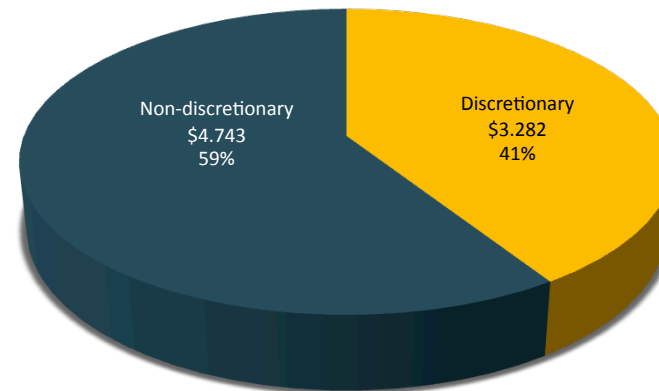


Historical Budget Charts

Discretionary/Non-discretionary at Recommended— FY15 vs. FY11



FY15 Total SGF — \$8.617 Billion



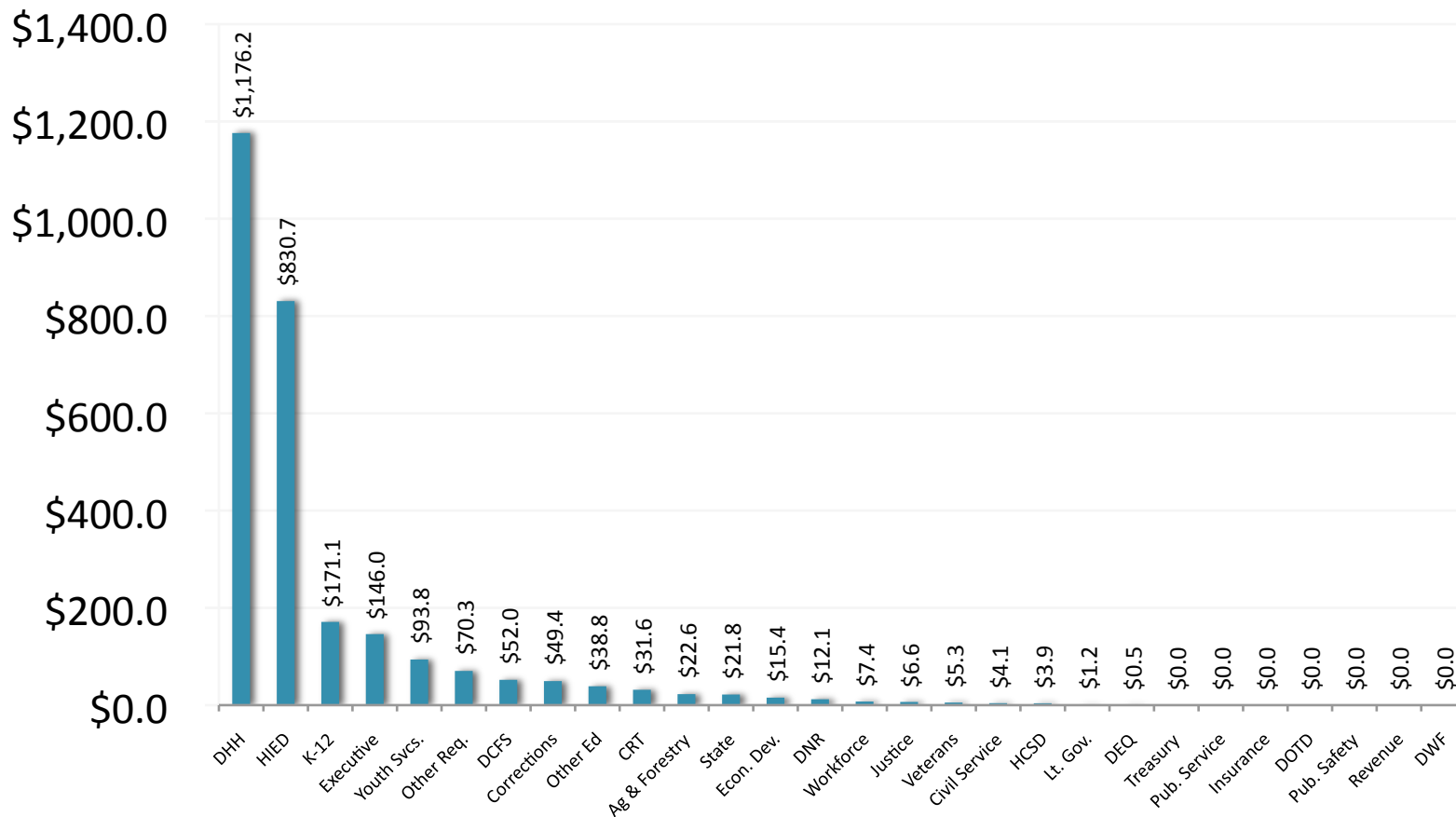
FY11 Total SGF — \$8.025 Billion

Discretionary/Non-discretionary Funding

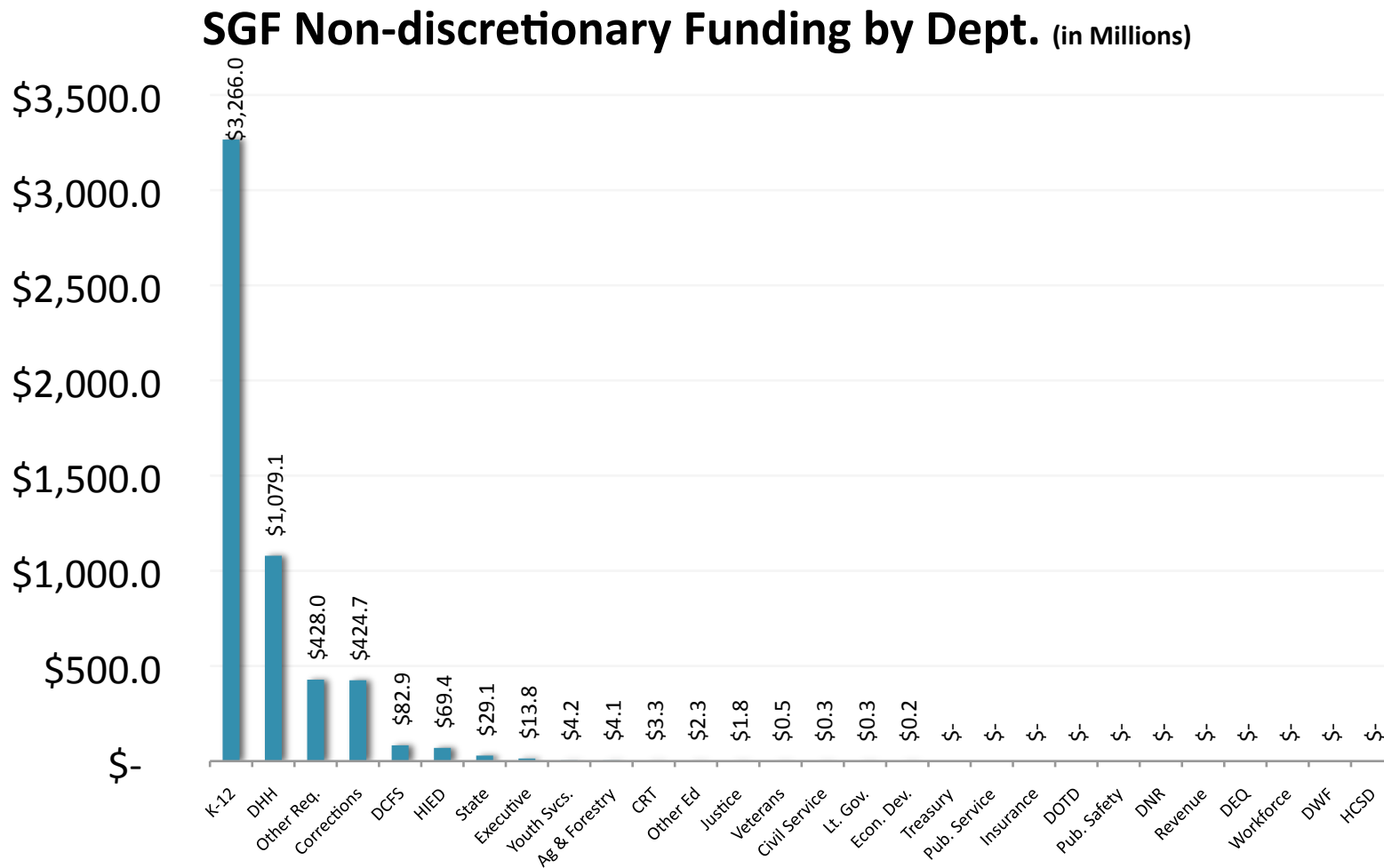
- Statewide for FY15 Recommended, the Discretionary SGF portion of the budget is 32 percent; non-discretionary is 68 percent.
- What types of spending are categorized as non-discretionary?
 - Constitutional Requirements (\$3.6 billion)
 - Due to Court Order (\$4.1 million)
 - Avoidance of Court Order (\$340 million)
 - Appropriated Debt Service (\$116.6 million)
 - Federal Mandates (\$726.2 million)
 - Statutory Obligations (\$205.8 million)
 - Subject to Legislative Discretion (Legislative & Judicial Expenses - \$230.1 million)
 - Unavoidable Obligations (\$609.7 million)

Discretionary/Non-discretionary Funding

SGF Discretionary Funding by Dept. (in Millions)

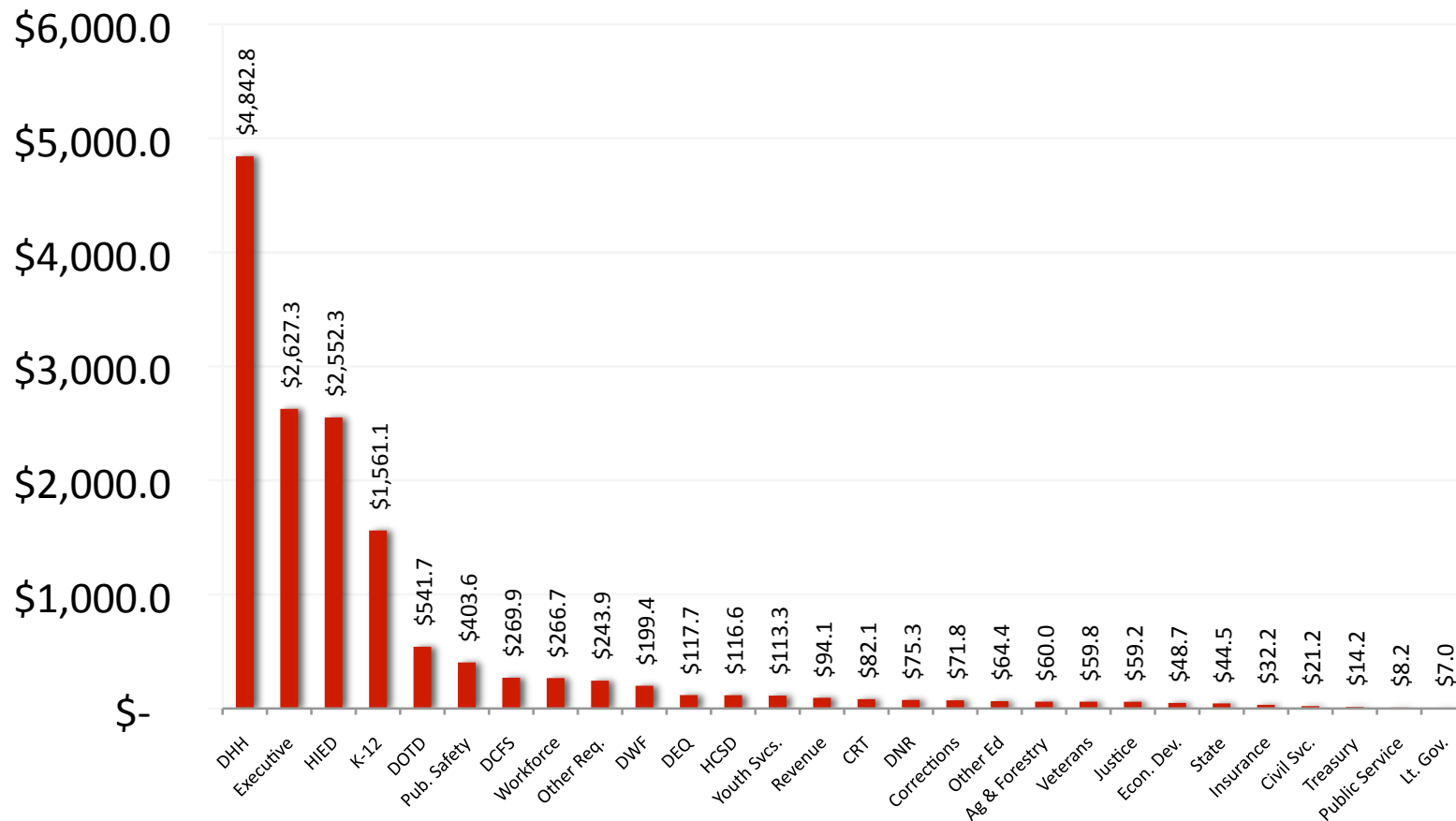


Discretionary/Non-discretionary Funding

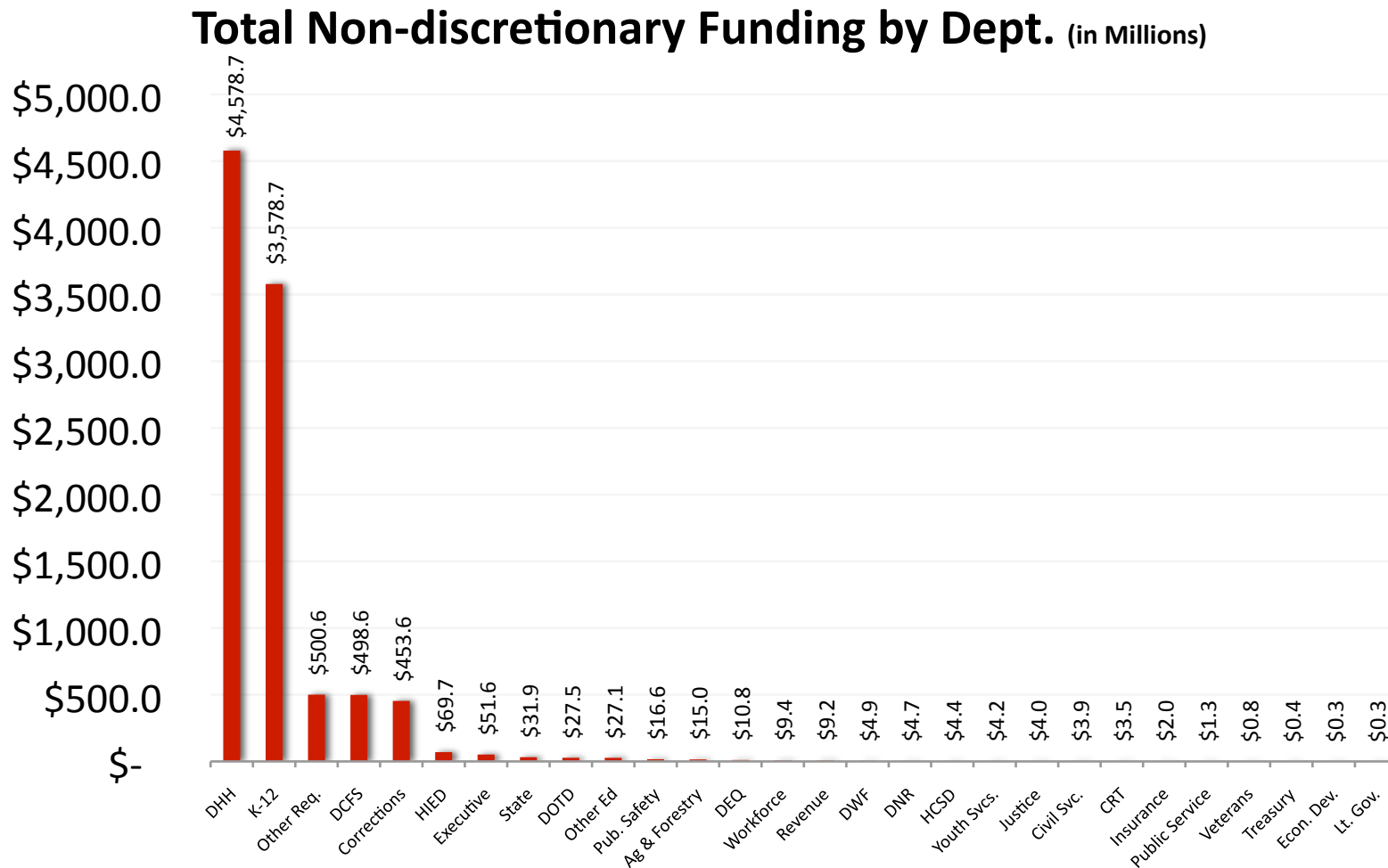


Discretionary/Non-discretionary Funding

Total Discretionary Funding by Dept. (in Millions)



Discretionary/Non-discretionary Funding



Discretionary/Non-discretionary Funding

- House Bill 1 indicates the amounts for discretionary/non-discretionary expenditures by program and discretionary/non-discretionary means of finance by budget unit.
- The actual detail about budget units, programs, and activities is in the budget reporting documents (such as the Executive Budget and Supporting Document), and in discussion with the departments to isolate what activities or functions the discretionary dollars support.

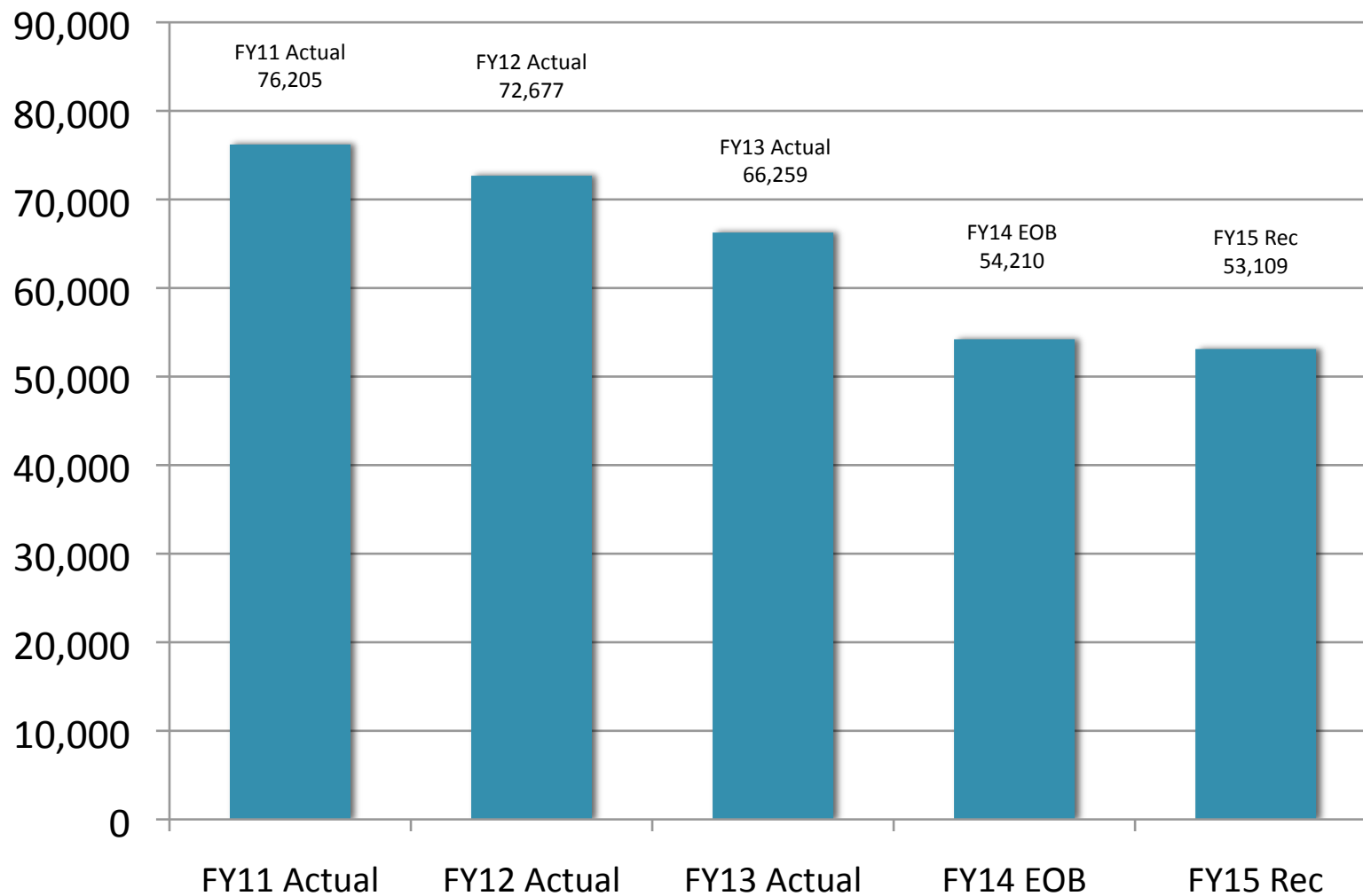
Discretionary/Non-discretionary Funding

(See Attachment A)

Discretionary/Non-Discretionary Recommendation @ Executive Budget for FY15									
DEPT. NAME	Discretionary			Non-Discretionary			Total		
	Total Discretionary Budget	Discretionary State General Fund	Discretionary T.O.	Total Non-Discretionary Budget	Non-Discretionary State General Fund	Non-Discretionary T.O.	Total Budget	Total State General Fund	Total T.O.
Executive	\$2,627,315,252	\$146,041,660	1,952	\$51,630,945	\$13,844,847	44	\$2,678,946,197	\$159,886,507	1,996
Veterans	\$59,835,965	\$5,272,785	840	\$760,226	\$500,118	0	\$60,596,191	\$5,772,903	840
State	\$44,492,090	\$21,824,096	312	\$31,867,117	\$29,098,476	1	\$76,359,207	\$50,922,572	313
Justice	\$59,240,539	\$6,603,820	465	\$4,013,036	\$1,793,575	1	\$63,253,575	\$8,397,395	466
Lt. Governor	\$7,045,869	\$1,201,614	6	\$281,253	\$281,253	1	\$7,327,122	\$1,482,867	7
Treasury	\$14,193,538	\$0	53	\$417,734	\$0	1	\$14,611,272	\$0	54
Public Service	\$8,207,987	\$0	94	\$1,302,659	\$0	0	\$9,510,646	\$0	94
Agriculture & Forestry	\$60,003,280	\$22,554,443	554	\$14,990,494	\$4,147,601	1	\$74,993,774	\$26,702,044	555
Insurance	\$32,157,938	\$0	252	\$2,002,530	\$0	1	\$34,160,468	\$0	253
Economic Development	\$48,659,381	\$15,427,539	114	\$319,500	\$176,037	0	\$48,978,881	\$15,603,576	114
Culture, Rec. & Tourism	\$82,123,657	\$31,618,677	623	\$3,532,595	\$3,266,688	0	\$85,656,252	\$34,885,365	623
Trans. & Development	\$541,720,297	\$0	4,187	\$27,475,955	\$0	0	\$569,196,252	\$0	4,187
Corrections	\$71,800,206	\$49,388,080	272	\$453,587,723	\$424,726,299	4,432	\$525,387,929	\$474,114,379	4,704
Public Safety	\$403,629,798	\$0	2,476	\$16,623,733	\$0	0	\$420,253,531	\$0	2,476
Youth Services	\$113,316,930	\$93,767,459	965	\$4,233,883	\$4,233,883	0	\$117,550,813	\$98,001,342	965
Health & Hospitals	\$4,842,845,387	\$1,176,239,510	4,808	\$4,578,670,880	\$1,079,078,643	826	\$9,421,516,267	\$2,255,318,153	5,634
Children & Family Services	\$269,857,423	\$52,004,420	1,559	\$498,595,584	\$82,911,643	1,972	\$768,453,007	\$134,916,063	3,531
Natural Resources	\$75,326,987	\$12,090,198	342	\$4,664,664	\$0	0	\$79,991,651	\$12,090,198	342
Revenue	\$94,090,491	\$0	647	\$9,239,351	\$0	0	\$103,329,842	\$0	647
Environmental Quality	\$117,713,557	\$495,377	691	\$10,792,065	\$0	0	\$128,505,622	\$495,377	691
Workforce Commission	\$266,715,853	\$7,401,120	951	\$9,455,523	\$0	0	\$276,171,376	\$7,401,120	951
Wildlife & Fisheries	\$199,400,466	\$0	737	\$4,881,429	\$0	0	\$204,281,895	\$0	737
Civil Service	\$21,222,331	\$4,057,418	205	\$3,853,555	\$305,619	0	\$25,075,886	\$4,363,037	205
Higher Education	\$2,552,277,889	\$830,707,759	19,972	\$69,728,910	\$69,367,358	0	\$2,622,006,799	\$900,075,117	19,972
Other Education	\$64,360,128	\$38,814,462	725	\$27,057,592	\$2,258,579	6	\$91,417,720	\$41,073,041	731
Dept. of Education	\$1,561,146,052	\$171,115,378	350	\$3,578,726,857	\$3,266,032,616	133	\$5,139,872,909	\$3,437,147,994	483
Health Care Services Div.	\$116,592,202	\$3,860,659	331	\$4,432,100	\$0	0	\$121,024,302	\$3,860,659	331
Other Requirements	\$243,974,689	\$70,279,755	0	\$500,600,807	\$427,987,164	0	\$744,575,496	\$498,266,919	0
Ancillary	\$2,032,135,201	\$0	1,135	\$40,972,818	\$0	72	\$2,073,108,019	\$0	1,207
Non-Appropriated	\$0	\$0	0	\$337,720,531	\$230,220,531	0	\$337,720,531	\$230,220,531	0
Judicial App. Bill	\$0	\$0	0	\$167,572,877	\$147,338,908	0	\$167,572,877	\$147,338,908	0
Leg. App. Bill	\$0	\$0	0	\$102,643,499	\$69,263,933	0	\$102,643,499	\$69,263,933	0
Special Acts	\$0	\$0	0	\$0	\$0	0	\$0	\$0	0
Capital Outlay	\$1,004,586,075	\$0	0	\$0	\$0	0	\$1,004,586,075	\$0	0
Total State	\$17,635,987,458	\$2,760,766,229	45,618	\$10,562,648,425	\$5,856,833,771	7,491	\$28,198,635,883	\$8,617,600,000	53,109

Historical Budget Charts

T.O. Positions — FY11 to FY15



Changes to FY15 Forecast

- The Revenue Estimating Conference met in January and increased the FY15 forecast by \$78.4 million.
- The estimate included all revenues contained and appropriated in House Bill 1, including state general fund, statutory dedications, and fees and self-generated revenues.
- REC declared the Overcollections Fund revenue for FY15 as nonrecurring in the amount of \$132 million.
- REC declared Amnesty revenue as recurring in the amount of \$122 million.

Use of Non-recurring Revenues

Source	Amount	Use	Constitutionally Permissible?	Correlated Outcome
Portion of Prior-Year Surplus (\$162 m. - \$8 m. for UAL)	\$154 million	Debt Defeasance	Yes	Eliminates debt payment in similar amount in 2015
Capital Outlay Receipts	\$20 million	Deposit into Coastal Fund for Debt Defeasance	Yes	Eliminates debt payment in similar amount in 2015
2014 Excess Amnesty Collections	\$162 million	Fund Balance Appropriations	Yes	Medicaid
2014 Excess Overcollections recurring revenue	\$186 million	Fund Balance Appropriations	Yes	Medicaid
2015 Nonrecurring Overcollections	\$88 million	\$51 million deposit into Coastal Fund \$37 million for Debt Defeasance	Yes	<ul style="list-style-type: none"> • Board of Regents • State Libraries • Elderly Affairs • Dept. of Education • Eliminates debt payment in similar amount in 2015

FY15 Funds Bill (HB 1026)

(See Attachment B)

- Deepwater Horizon Economic Damages Collection Fund
 - Establishes the Deepwater Horizon Economic Damages Collection Fund as a permanent trust fund in the state treasury.
 - Also provides that within thirty days of each receipt of economic damages proceeds from the DWH litigation, the treasurer shall transfer up to fifty percent of each such receipt of economic damages proceeds to the Budget Stabilization Fund until that fund reaches the amount statutorily mandated by R.S. 39:94.
- Budget Stabilization Fund
 - Amends the law governing the deposit of monies into the Budget Stabilization Fund to provide for the deposit annually of the greater of twenty-five million dollars from any source or twenty-five percent of any money designated in the official forecast as nonrecurring.
 - Amends the repeal date in R.S.39:94(C)(4)(b) from July 1, 2015 to July 1, 2017.
- Creates the Debt Recovery Fund and provides for the deposit of monies collected by the Office of Debt Recovery be deposited into this fund in lieu of being transferred to the state agency which referred the delinquent debt to this office for collection.
- Authorizes the transfer of a total of \$183.9 million into the Overcollections Fund from a variety of balances in FY14.

FY15 Funds Bill (HB 1026)

- Authorizes the transfer of \$119 million of nonrecurring revenues out the Overcollections Fund in FY14 for the following purposes, in priority order:
 1. A supplemental payment for debt defeasance totaling \$37 million;
 2. Supplemental payment toward the unfunded accrued liability of the Louisiana State Employees' Retirement System and the Teachers' Retirement System of Louisiana in the total amount of \$6 million;
 3. Transfer of \$25 million to the Budget Stabilization Fund;
 4. Transfer of \$51 million to the Coastal Protection and Restoration Fund; and
 5. Of any remaining nonrecurring revenues, five percent shall be available for appropriation to the unfunded liability of the Louisiana State Employees' Retirement System and the Teachers' Retirement System of Louisiana and ninety-five percent shall be transferred to the Coastal Protection and Restoration Fund.

FY15 Funds Bill (HB 1026)

- Transfers \$44.4 million in fees and self-generated revenues collected by the Department of Revenue into the 2013 Amnesty Collections Fund in FY14.
- Directs the state treasurer to not include any unexpended and unencumbered monies in the Rapid Response Fund at the end of FY14 in the determination of the unencumbered balance of the fund when establishing the amount to be deposited into the fund in FY15.
- Transfers a total of \$172.9 million into the State General Fund from a variety of sources, including the lease of state hospital buildings and equipment, all loan payments received from political subdivisions under Section 7 of Act No. 41 of the 2006 First Extraordinary Session of the Legislature, and all LA1 toll receipts received in reimbursement of the LA1 loan.

FY15 Funds Bill (HB 1026)

- Transfers a total of approximately \$93 million into the Overcollections Fund in FY15 of nonrecurring revenues from increased net state tax receipts realized from the implementation of additional fraud initiatives and collected from debt recovery efforts of the office of debt recovery established in Act No. 399 of the 2013 Regular Session of the Legislature and of recurring revenues out of the Coastal Protection and Restoration Fund.

Again, please refer to the table in Attachment B for additional information on the monetary movements authorized in the Funds Bill.

Budget Preview

FY15 Recommended Budget

Statewide

- Retirement
 - The Executive Budget provides for a proposed retirement cost increase of \$105 million in FY15, of which \$36 million is State General Fund and \$34 million is Statutory Dedications. The statewide retirement rate increases will not be finalized until the Public Retirement Systems Actuarial Committee (PRSAC) meets. The committee is scheduled to meet on Tuesday, March 18, 2014 to consider the rates.
 - This retirement rate increase does not include Higher Education.
- State Employee Performance Adjustments
 - State classified and unclassified employees will be eligible for performance adjustments in FY15. The costs of these employee merit increases totals approximately \$60 million, of which \$27 million is State General Fund.
 - Funding for performance adjustments for Higher Education employees is not included in these amounts.
- Group Benefits
 - For FY15, a 5 percent rate increase will be instituted and is projected to generate a total of \$56.2 million, of which \$13.1 million is expected to be State General Fund.
 - The surplus in the fund balance decreased by \$194 million from \$438.9 million to \$244.9 million from Jan. 1 to Dec. 31, 2013.
- Judgments
 - No recommended funding for judgments.

General Government

- Division of Administration
 - Overall reduction of \$24.7 million SGF and 62 positions (55 T.O.)
 - Funding of **\$280 million** and **887 T.O.** positions to the new Office of Technology Services in the Ancillary Bill (HB 262)
 - Consulting services contract between the state and Alvarez and Marsal Public Sector Services, LLC, which totals \$5 million (February amendment added \$794,678 for OGB Staff Augmentation Services):
 - Original contract fixed price payment schedule, by month for 2014:
 - January — \$1,185,855
 - February — \$1,968,634
 - March — \$894,268
 - April — \$160,000
 - TOTAL — \$4,208,757
 - On January 21, 2014, a contract modification was done to the purpose of the contract to provide that Alvarez and Marsal would identify savings, efficiencies, and revenue maximization that would meet or exceed \$500 million in state funds.

General Government

- Division of Administration (cont.)
 - Utilization of \$12.2 million of CDBG program income from the Farm and Agribusiness Recovery loan programs from Hurricanes Gustav and Ike that are currently unobligated as state match for Medicaid Home and Community-Based Waiver programs operated by DHH.
 - La Gov Update:
 - The continuation of the project to integrate and modernized software supporting business practices (accounting, inventory, purchasing, among other processes).
 - Three new agencies will be transitioning into La Gov in FY15 — CPRA, DWF, and DNR.
- Coastal Protection and Restoration Authority
 - This agency is consolidating its existing two programs, Coastal Protection and Restoration Authority and Coastal Protection and Restoration Program, into one program called Implementation for FY15. Budget and expenditure authority is not effected.
 - This agency has significant nonrecurring budget authority reductions for FY15 as well as additions for coastal projects relative to the Coastal Wetlands Planning, Protection, and Restoration Act.

General Government

- Louisiana Public Defender Board
 - An additional \$79,500 is provided for the “Angola Five” cases; total funding in FY15 is \$479,500.
 - Other significant funding includes \$18.5 million for the District Assistance Program to judicial district indigent defenders; \$10.3 million for the Capital Program for mandated trial, appellate, and post-conviction services; \$979,680 for the Indigent Parent Representation Program in child abuse and neglect cases; and \$250,000 for Sexual Offender Assessment Panel (SOAP) cases.
- Elderly Affairs
 - \$6.5 million for FY15 — \$5 million is for one-time funding for Councils on Aging from the Overcollections Fund and \$1.5 million is a means of financing substitution out of the State General Fund for one-time funding for Senior Centers.
- Secretary of State
 - An increase of \$9.4 million in state general fund is recommended for additional election expenses, including two scheduled statewide elections in FY15.
 - An increase of \$2.3 million in fees and self-generated revenues is recommended to support the department’s new one-stop shop portal for new businesses. This is a joint effort with the Louisiana Workforce Commission and the Department of Revenue.

General Government

- Department of Agriculture and Forestry
 - An overall increase of \$1.2 million is recommended for the Department. This includes primarily state general fund to address standard statewide adjustments.
 - Twenty-seven vacant authorized T.O. are recommended for elimination. The majority of the T.O. reduction, 15 positions, would be within the Forestry Program. The Forestry Program has decreased from 286 T.O. in FY2008 to 156 T.O. recommended for FY15.
- Department of Culture, Recreation and Tourism
 - A total decrease of \$5 million is recommended for the Department. This is due primarily to the non-recurring of fees and self-generated revenues associated with the Deepwater Horizon Oil Spill for the Louisiana Seafood Promotion and Marketing Board.
 - Ten vacant authorized T.O. are recommended for elimination in the Office of State Parks.
 - An additional \$1.4 million is recommended for state aid to public libraries, and an increase of \$150,000 is recommended for the Council for the Development of French in Louisiana (CODOFIL). The total for CODOFIL for FY15 would be \$301,852.

General Government

- Transportation and Development

- \$36 million from the Overcollections Fund is non-recurred for FY15. This funding had been provided in Act 14 (HB1) of 2013 to be split equally among the nine state highway districts for maintenance needs.
- IT Consolidation — 114 T.O. positions reduced department-wide to be transferred to the Office of Technology Services — 50 from the Office of Management and Finance, 6 from the Engineering, 11 from Multimodal Planning, and 47 from Operations.

- Corrections

- \$49.7 million is provided for delivery of healthcare services for offenders. This total includes a base of about \$48.3 million plus an additional \$1.3 million and 24 T.O. at Louisiana State Penitentiary and Elayn Hunt Correctional Center for inmate health care.
- IT Consolidation — A reduction of 36 T.O. and \$5.4 million in state general fund associated with transfer of IT positions and funding from Corrections to the Office of Technology Services.
- Personnel Reductions — A total of 66 T.O. and \$4.5 million in associated state general fund is reduced, including 28 positions and \$1.9 million in Adult Probation and Parole.

General Government

- Department of Public Safety
 - \$5 million is provided for FY15 for a 50-cadet trooper class to being in September 2014.
 - Twenty positions and \$800,000 are cut from the Office of Motor Vehicles due to an increase in outsourcing of vehicle registration and driver's license renewal duties to public tag agents.
 - IT Consolidation — 132 positions across the department are being transferred to the Office of Technology Services.
- Youth Services
 - The Office of Juvenile Justice is restructuring based on a regional organizational model:
 - Administration
 - North Region (formerly Swanson)
 - Central/Southwest Region (formerly Jetson)
 - Southeast Region (formerly Bridge City)
 - Contract Services
 - Auxiliary

General Government

- Youth Services (cont.)
 - IT consolidation — 5 T.O. and \$479,122 is being transferred to the Office of Technology Services.
 - Personnel Reductions — 20 T.O. and \$1,013,540 are being reduced for FY15.
- Department of Children and Family Services
 - IT consolidation — A total of 112 T.O. and \$9.6 million are being transferred to the Office of Technology Services.
 - DCFS is reducing 58 T.O. and \$9.6 million department-wide due to attrition.
 - Nineteen T.O. and \$1.3 million are being reduced due to other personnel reductions.
- Department of Natural Resources
 - IT consolidation — A total of 55 T.O. and \$592,083 is transferred from Natural Resources to the Office of Technology Services for FY15.

General Government

- Wildlife and Fisheries

- In December, the Louisiana Department of Wildlife and Fisheries began training a new class of cadets. Currently, 15 cadets remain in the class. Another class will be held in May or June of 2014 at a cost of \$1.7 million for a 30-man cadet class.
- This will put approximately 15 new enforcement agents on the road, thereby increasing patrol strength to 221 filled, commissioned officers. The new agents will fill field office vacancies around the state.

- Other Requirements

- Two Percent Fire Insurance Fund

- This fund has increased budget authority of \$2.6 million for FY15. This increase reflects an increase in REC estimates for the fund.
- The Funds Bill utilizes \$1.5 million of the current-year fund balance.

Health Care

- Overall, funding for the Department of Health and Hospitals (DHH) will increase by \$277.4 million to total \$9.422 billion in FY15, of which \$2.255 billion is General Fund. DHH's appropriation out of the General Fund will decrease by \$70.6 million in FY15.
- Louisiana's Medicaid Program
 - The majority of the growth within the department is related to the Medicaid program, which is recommended to grow from a total expense of \$7.704 billion in FY14 to \$8.052 billion in FY15.
 - One part of the growth is 200 new slots in the New Opportunities Waiver (NOW) program in FY15.
 - The state will also spend \$26.7 million in the Medicaid program to pay for applied behavioral analysis and physical and occupational therapy services for individuals with a Pervasive Developmental Disorder or an Autism Spectrum Disorder as ordered by the federal court in response to the Chisholm lawsuit.
 - The appropriation out of the Medicaid Trust Fund for the Elderly is also increasing next fiscal year by \$49.4 million to total \$232.9 million in FY15. Unless another revenue source for this fund materializes, the fund balance will be depleted at the end of FY15 or very early in FY16.
 - The net decrease in State General Fund and increase in the use of statutorily dedicated funds as state match in the Medicaid program for FY15 is mainly due to two means of financing swaps utilizing appropriations out of the Overcollections Fund (\$186.4 million) and 2013 Amnesty Collections Fund (\$62.4 million) in lieu of the general fund.

Health Care

- Funding for the Current and Former LSU Hospitals
 - The Medicaid budget for FY15 contains \$1.2 billion for Medicaid claims, upper payment limit and disproportionate share payments to the private partners that will either operate or provide comparable services in the region of one of the former LSU hospitals and to the one remaining hospital operated by LSU, Lallie Kemp Regional Medical Center.
 - This is an increase of \$61.2 million over the current year's total of \$1.1 billion for payments for services provided to Medicaid eligibles or the uninsured at these hospitals. The largest portion of the growth, \$39.7 million, is for additional payments to the partner-operated hospitals. Next, the amount of \$18 million will finance some of the legacy costs associated with the closed/transitioned hospitals. Finally, approximately \$3.5 million is for an increase in Medicaid claims payments to Lallie Kemp RMC. Lallie Kemp's budget totals \$43.6 million in FY15.
- Human Services Authorities/Districts
 - The four new human services authorities and districts headquartered in Monroe, Lake Charles, Alexandria, and Shreveport that began operating in FY 2014 are on track for greater financial autonomy from the department for their second year of operations in FY15.
 - All regions of the state now operate under this partnership model for the administration and provision of community-based services.

Education

- Higher Education

- Higher Education is recommended to receive a total of \$2.6 billion, a total decrease of \$11 million from FY 13-14.

Mean of Financing	FY14	FY15	Difference
State General Fund (Direct)	\$525	\$900	+\$375
Interagency Transfers	\$111	\$15	-\$96
Fees & Self-generates Revenues	\$1,280	\$1,373	+\$94
Statutory Dedications	\$595	\$232	-\$363
Federal Fund	\$123	\$102	-\$21
TOTAL	\$2,633	\$2,622	-\$11
T.O. Authorized Positions	20,472	19,972	-500

The reduction in the Table of Organization (T.O.) removes vacant unfunded positions from Higher Education.

Education

- The overall reduction includes all hospital activities from last year. When comparing just the universities, the administration maintains colleges and universities will receive an additional \$141.5 million in FY15.
- The \$141.5 million isolation is detailed below:
 - \$93.5 million in fees and self-generated revenues, including the proposed \$88 million in tuition increases.
 - \$40 million as a seed for schools to encourage science, technology, engineering and mathematics (STEM) through the WISE Initiative, which is geared to entice commercial investment in the state and partner with private industry.
 - \$6.1 million for “rapidly growing” schools.
 - \$2 million for technological upgrades at Southern and Grambling.
- The authority for the \$88 million in tuition increases was granted to public higher education campuses under the 2010 LaGRAD Act, which allows for such increases if specific performance benchmarks (such as increased graduation rates and increased student retention rates) are met. The average recommended tuition increase is +8% for FY 14-15.

Education

- Office of Student Financial Assistance
 - The FY15 budget for the Taylor Opportunity Program for Students (TOPS) totals \$235.1 million based on a projected 52,074 students receiving awards in FY15. This is an increase of \$17.6 million over the FY14 budget for TOPS. OSFA projects that TOPS will total \$355 million in FY19 to finance 54,000 awards.
 - Funding for the GO Grants program will remain unchanged in FY15 at \$26.4 million (State General Fund).
- Department of Education
 - The proposed FY15 Minimum Foundation Program (MFP) is recommended by the administration at \$3.540 billion, an increase of \$30.7 million over the FY14 level.
 - A \$25.6 million workload adjustment is included in the proposed MFP, reflecting a net increase of 5,400 students over the current year level.
 - This adjustment is recommended to be offset by a \$6.9 million reduction in the MFP, reflecting the loss of 1,400 students entering into the Student Scholarships for Educational Excellence Program (SSEEP).
 - Also, the MFP is recommended to be increased by \$12 million for the following items recommended by the MFP 2014-2015 Task Force: (a) career education costs; (b) special education costs; and (c) technology preparedness costs.
 - The Department of Education will be reduced by \$2.2 million due to the administration's proposed Information Technology Consolidation with the Office of Technology Services.
 - The Recovery School District is being reduced by \$125 million due to the transition from RSD direct-operated schools to charter-operated schools.