

Agency Responses to Committee for Additional Budget Information

Due to time limitations caused by the Covid-19 pandemic, some agencies' budget presentations were not able to be heard in committee (La. Dept. of Health, Dept. of Children and Family Services, LSU Health Care Services Division, Higher Education, Elementary Education, Economic Development, and Civil Service). Also, circumstances related to the budget may have changed considerably for some agencies that presented their budgets before the shutdown.

Consequently, the chairman asked all agencies to submit any budget information that they thought members would need in considering their budgets for the upcoming year. Some agencies will be more impacted by Covid-19 than others, and some, not at all.

Also, please refer to the initial budget presentations on the House Fiscal Division website: https://house.louisiana.gov/housefiscal/default_GenAppCapitalOutlay1820_21.htm.

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Schedule 1 - Executive Department

EXECUTIVE OFFICE

House Appropriations Committee Additional Budget Information

Agency Overview

The Executive Office manages the Governor's action initiatives and oversees implementation of gubernatorial policies. It responds to constituent requests and provides the general administration and support services required by the Governor. In addition, the Office of Community Programs provides for outreach initiatives including the Commission on Human Rights, the Office of Disability Affairs, the Louisiana State Interagency Coordinating Council, the Drug Policy Board, the Louisiana Youth for Excellence, the State Independent Living Council, the Children's Trust Fund, and the Children's Cabinet.

FY21 Budget as originally contemplated in HB 105

For FY21 the Executive Office is proposed a Total Operating Budget of \$12,756,745, of which \$5,421,665 is State General Fund (SGF). The following major adjustments are included:

- \$111,627 increase in Related Benefits to fully fund group insurance and retirement costs, including rate increases expected in FY21
- \$80,564 increase in Other Charges for support services provided to the agency, such as technology, risk management premiums, and state procurement
- \$150,000 reduction that non-recurs funding related to the one-time election year transition costs

Potential revenue shortfall due to COVID-19 crisis

The Executive Office does not anticipate a Revenue shortfall at this time.

Source of federal relief funding and potential use of funds

At this time the Executive Office does not anticipate the receipt of relief funding.

Additional expenditure needs due to COVID-19 crisis

At this time, any additional expenditure needs are unknown for the Executive Office.

OFFICE OF INDIAN AFFAIRS

House Appropriations Committee Additional Budget Information

Agency Overview

The Office of Indian Affairs seeks to enhance the individual and collective communities of indigenous people in Louisiana by serving as a resource and referral agent for Louisiana Native Americans and tribes seeking assistance navigating local, state, and national policies. The Office of Indian Affairs is currently funded for two specific purposes: 1) to serve as a pass through agent to various local government entities in Avoyelles Parish from the Tunica-Biloxi Casino to be used for infrastructure and 2) to award scholarships to Native American students.

FY21 Budget as originally contemplated in HB 105

For FY21 the Office of Indian Affairs is proposed a Total Operating Budget of \$146,962; no State General Fund. There are no major adjustments included in the FY21 Operating Budget.

Potential revenue shortfall due to COVID-19 crisis

The Office of Indian Affairs does not anticipate a Revenue shortfall at this time.

Source of federal relief funding and potential use of funds

At this time Office of Indian Affairs does not anticipate the receipt of relief funding.

Additional expenditure needs due to COVID-19 crisis

At this time Office of Indian Affairs does not anticipate any additional expenditure needs due to the COVID-19 crisis.

MENTAL HEALTH ADVOCACY SERVICES

Agency Overview

The Mental Health Advocacy Service (MHAS) provides legal services under Louisiana's Behavioral Health Law for patients who are hospitalized due to mental illness or substance abuse. MHAS also provides legal representation for abused and neglected children who have been removed from their homes and/or families and are in the custody of the State through the Department of Children and Family Services (DCFS). They also represent children who may not have been removed from their families, but who are part of a Family Services case.

FY21 Budget as originally contemplated in HB 105

For FY21 MHAS is recommended a Total Operating Budget of \$4,956,219, of which \$4,781,664 is State General Fund (SGF). The following major adjustments are included:

- \$862,828 Means of Finance Swap which removes funding from the Indigent Parent Representation Program Fund, due to the elimination of the statutory dedication fund in Act 612 of the 2018 RS, and replaces with State General Fund.
-

Potential revenue shortfall due to COVID-19 crisis

The FY20 budget for MHAS is 78% State General Fund which is determined by REC and there is no known or expected impact on IAT revenue or Statutory Dedication out of the Indigent Parent Representation Program Fund at this time. The FY21 budget for MHA is 96% State General Fund which is determined by REC and there is no known or expected impact on IAT revenue at this time.

Source of federal relief funding and potential use of funds

At this time MHAS does not anticipate the receipt of relief funding.

Additional expenditure needs due to COVID-19 crisis

At this time MHAS does not anticipate any additional expenditure needs due to the COVID-19 crisis.

DIVISION OF ADMINISTRATION

House Appropriations Committee Additional Budget Information

Agency Overview

As the control agency, the Division of Administration (DOA) provides innovative and effective management, financial and policy direction and services to the various departments of state government. It ensures that the financial, accounting, and budgetary information is timely, consistently fully integrated, easily accessible and accurate. DOA coordinates and provides quality operational services utilizing sound management practices for the maintenance of state facilities

and lands. It also aims to improve the quality of life for the citizens of the State of Louisiana, principally those of low and moderate income, through the effective administration of the Louisiana Community Development Block Grant (LCDBG).

Within the Division of Administration's LCDBG is the Disaster Recovery Unit (DRU) which is dedicated to helping Louisiana's citizens from disasters including the hurricanes of 2005, 2008, and 2012 as well as the Great Flood of 2016. As the state's central point for recovery and disaster assistance, the DRU manages extensive rebuilding efforts, working closely with local, state and federal partners to ensure that Louisiana recovers safer, stronger and smarter than before.

The Division of Administration is also comprised of Ancillary agencies that are not in HB105. The following agencies are self-supporting enterprises under the purview of DOA and are included in the Ancillary Appropriations bill, HB306.

- Office of Group Benefits - manages an employer-based life and health insurance program for current and former state employees and other participating groups.
- Office of Risk Management - administers a cost-effective, comprehensive risk management program for all agencies, boards and commissions of the State of Louisiana and for any other entity for which the State has an equity interest, in order to preserve and protect the assets of the State.
- Louisiana Property Assistance Agency - ensures that all state agencies comply with the State Property Control and Fleet Management Regulations; provides a savings and return on state and federal monies through redistribution and sale of surplus property; and tracks the utilization of the state's fleet of passenger vehicles.
- Federal Property Assistance Agency - secures surplus federal property and makes it available to eligible groups in Louisiana, including various public and private education entities, public and private health facilities, local, parish and state governments, and qualified 501(c) nonprofit organization.
- Office of Technology Services - establishes competitive, cost-effective technology systems and services while acting as the sole centralized customer for the acquisition, billing and record keeping of those technology services.
- Office of State Procurement - administers competitive, cost-effective purchasing opportunities and contracts for goods and services required by state agencies and regulate Requests for Proposals (RFP's) and contracts for professional and complex services and the bid process.
- Office of Aircraft Services - manages the overall maintenance and provide all needed and required support for safe, proper, and economic operation of the State's various aircraft.

Through the activities of the sections within the Division of Administration and its ancillary agencies, the DOA performs a wide variety of legislatively-mandated and other required functions of state government. In addition, the Division of Administration provides supervisory functions for management and budgets of all state departments. The overall responsibilities include, but are not limited to:

- Overseeing the general management of all state finances and financial operations.
- Preparing the Executive Budget and the Comprehensive Annual Financial Report (CAFR).
- Ensuring general fiscal accountability throughout state government.

- Managing all Information Technology systems and services for the Executive Department.
- Making purchases for state agencies when required by executive order.
- Controlling and assigning state surplus property.
- Providing and assigning state owned and leased facilities to state agencies.
- Statewide operations and maintenance of office buildings and grounds.
- Maintaining travel regulations for state officials and employees.
- Conducting such planning activities as are necessary to maximize the present and future effectiveness of state government.
- Administering Community Development Block Grant Disaster Recovery Funds.

FY21 Budget as originally contemplated in HB 105

For FY21 DOA has a Proposed Budget of \$749,789,428, of which \$52,120,026 or 7% is State General Fund (SGF). The following major adjustments are included:

- \$827,238 increase in IAT authority to allow for transfer in of 9 positions from the Office of Technology Services to appropriately align the fiscal, audit, legal and HR services provided by DOA
- \$500k decrease in F&SGR authority due to the expiration of the Community Development Block Grant Revolving Loan Fund
- \$200M decrease in Federal authority reduces excess federal authority within the Disaster Recovery Unit from the U.S. Department of Housing and Urban Development (HUD)

Potential revenue shortfall due to COVID-19 crisis

The DOA does not anticipate a Revenue shortfall at this time.

Source of federal relief funding and potential use of funds

While we don't have specific allocations for our DOA agencies as of yet, Louisiana was allocated \$13.4 million for use in non-entitlement areas. The second allocation must be allocated by HUD by May 11, 2020. DOA/OCD/LCDBG will be administering the funds for the state.

Additional expenditure needs due to COVID-19 crisis

At this time, the additional expenditure needs are unknown for the DOA.

DRAFT

Louisiana Stadium and Exposition District
Consolidated Cash Flow revised 4/1/20

Sources and Uses of Funds	Original budget 2021	Worse case budget 2021	Variance
LSED REVENUES:			
Taxes			
Hotel Occupancy Tax Collections (4¢)	\$ 48,318,814	\$ 29,877,500	(18,441,314)
New Orleans Sports Franchise Fund (1¢)	10,000,000	7,821,000	(2,179,000)
New Orleans Sports Franchise Assistance Fund(slots)	2,826,955	2,300,000	(526,955)
Sports Facility Assistance Fund (Players Tax)	4,145,006	4,145,000	(6)
License Plates	600,000	300,000	(300,000)
Miscellaneous Income	100,000	100,000	0
Working capital			
TOTAL LSED REVENUE	65,990,775	44,543,500	(21,447,275)
LSED EXPENSES			
Debt Service	23,337,000	23,337,000	0
Management Fee	1,381,000	1,381,000	0
Risk Management Premiums - Superdome& Arena	3,661,412	3,661,412	0
Working Capital	600,000	0	600,000
Renewal & Replacement Fund - Arena	1,000,000	1,000,000	0
LSED Administrative Services-See attached Detail	2,424,000	2,424,000	0
Siemens Loan Esco 1	746,000	746,000	0
Esco 11	618,000	618,000	0
Champions Square Master Lease Payment	2,500,000	0	2,500,000
Supreme CT judgement-Jazz Casino	260,000	260,000	0
Capital Repairs	100,000	100,000	0
Capital Reserve Fund	2,300,000	0	2,300,000
TOTAL LSED EXPENSES	38,927,412	33,527,412	5,400,000
LSED NET SURPLUS / (DEFICIT)	27,063,363	11,016,088	(16,047,275)
Mercedes-Benz Superdome			
Revenue	20,900,000	7,498,900	(13,401,100)
Expenses	(19,909,800)	(20,047,100)	(137,300)
TOTAL FACILITY REVENUE	990,200	(12,548,200)	(13,538,400)
SKC			
Revenue	7,700,000	5,245,100	(2,454,900)
Expenses	(5,409,700)	(5,243,200)	166,500
TOTAL FACILITY EXPENSES	2,290,300	1,900	(2,288,400)
Champions Square			
Revenue	2,687,000	0	(2,687,000)
Expenses	(1,610,000)	0	1,610,000
NET FACILITY REVENUE	4,357,500	(12,546,300)	(16,903,800)
OPERATING SURPLUS / (DEFICIT)	31,420,863	(1,530,212)	(32,951,075)
LESS:			
Team Related Obligations			
Saints			
Saints Player Tax	2,409,800	2,409,800	0
Saints Staffing	2,700,000	1,405,000	1,295,000
Saints Game-day entitlements	14,500,000	5,568,100	8,931,900
	19,609,800	9,382,900	10,226,900
Pelicans			
Pelicans Annual Payment	3,120,863	3,120,863	0
Pelicans Players Tax	1,734,300	1,734,300	0
Pelicans Staffing	2,500,000	1,883,000	617,000
Pelicans Game-Day Entitlements	3,400,000	2,046,700	1,353,300
	10,755,163	8,784,863	1,970,300
ZEPHYRS			
Zephyrs Players Tax	55,900	0	55,900
Zephyrs Maintenance Fund	1,000,000	500,000	500,000
	1,055,900	500,000	555,900
TOTAL TEAM RELATED OBLIGATIONS	31,420,863	18,667,763	12,753,100
NET Excess(Deficit)	0	(20,197,975)	(20,197,975)
Additional furloughs and cost mitigation July		1,200,000	
NET Excess(Deficit)	0	(18,997,975)	

LOUISIANA STATE INSPECTOR GENERAL (OIG)

THE LOUISIANA OIG IS UNIQUE IN STATE GOVERNMENT

- ▶ Independent, **non-political** law enforcement agency with a sole mission to investigate and prevent criminal fraud, corruption and waste. This key fact separates the Inspector General from every other elected official, or any at-will appointed official that reports to an elected official.
- ▶ IG prohibited by law from running for elected office
- ▶ IG has 6 year term that overlaps Governor to insure independence.
- ▶ OIG is set up this way to pursue the sensitive and difficult cases that most other public officials seek to avoid, especially and including those who have to run for re-election. **No other investigative agency in state government is set up this way.**
- ▶ Since 2012, **97% Conviction Rate** on Federal Criminal Prosecutions. OIG works these cases as front-line law enforcement.

OIG's 2.3 Million Dollar Appropriation in HB 105

- ▶ Represents **.00007%** of the total state budget
- ▶ Represents **.0002%** of the State General Fund
- ▶ Some of the individual criminal investigations worked by OIG involved more stolen money than OIG's total annual appropriation
- ▶ In one such case, OIG was able to prevent a **5 million dollar** fraudulent payment from going out – well over double the amount of OIG's annual appropriation.
- ▶ Any reductions to OIG's budget would be **greatly outweighed** by undetected fraud and corruption, resulting in a **net loss** to the state.

FUNDING IS BEING INCREASED FOR INSPECTORS GENERAL IN THE WAKE OF COVID-19

- ▶ IG's for at least 15 different federal agencies have received increased funding for oversight of COVID-19 Relief Funds
- ▶ Experience from previous disasters tells us that criminal fraud involving those funds will be rampant at the state and local level for many years to come – most of which cannot be handled by federal IG's. It is critical to be able to work successful criminal cases against those who commit this fraud in order to protect Louisiana taxpayers.
- ▶ With veteran law enforcement staff and longstanding partnerships, Louisiana OIG is uniquely positioned to do just that. It is critical to maintain proper funding for this effort in this and future fiscal years.

INSPECTOR GENERAL (OIG) IS UNIQUE IN STATE GOVERNMENT

- Independent, *non-political* law enforcement agency with a sole mission to investigate and prevent fraud, corruption and waste. This key fact separates the Inspector General from every other elected official, or any at-will appointed official that reports to an elected official.
- IG prohibited by law from running for elected office
- IG has 6 year term that overlaps Governor to insure independence. Gov. Edwards did not appoint IG Street, whose term runs through 2020.
- IG cannot be removed by Governor without majority vote of both House and Senate
- IG has salary protection
- OIG set up this way to pursue the sensitive and difficult cases that most other public officials seek to avoid, especially and including those who have to run for re-election. *No other investigative agency in state government is set up this way.*
- OIG statute in Title 49 requires legislature to adequately fund OIG. See R.S. 49:220.22 (C); **“The Legislature shall make adequate appropriations to the office to enable it to implement this Part efficiently and effectively.”**
- OIG has no allegiances to anyone except taxpayers
- Since 2012, 97% Conviction Rate on Federal Criminal Prosecutions. OIG works these cases as front line law enforcement.

OIG DIFFERENT FROM ATTORNEY GENERAL

- AG has to run for re-election every four years and does not have political protection and safeguard measures like OIG
- AG does not investigate waste in state government
- AG has broad and numerous statutory and constitutional responsibilities, where OIG is focused solely on fraud, public corruption and waste, with an emphasis on criminal investigation
- AG is a “covered agency” under the IG statute and therefore subject to OIG investigative jurisdiction

OIG DIFFERENT FROM LEGISLATIVE AUDITOR

- IG has law enforcement designation; LLA does not; this allows OIG to work criminal investigations as front line law enforcement, using all available tools, including search warrants, subpoenas and access to confidential law enforcement databases.

- IG focuses primarily on criminal fraud and public corruption and has formal written partnerships with the FBI, Secret Service and FDA Inspector General; the law enforcement designation allows OIG to do this.
- OIG has POST Certified Criminal Investigators and all law enforcement powers except arrest

OIG DIFFERENT FROM STATE POLICE

- State Police reports directly to the Governor; Superintendent is an at-will appointee
- State Police does not investigate waste
- State Police has broad and numerous responsibilities, where IG is focused solely on fraud, public corruption and waste
- State Police is a “covered agency” under the IG statute and therefore subject to OIG investigative jurisdiction.

AGENCY OVERVIEW

Administrative

Executive management of the agency including funding disbursements provided in federal and state law, human resources, communications, planning, and budget.

Elderly Protective Services

- Prevent, investigate, and remedy reports of abuse, neglect, and exploitation of the state's elderly population.

Senior Rx/ADRC

- The Aging and Disability Resource Center serving Louisiana offers adults and families a single source for information/assistance and individualized service planning to enhance self-sufficiency and quality of life.

OFFICE OF ELDERLY AFFAIRS

AGENCY OVERVIEW

Parish Councils on Aging and the Senior Center Program

Pass through funding programs of the agency which provide financial support to the 64 Parish Councils on Aging (PCOA) across the state.

Funding is provided by a unique statutory formula for the PCOAs and the Senior Centers based on the population over 65 in each agency. Senior Center funding is sent to the PCOA which then distribute to centers within their parish.

OFFICE OF ELDERLY AFFAIRS

AGENCY OVERVIEW

Title III, V, VII, and NSIP Program

Title III Older Americans Activity

- Distributes federal and state funds to service providers who assist the elderly population with emphasis on social and economic need.

Title V Older Workers Activity

- Serves low-income elderly individuals who have poor employment prospects by placing them in part-time community service positions and by assisting them to transition to unsubsidized employment.

Title VII Ombudsman Activity

- Ombudsman promote the rights of residents in long-term care and assisted living facilities.
- Make regular visits to help empower residents to make decisions regarding their care.

Nutritional Supplement Incentive Program

NSIP provides meals and related nutrition services to older individuals.

OFFICE OF ELDERLY AFFAIRS

SIGNIFICANT EXPENDITURE CHANGES

\$707K - Salaries and Related Benefits

\$484,519	- Increase of 5 positions and associated funding for the Elderly Protective Services activity to help reduce worker caseloads Current
\$282,138	- Net change in statewide standard adjustments related to employee pay and benefits

(\$436K) - Other Charges

(\$500,000)	- Removal of a portion of Senior Center supplemental funding outside the statutory formula that provided \$7,813 to each parish
\$53,282	- Net change in service transfers to OTS, Civil Service, Risk Management, Procurement, and an increase of \$30K for the PCOA formula to meet the requirements of Act 127 of the 2019 RS

OFFICE OF ELDERLY AFFAIRS

SIGNIFICANT EXPENDITURE CHANGES COVID DISASTER GRANTS

\$3,202,016 Families First Coronavirus Response Act, Older Americans Act Title III

\$1,067,339 – Home Congregate Meals

\$2,134,677 – Home Delivered Meals

Note:

- Budget authority has been requested for FY 2020
- No state match required

\$10,626,711 CARES Act for Nutrition Services Title IIIC of the Older Americans Act

\$2,668,347 – Title IIIB Supportive Services

\$6,404,032 – Title IIIC Home Delivered Meals

\$1,287,497 – Family Caregiver Support Program

\$266,835 – Ombudsman Program

Note:

- Budget authority is requested for FY 2021
- No state match required

OFFICE OF ELDERLY AFFAIRS

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LOUISIANA PUBLIC DEFENDER BOARD

ADDITIONAL BUDGET INFORMATION RELATED TO COVID-19

LOUISIANA PUBLIC DEFENDER BOARD

Louisiana's public defense system is a critical component of the criminal justice system, protecting public safety by preventing wrongful convictions and protecting due process and constitutional rights.

- Public defenders represent indigent defendants in all aspects of criminal representation except for parole.
- Represent about 85% of criminal defendants statewide.
- Public defenders also represent juveniles in delinquency matters and parents in Child in Need of Care (CINC) proceedings.

LOUISIANA PUBLIC DEFENDER BOARD

BUDGET BASICS

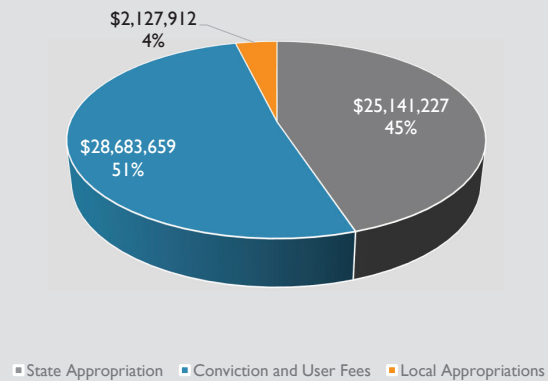
- Since the inception of Louisiana's current system of public defense in 2007, the system has been underfunded.
- Louisiana is the **ONLY** state in the nation wherein local public defender's offices are funded primarily through conviction and user fees.

This funding mechanism is inadequate, unstable, and unreliable as revenues fluctuate based on influences outside of the control of the Public Defender's Office.

INADEQUATE,
UNSTABLE,
AND
UNRELIABLE
FUNDING
MECHANISM

CALENDAR YEAR 2019 STATEWIDE REVENUE SOURCES

- During Calendar Year 2019, the 42 judicial district public defender's offices received \$55,952,798 in total revenues
- 51% of revenues were derived from Conviction and User Fees
- 45% of revenues were derived from supplemental state appropriation



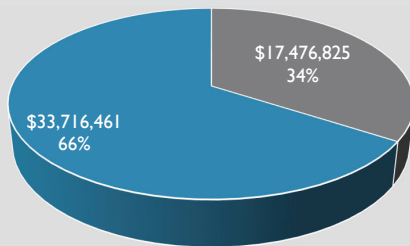
CY19 LOCAL REVENUES

Only three (3) districts in the state received funding from their local government

- 19th Judicial District (East Baton Rouge Parish)
- 20th Judicial District (East Feliciana, West Feliciana Parishes)
- 41st Judicial District (Orleans Parish - \$1.8 million)

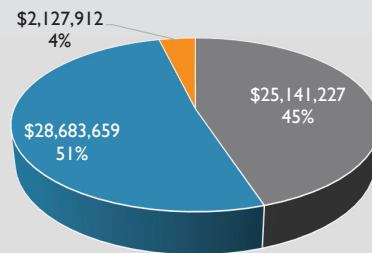
STATEWIDE REVENUE COMPARISONS

CY13 STATEWIDE TOTAL REVENUES



State Appropriation Conviction and User Fees

CY19 STATEWIDE TOTAL REVENUES



State Appropriation Conviction and User Fees Local Appropriations

CONVICTION AND USER FEES

- According to Louisiana law, every conviction or nolo contendere plea rendered results in a \$45 special court cost assessment, payable to the local public defender's office.
- Special court costs make up the vast majority of conviction and user fees, and are typically associated with traffic tickets (approximately 76%).
- Despite 2012 legislation that was expected to result in a 25% increase in special court costs, conviction and user fee revenues have declined significantly since 2013.
- These declines are associated with declines in traffic ticket filings.
- According to Louisiana Supreme Court filing data, the number of traffic tickets filed has declined 45% since 2009.

HB 105

FY21 PROPOSED BUDGET

- HB105 as filed proposes to appropriate \$40,351,698.
- This budget proposal represents a nearly standstill budget from the current fiscal year.
- At the time of filing HB105:
 - **WOULD** have allowed LPDB to ensure that all 42 judicial district offices remained solvent for the duration of the fiscal year.
 - **WOULD NOT** have allowed LPDB to address the existing capital case waitlist.

COVID-19

EXPECTED REVENUE SHORTFALLS

INADEQUATE, UNRELIABLE, AND UNSTABLE FUNDING MECHANISM

- The COVID-19 pandemic is yet another demonstration of the inadequacy, unreliability, and instability of the Louisiana public defense system's funding mechanism.
- Conviction and user fees received by the district are in peril because of court closures and widespread unemployment.
- Court closures
 - Prevent the public from paying existing fines and fees
 - Prevent the assessment of new fines and fees
- Individuals with fine and fee assessments may no longer be able to afford payment.

Conviction and user fees received by a district are dependent upon court activity.

Yet, nearly every court in the state is closed to the public.

Court closures place an additional burden on state supplemental assistance to fill in the gaps.

FEDERAL RELIEF FUNDING

- LPDB seeking funding through the Louisiana Commission on Law Enforcement Coronavirus Emergency Supplemental Funding (CESF) grant.
 - \$491,862
 - If awarded, grant will provide each district and the state office with PPE and provide districts with complete workstations for remote representation.
- District offices as political subdivisions do not qualify for the Payroll Protection Program, however individual attorneys who have been furloughed may qualify for unemployment or the Payroll Protection Program.

FY20 ASK: \$1,423,625

FY20 ADDITIONAL FUNDING NEEDS

\$1,423,625

Assumptions:

- Near zero assessment and collection of conviction and user fees during court closures associated with Governor Edwards' "Stay-at-Home" order.
- Public defender offices will need to rehire some furloughed staff once courts reopen and will need assistance meeting financial obligations until the FY21 budget loads.

FY20 FUNDING REQUEST RATIONALE

- Courts across the state will be closed to the public for two months, resulting in reductions to convictions and user fees totaling more than \$4,000,000.
- \$1,723,755 is available to districts because of LPDB's policy to hold back 5% of the district's appropriation each year to address financial exigency and because of contract cancellations.
- Public defender offices have made more than \$2,000,000 in cuts.
- 94% of the total cuts are personnel reductions, more than 200 attorneys have been affected statewide by furloughs or wage reductions.
- District offices will not be able to provide effect representation to clients with cuts of this magnitude, once courts re-open.
- Supplemental appropriation from the legislature will allow public defenders to re-hire crucial staff once courts re-open and cover July 1st expenses.

FY21 ASK: \$3,585,457.35

FY21 ADDITIONAL FUNDING NEEDS

\$3,585,457.35

Assumptions:

- Court closures associated with Governor Edwards' "Stay-at-Home" order will result in the loss of conviction and user fees for two months
 - Based on CY19 data 1/6 of conviction and user fees totals \$4,780,609.80
- Very minimal, if any, traffic tickets are being written during the stay at home order
- Traffic filings make up 75% of all conviction and user fee generated revenues

FY21 FUNDING REQUEST RATIONALE

- Likely an extremely conservative request.
- Just as the long-term effects of the pandemic on sales tax revenue is unclear, LPDB cannot predict the long-term impact of the pandemic on ticket-writing practices.
 - Experience in the 19th Judicial District (East Baton Rouge Parish), tells us that pre-pandemic practices may never return. The district has yet to resume ticket writing at pre-August 2016 flood levels.
- Public Defender Offices across this state have been underfunded since the beginning of the system, have already made extensive cuts to reduce expenses where possible, and are beholden to an inadequate, unreliable, and unstable funding mechanism to provide constitutionally required representation to indigent persons in more than 240,000 cases each year.

LOUISIANA PUBLIC DEFENDER BOARD CONTACTS

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EXECUTIVE AGENCIES WITH NO IMPACT

109 – CPRA

106 – Tax Commission

102 – Inspector General

255 – Office of Financial Institutions

Schedule 3 – Veterans Affairs

VETERANS AFFAIRS

LDVA COVID-19 Related Expenses

Expenditure	Amount (\$)
Payroll	93,942.39
Supplies	105,097.66
Acquisitions	29,636.50
Pharmacy	22,320.01
Agency Total	250,996.56

DEPARTMENT OF VETERANS AFFAIRS									
GOHSEP/COVID 19 EXPENDITURES									
As of 4/24/2020									
AGENCY	AMOUNT	PAYROLL DESCRIPTION	AMOUNT	SUPPLIES DESCRIPTION	AMOUNT	ACQUISITIONS DESCRIPTION	AMOUNT	PHARMACY DESCRIPTION	TOTALS
130	\$ -		0		0		0		0
131	\$ 3,455.51	OT/Straight Time/WAE	\$ 21,253.64	* See Agency tab	\$ 3,995.00	* See Agency tab	0		\$ 28,704.15
132	\$ 6,338.50	OT/Straight Time/WAE	\$ 11,704.96	* See Agency tab	\$ 7,578.94	* See Agency tab	\$ 16,460.34	* See Agency tab	\$ 42,082.74
134	54,078.71	OT/Straight Time/WAE	\$ 18,303.14	* See Agency tab	\$ 11,980.20	* See Agency tab	\$ 432.97	* See Agency tab	\$ 84,795.02
135	6761.78	OT/Straight Time/WAE	\$ 24,615.14	Doorbell intercom system; N95 masks; Meal delivery carts	0		0		\$ 31,376.92
136	\$ 23,307.89	OT/Straight Time/WAE	\$ 29,220.78	* See Agency tab	\$ 6,082.36	* See Agency tab	\$ 5,426.70	* See Agency tab	\$ 64,037.73
AGENCY TOTAL	\$ 93,942.39		\$ 105,097.66		\$ 29,636.50		\$ 22,320.01		\$ 250,996.56

Department of Veterans Affairs - 130							
GOHSEP/COVID 19 EXPENDITURES							
	PAYROLL		SUPPLIES		ACQUISITIONS		PHARMACY
AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION
0	TOTAL	0	TOTAL	0	TOTAL	0	TOTAL

Louisiana Veterans Home - 131							
GOHSEP/COVID 19 EXPENDITURES							
	PAYROLL		SUPPLIES		ACQUISITIONS		PHARMACY
AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION
3455.51	Nursing overtime 138.9 hrs.	\$588.24	Probe Covers	\$3,995.00	360 Electrostatic Disinfectant sprayer		
		\$61.78	Digital Thermometer				
		\$352.68	N-95 Mask				
		\$470.61	Gloves				
		\$35.52	Safety Glasses				
		\$2,200.00	N-95 Mask				
		\$123.60	Clorox wipes				
		\$2,147.80	various wipes,mask, gowns				
		\$8,145.00	sanitizer,soap,tissue,paper t,				
		\$466.60	disinfectant cleaner				
		\$13.21	Germicide Wipes				
		\$183.30	Isolation gowns				
		\$21.60	Sheaths for Oral Thermometer				
		\$38.92	Gel, Alc Gel Rite hand sanitizer				
		\$51.34	Alcohol prep pads				
		\$121.50	Gloves				
		\$1,875.00	KN95 mask (500)				
		\$1,100.00	Surgical mask (2000)				
		\$325.00	Infrared thermometers				
		\$58.80	N-95 Mask				
		\$155.00	Isolation gowns				
		\$32.16	Hand sanitizer				
		\$25.55	Face Mask				
		\$427.36	Electronic Thermometer				
		\$122.76	Clorox wipes				
		\$473.94	Gloves				
		\$492.50	Gloves				
		\$26.50	Germicide Wipes				
		\$648.00	Gloves				
		290.82	Infrared thermometers				
		135.60	AAA batteries				
		42.95	x-press disinfectant				
3455.51	TOTAL	21253.64	TOTAL	3995	TOTAL	0	TOTAL

Northeast Louisiana Veterans Home - 132							
GOHSEP/COVID 19 EXPENDITURES							
PAYROLL		SUPPLIES		ACQUISITIONS		PHARMACY	
AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION
916.14	OT-RN's pay period end 04/05	1963.74	Hand Sanitizer	4999	E-Mist 360 Roller cart spray diinfectant sys	3779.76	Spivia inhaler, celestine
932.95	OT-DON pay period end 04/05	819.90	Bleech, wipes	2579.94	Apple I Pads	385.67	NS 100 ML Mini Bag Plus
158.47	OT-ADON pay period end 04/19	1100.00	N-95 Mask			1000	Hydroxy Chloroquine
1874.91	OT-DON pay period end 04/19	99.50	N-95 Mask			29.67	Dextr 5%
2456.03	OT-RN's pay period end 04/19	350.00	10 Gallons hand sanitizer			29.67	Dextr 5%
		225.00	Safety glasses			169.08	Spiriva inhaler
		146.90	Disposable stethoscope			1911.44	Inhalers
		152.00	Hand Sanitizer floor stand			552.67	Levoflox
		1368.62	Symmetry Hand foam sanitizer			845.5	Spiriva inhaler
		249.85	Comet disinf spray			184.6	Robafen, ipratro, APAP
		49.97	Comet disinf spray			338.16	Spiriva inhaler
		40.32	Pure Bright Bleach			13.17	Vitamin C tablets
		61.13	Clorox Gemicidal wipes			1162.37	Blister Cards
		298.98	Virex TB RTU			1648.02	Hydroxychloroquine
		704.05	Bleach, dienfectant spray			783	Hydroxchl Sul
		1875.00	KN95 Respirators (500)			200.68	Azithromy
		1100.00	Isolation Surgical Mask (2000)			22.82	Vitamin C tablets
		1100.00	Isolation Surgical Mask (2000)			464.2	Sod Chl M Bag
						189	Azithromy
						83.95	Optichamb Lg Mask
						44.15	Optichamb Lg Mask
						1733.21	Nuedexta Cap, Albutero Sul
						83.95	Optichamb Lg Mask
						83.95	Optichamb Lg Mask
						83.95	Optichamb Lg Mask
						83.95	Optichamb Lg Mask
						83.95	Optichamb Lg Mask
						469.8	Hydroxychloroquine 200 mg tab
6,338.50	TOTAL	11,704.96	TOTAL	7,578.94	TOTAL	16,460.34	TOTAL

Southwest Louisiana Veterans Home - 134							
GOHSEP/COVID 19 EXPENDITURES							
PAYROLL		SUPPLIES		ACQUISITIONS		PHARMACY	
AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION
8,838.36	PPE 03/22/2020	475.68	Claire Disinfectant Spray	4,245.00	Electrostatic Disinfectant Sprayer	59.90	IV Starter Kit
22,821.04	PPE 04/05/2020	112.89	Pencil Colors and Markers	898.31	(3) iPads with protective cases	373.07	Sodium Chloride 0.9%
22,419.31	PPE 04/16/2020	1,417.53	N-95 Respirator Masks	4,775.64	(2) IV Pumps with Poles		
		112.14	Wipes, Alcohol Sanitizer	362.81	Digital Thermometer Temporal Scanner		
		3,913.10	Hand Sanitizer (Bottles & Wipes)	1,698.44	(4) Oximeter, Pulse w/ Adult Sensor		
		239.24	IV Admin Sets				
		1,100.00	N-95 Respirator Masks				
		459.38	Disposable Face Shields				
		733.68	Disposable Infectious Disease Face Shields				
		103.25	Safety Glasses				
		1,100.00	N-95 Respirator Masks				
		91.08	Hand Sanitizer				
		800.00	N-95 Respirator Masks				
		91.08	Hand Sanitizer (16.9 oz)				
		3,300.00	Level 1 Surgical Masks				
		45.61	Towelette; Hand Sanitizer				
		153.87	Disposable Foam Pitchers & Disposable Liners				
		344.62	Masks and Hand Sanitizer				
		243.28	Shoe Covers, Non-Skid				
		28.96	Masking & Painter's Tape				
		449.90	Respirator Masks				
		192.51	Saccharin Fit Test				
		142.69	Masks, Resuscitator & Caps				
		74.82	Resuscitator				
		25.98	Respirator Filters				
		1,295.00	Surgical Face Masks & Infrared Thermometers				
		899.50	Wipes, Unscented				
		337.35	Handheld Sphygmomanometer				
		20.00	Broadline Markers; Super Tip Markers				
54,078.71	TOTAL	18,303.14	TOTAL	11,980.20	TOTAL	432.97	TOTAL

Northwest Louisiana Veterans Home - 135						
GOHSEP/COVID 19 EXPENDITURES						
PAYROLL		SUPPLIES		ACQUISITIONS		PHARMACY
AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION	AMOUNT
576.11	PP07 2020 - PPE 3/22/2020	\$124.99	Doorbell Intercom System w/transmitters and receivers			
2304.03	PP08 2020 - PPE 4/5/2020	\$84.96	KN95 Mask paint sanding dust respirator			
3881.64	PP09 2020 - PPE 4/19/2020	\$1,100.00	KN95 Masks (200)			
		\$4,400.00	KN95 Masks (800)			
		\$14,293.64	Meal Delivery Carts			
		\$859.00	Xpress Detergent			
		\$71.11	Convertible handle stands			
		1064.94	Hand cleanser			
		84.96	Dust Respirator			
		269.45	Particulate respirator			
		235.8	Aloe Vera Gel			
		359.8	Hand sanitizer			
		149.75	Disposable gowns			
		399.9	Body/Hunting bag			
		369.6	Disposable face shield			
		243.55	Gloves, Large			
		149.95	Rubbing alcohol			
		353.74	Thermometer-forehead			
6761.78	TOTAL	\$ 24,615.14	TOTAL	0	TOTAL	0

Southeast Louisiana Veterans Home - 136							
GOHSEP/COVID 19 EXPENDITURES							
PAYROLL		SUPPLIES		ACQUISITIONS		PHARMACY	
AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION	AMOUNT	DESCRIPTION
23307.89	OT/Straight Time/WAE	13420	N95 Masks	4355	E Mist Sprayer	385.67	IV Bags
		8208.22	Disinfectants	1727.36	4 Ipads	641.49	Medication
		410	Laundry Sanitizer			192.21	Masks
		2853.36	Gatorade/Water for hydration			167.9	Masks
		3480	Gloves			541.5	Albuterol
		469.2	Disinfectants			3265.92	Diabetic Supplies(increased testing)
		380	Hazard Liners			232.01	Albuterol/Masks
\$ 23,307.89	TOTAL	\$ 29,220.78	TOTAL	\$ 6,082.36	TOTAL	\$ 5,426.70	TOTAL

Schedule 4 – Elected Officials

SECRETARY OF STATE

FY 20

- The SOS anticipates a deficit in Self Generated Revenues of approximately \$1.2M due to the April and May elections being moved to FY 21.
- The SOS was allotted \$6,189,147 in CARES Funds statutory dedications to be used for pandemic related expenses for the 2020 federal election cycle. Some of this money will be used for the July and August PPP elections. The remainder of those funds will need to be spent in FY 21 for the fall elections before December 31, 2020.
- We (SOS) will not be reverting all of the State General Fund appropriated to pay for the two elections that were moved to next fiscal year because some expenses are being incurred in FY 20 in preparation for the elections being held in July and August.

FY 21

- The SOS will need State General Fund revenue and expenditure budget authority for two (2) additional elections that will be held in FY 21 (July and August) and for pandemic related expenses for the fall elections that are not covered under the CARES Act.
- We will need an increase in Statutory Dedications revenue and expenditure budget authority to be able to collect and spend the remainder of the CARES Funds allotted to us for the pandemic related expenses in the 2020 federal election cycle that was not spent in FY 20.
- The SOS will need additional IAT MOF budget authority in the Other Charges category to be able to receive and spend grant funds from GOHSEP relating to cybersecurity and physical protective measures.

The SOS is in the process of implementing the emergency plan approved by the legislature on Monday, April 27, 2020. It is of the utmost importance to the department that the public be able to exercise their right to vote in a safe environment, whether that be by absentee ballot, early voting, or election day voting.

DEPARTMENT OF JUSTICE

Category Expenditures					
SALARIES	\$26,280				
OTHER COMPENSATION	\$2,121				
RELATED BENEFITS	\$390				
SUPPLIES	\$11,759				
ACQUISITIONS	\$48,340				
	\$88,890				
MOF					
SD:DOJ Legal Support Fund	\$28,790				
Interagency Transfers	\$42,746				
State General Fund	\$17,354				
	\$88,890				
Program					
Administrative Program	\$17,354				
Criminal Program	\$28,790				
Litigation Program	\$42,746				
	\$88,890				
Category	Description				
Salaries, Other Comp. & Related Benefi	Staffing for security at Convention Center				
Supplies	Mobile Command Unit supplies, hand sanitizer, etc.				
Acquisitions	Laptops and multifunctional devices				

DEPARTMENT OF TREASURY

Treasury gets 34% of its fees and self-generated revenues from loaning out money in the treasury when it is not needed. Recent market changes will result in a loss of \$137,000 in securities lending income for FY 19-20. In order to immediately address this shortfall, Treasury will leave three recently vacated senior positions unfilled. Treasury receives no state general fund and relies on securities lending to pay for the cost of investment and management of the state's trust and general funds.

The Department of Treasury is also concerned about securities lending losses in the FY 20-21 fiscal year due to market uncertainty. We have trades that mature in FY21, but because there is so much uncertainty in the market, we cannot yet predict what will happen to those trades. We would like to have further discussions about how to diversify our revenue to best serve the citizens of the state.

During this period of unprecedented jobs losses across the state, the Louisiana Department of Treasury has redoubled our efforts to return unclaimed property funds to Louisiana's small businesses, municipalities, non-profits, and citizens.

In the month of April, Unclaimed Property has sent out the largest batch of checks in history--100,000 checks totaling more than \$15M.

Among those checks are more than \$730,000 for local government and nonprofits whose support of our communities has never been more important.

City of New Orleans	\$292,279.38
New Orleans Police	\$22,629.97
City of Plaquemine	\$30,182.63
City of Lake Charles	\$54,414.32
United Way of Louisiana	\$150,000
Jefferson Parish Animal Shelter	\$16,416.62

Before the session adjourned, we requested additional funds to make technology improvements in UCP, moving to electronic claims. The funding for technology improvements was included in the Governor's Executive Budget.

In addition to moving to paperless claims, we need to end a reliance on temporary positions and create positions to deal with complex claims. The law currently allows for 7% of what we collect in Unclaimed Property to be used for overhead. We are currently using 3.22%. We are requesting \$446,062 in budget authority to fill seven new positions at no cost to the state general fund. If UCP receives the additional budget authority, the amount to be used for overhead would still be below 7%, and would total 3.64%.

Schedule 5 – Department of Economic Development

ECONOMIC DEVELOPMENT

Summary: LED COVID-19 Impact

4-28-20: Per House Fiscal Division contact with LED, it appears that LED does not know for sure how much revenue they will lose, since they are funded from a percentage of sales tax. LED reported that more will be known in the next 30 days regarding reduced revenues and actual expenses relative to the COVID response.

Schedule 6 – Culture, Recreation, and Tourism

CULTURE, RECREATION, AND TOURISM

Office of Tourism

The Louisiana tourism industry contributed nearly \$19 billion in visitor spending to the state. This accounts for almost \$2 billion in local and state taxes and a 41-1 return of investment for Louisiana taxpayers. Tourism is the fourth highest employer in the state, accounting for seven percent of all employment in Louisiana.

The Louisiana tourism industry is suffering a staggering economic impact due to restrictions imposed world-wide to limit the spread of COVID-19. The loss from the cancellation of events alone is approximately \$171 million, and the Louisiana travel industry as a whole has seen a decline of 86%, with a \$227 million decline over last year as of April 18th. This loss grows daily.

Now more than ever it will be important to expand our marketing and advertising efforts to rebuild the confidence of visitors and this important industry to our state.

Office of State Parks

OSP loses \$350,000 a week in revenue for every week we are closed. This will cause Parks to not have the capacity to hire seasonal WAE's and will not have the funds for all Major Repairs and Improvement projects necessary to keep the Parks in adequate service.

Office of the Secretary – Louisiana Seafood Promotion and Marketing Board

Since the outbreak of COVID-19 the seafood industry has taken hits from all sides. From restaurant closures, event and festival cancellations, dock closures and more. When Louisiana opens up we will need resources to keep reminding people that NOW more than ever before, we need them to seek out Louisiana harvested seafood products. A strong presence will need to be reestablished in all grocery stores, restaurants, and online markets.

Office of the Lt. Governor – Volunteer Louisiana

At this point, COVID-19 is not impacting our FY20/21 revenues and expenditures. However, the **Pandemic Response and Opportunity Through National Service Act** was introduced Wednesday in the U.S. Senate. If it passes and becomes law, it would exponentially increase federal funding to Volunteer Louisiana.

Office of State Parks

OSP loses \$350,000 a week in revenue for every week we are closed. This will cause Parks to not have the capacity to hire seasonal WAE's and will not have the funds for all Major Repairs and Improvement projects necessary to keep the Parks in adequate service.

Office of Cultural Development

At this time, OCD's federal funding and IAT for FY 20/21 have not been impacted. There is significant concern over how COVID 19's impacts to the economy will consequently impact our nearly \$700,000 in self-generated revenues, the majority of which comes from application fees for the state commercial rehabilitation tax credit. A large portion of OCD's funding is re-granted to the preservation and arts communities. Grants priorities for FY 20/21 are shifting to historic preservation through virtual tools, stabilizing arts organizations, and providing support to Louisiana artists.

Office of State Museum

The Office of State Museums has made remarkable progress over the last three years in its ability to create self-generated revenue, however because of COVID-19 this figure will significantly decrease in fiscal year '20-'21 due to decreased attendance, cancelled special events, and likely abatements of the rental income collected from the commercial tenants of the lower Pontalba building.

I would not be surprised to see a 70% reduction of Fees and Self-Generated Revenue from tickets and rentals decreasing from \$1,200,000 to \$360,000

A soon to be completed analysis of the Louisiana State Museum system by the renowned Lord Cultural Resources consulting group, concludes that the Museum system has been chronically underfunded, yet operates with great efficiency. This same study will also make important recommendations regarding changes to the current governance structure and administration of the Museum system, as well as the makeup of its independent non-profit support organizations, to encourage greater private support.

Nonetheless, given the current crisis and the profound effect that it has on the state's economy, the OSM will make every effort to curtail expenses.

Office of State Library

The COVID-19 Pandemic has put a national spotlight on the vital role of libraries during an emergency like this. Libraries received an unprecedented amount of immediate attention in the CARES Act because the White House and the federal government both recognized that libraries are on the front lines of every community's response to its citizens needs during this unprecedented time of increased reliance

on digital connectivity. Although libraries were included in the initial recovery package due to their importance in the role of response and recovery, each library in Louisiana will only receive about \$1,200 in recovery funds.

Because of the Pandemic, libraries are experiencing a drastic increase in usage across all existing library services while at the same time they are quickly expanding and adding new programs and services to meet the increasing needs of citizens including students of all ages, in the midst of this Pandemic. In the last month there has been a surge in the number of citizens (new users) using library services across the state. This growth trajectory is expected to continue upward with no leveling off in sight due to the fact that more and more citizens are needing to access the resources that only libraries provide for free such as Internet and online educational resources. Students of all ages need Internet access and digital learning resources to do even a minimum level of schoolwork. Libraries provide these. In order to be able to continue to do all of these things the public libraries have to have support from the State Library.

In order for the State Library to provide adequate support to our parish libraries we are requesting the following

1. Statewide Electronic Resources (\$475,000) - These resources provide free homework help, job resources, languages, consumer information, health and medical information, newspapers, magazines, children's and teens books, etc. to all of Louisiana's citizens at an 8-to-1 cost savings to the state. Usage of these resources has increased over 400% from the last quarter, especially HomeworkLouisiana, the online tutoring service, which is critically important to students and parents adjusting to a homeschool environment.
2. Position/Staffing Needs (\$230,530) - This included funding for 3 positions, including an Early Literacy Consultant. With all schools and headstarts closed, public libraries, that were already on the forefront of providing early literacy services, have now become the ONLY resource for early literacy services and programming.
3. - State Aid to Libraries (\$3,000,000) - This funding goes directly to libraries for their collections and technology (i.e. updating wireless systems so that they can extend beyond library property, purchasing wifi hotspots, laptops, and tablets for library staff to be able to work remotely and to circulate to citizens in their community who are without them, increasing educational electronic resources and collections, etc.). The loss of State Aid over the last decade combined with the recent loss of \$455,000 in IAT which triggered an additional loss of \$235,000 in federal funds, all of which created increased costs for the local libraries which meant many could not upgrade their technology as they needed to, are prime examples of the very reasons that some public libraries are finding it extremely difficult right now to provide the increased services that their citizens are demanding of them right now. Restoring this funding to the State Library's budget will have immediate positive results right now for the 340 public libraries that would receive it because it would allow them to Increase their ability to respond to the needs of their communities.

Schedule 7 – Department of Transportation and Development

TRANSPORTATION AND DEVELOPMENT

April 27, 2020

DOTD – COVID-19 Budget Impacts

Background:

REC has not recognized a budget since April 2019. Based on revenue estimates at the last REC meeting, TTF-R excise tax collections were anticipated to reduce by 4% resulting in over a \$20M reduction in TTF-R revenues per year for SFY20 and SFY21.

Additionally, the COVID-19 Pandemic impacts are projected to reduce DOTD's excise tax revenues up to 30%-40% for the remainder of SFY20 and into the first quarter of SFY21. Based on reduced traffic counts early estimates suggest the COVID-19 impacts could result in up to \$50M per QTR lost revenues until traffic counts increase to normal levels.

All currently available CLOC and SGF Surplus will be obligated on projects before the end of SFY20.

Based on 100% utilization of the current funding, anticipated REC forecast, and potential COVID-19 impacts the need for SGF Surplus in FY21 could not be greater for Capital Outlay projects.

Current Situation:

The State DOTs in conjunction with the American Association of State Highways and Transportation Officials (AASHTO) requested \$49.95 billion as an immediate revenue backstop for State DOTs in Phase 4 of the COVID-19 Federal Response. Even though the states and AASHTO have asked for this funding to be provided to the states in an appropriation that allows for use in the capital and operating programs, the Federal appropriations typically do not allow this kind of flexibility. Past Federal transportation stimulus funding was for capital projects; was based on formula programs; and could not be used for operating expenses.

According to INRIX, a traffic data analytics company, when compared to the week of February 22, just before the pandemic was officially called, personal travel nationwide for the week of March 23 had decreased by 44 percent. Truck traffic is also down, but not to the same degree, as businesses (especially retail stores and pharmacies) still need inventory. Long haul trucking is down 3 percent whereas local trucking operations are down 14 percent. The overall decline in road traffic is 38 percent. Such a decline will lead to a dramatic decline in gas tax revenue. Louisiana's traffic count data has mirrored the National trends. Although the traffic declines were rapid, the recovery is expected to be gradual once it begins over several months.

Actual revenue collection data related to COVID-19 will not begin to become available until May 2020 so revenue projections are not based on hard data.

Current Operating Budget Concerns for FY21:

DOTD does not have any immediate concerns related to the current HB105, however taking into account potential revenue shortfalls for FY21 the following operational expenses could be impacted due to COVID-19:

- Suspension of Market Rate adjustments.
- Elimination of nonessential travel.
- Require LTRC to reduce training and research performed through LA colleges and universities.
- Reduce ferry services in various locations associated with self-generating revenues.
- Reduction of professional service contracts.
- Reduction of IATs to delay various OTS technology initiatives.
- Reduction of enhanced services funded by the Regional Maintenance Improvement fund.
- Reduction of Operating Services will include a reduction in the number of cycles for mowing, litter pickup, and herbicide treatments; a reduction the amount of short segment asphalt leveling applied in house; a reduction in supplies may potentially increase the number of posted bridges and/or closed bridges; and will delay the purchases of equipment used to maintain and repair our roadways.

Current Capital Need for FY21:

DOTD requires the proposed SFY21 SGF Surplus funding of \$115M to meet the State match requirement for the Highway Priority Program and the Mississippi River Deepening project. This SGF Surplus funding is needed by July 2020 to ensure DOTD has the appropriate budget authority to advance Federal projects in the beginning of the State fiscal year.

The Highway Priority Program will utilize \$100M in order to let the **currently programed projects** and to advance additional projects should we be successful in competing for extra federal transportation funds in August 2020.

1. DOTD requires \$165M in State Match for approximately 150 construction projects.

a. Based on the current budget forecast, \$85M available in State Match for programing in SFY21.

b. **\$80M SGF Surplus is required for State Match** in order to let currently programmed highway and bridge projects.

i. Without the SGF Surplus, DOTD is short \$80M in State Match equating to 50% of the Highway Priority Program and over 100 construction projects could be impacted.

2. \$20M SGF Surplus is required for State Match to take advantage of \$80M of extra Federal Funding through August redistribution.

a. DOTD can only compete for the August redistribution funding if 100% of the Federal Program is utilized.

The Mississippi River Deepening project requires \$15M of SGF Surplus to augment \$15M of currently programmed CLOC to provide the USACE approximately \$30M in State Match for the project's Phase 1 contract that is scheduled to be awarded in August of 2020.

Schedule 8 – Department of Public Safety and Corrections

CORRECTIONS

The Department of Public Safety & Corrections—Corrections Services (DPS&C-CS) is responsible for the care and custody of over 31,000 individuals incarcerated in Louisiana's state prisons and local jails, while providing career opportunities for 464 staff members.

In responding to the COVID-19 pandemic, the Department has taken many steps to mitigate the impact, both for staff and the offender population in our state prisons and, to the degree possible, through support to our local level jails and prisons.

Among the first steps was to review the Department's Influenza and Pandemic Prevention/Preparedness/Response regulation, the Department's Pandemic Continuity of Operations Plans (COOP) for both state prisons and for our role in supporting local level jails and prisons holding individuals remanded to DPS&C custody, and each unit's individual COOP plans. Updates to these plans were implemented based on the specifics of the COVID-19 pandemic.

Next steps were to implement COOP plan actions that reduced risk exposure. Those actions included:

- Provision of hand sanitizer, cleaning, disinfecting supplies at all state prisons and DPS&C Headquarters.
- Increased disinfecting cleaning protocols, assigning work crews to clean more often in high touch areas in state prisons.
- Suspension of offender visitation at our state prisons.
- Suspension of volunteer programs and services.
- Suspension of all prison tours and events, including the Angola Rodeo.
- Screening all incoming staff/contractors/vendors upon entrance into state prisons, to include temperature checks.
- Discontinuance of work crews working in the community from state prisons, with some afterhours crews are continuing to support state buildings.
- Discontinuance of non-emergent transfers between prisons and from/to local level jails/prisons.
- Implementation of required screening/assessment and quarantine procedures for required (emergent) intakes into state prisons.

- Limiting internal prison movements to only movements essential to daily operations, including limiting food service/dining by housing unit with extra sanitizing efforts between feeding group.
- Suspension of live Pardon Board and Committee on Parole hearings and implementation of procedures that would support the use of technology for virtual hearings.
- Implementation of reverse isolation practices to separate our elderly and high-risk offenders, which includes separating housing, meal services, and recreation opportunities.
- Implementation of offender testing criteria guidelines to all state facilities (based upon LDH direction) which includes testing any inmate exhibiting an influenza like illness (fever or fever and cough).
- Isolation of COVID-19 positive cases and quarantine of those identified through contact tracing to be at risk.
- Provision of personal protective equipment to all staff and COVID-19 positive offenders, as well as masks to offenders housed in all state prisons.
- Development and implementation of COVID-19 Offender Temporary Release Program which considers all non-violent, non-sex offenders who are within six months of their release to be eligible for possible furlough to home incarceration based on a six panel multidisciplinary review panel. To date, the panel has had one hearing and approved 11 individuals with high risk medical conditions for final furlough eligibility processing.
- Constant communication with the Louisiana Sheriffs' Association to monitor the impact of COVID-19 in our local facilities and offer support where possible. This includes the housing of positive cases in a state prisons when isolation options aren't available at the local jail and coordinating on the delivery of PPEs (i.e. cloth masks for offenders).

As of April 20, 2020, through rigorous screening and testing, the Department has identified 101 offenders that have tested COVID positive and we are housing 1,442 individuals in quarantine, 946 individuals in reverse isolation, and 169 individuals in isolation in our state prisons. There are an additional 89 individuals in isolation and/or stepdown unit at Louisiana State Penitentiary that were transferred to us from local level jails and prisons.

These COVID-positive offenders are spread out at six of the eight state-operated correctional institutions. At each of those institutions, facility staff have implemented isolation, contact tracing, and quarantine practices as previously noted. Those in the quarantine are screened twice a day for symptoms with temperature checks.

In support of these operations, Personal Protective Equipment (PPE) continues to be the priority need for the Department's response. Each institution has been instructed to maintain an inventory of enough PPEs to last 30 days. The inventory for each was calculated using the following criteria:

- 1. N-95 Mask- Issue 1 new mask daily per person**

- A. Medical /Nursing staff providing direct primary care**

- B. Correctional staff working with COVID-19 (+) offenders
- C. Staff transporting COVID-19 (+) offenders
- D. Orderlies working with COVID-19 (+) offenders
- 2. **Disposable Surgical Face Mask- Issue 1 new mask every 3 days per person**
 - A. Medical/ Nursing staff performing administrative duties
 - B. All other staff
 - C. Infirmary Orderlies
- 3. **DOC Manufactured Cloth Masks- Issue 2 to each offender, to be replaced when compromised**
 - A. All offenders
- 4. **Gowns- Issue 1 new gown daily per person**
 - A. Medical/ Nursing staff providing direct primary care to COVID-19 (+) offenders
 - B. Correctional staff working with COVID-19 (+) offenders that are in close proximity to offenders (**less than 6 feet**)
 - C. Staff transporting COVID-19(+) offenders
 - D. Orderlies working with COVID-19 (+) offenders
- 5. **Face Shields/ Goggles- Issue 1 per person, replace if compromised.**
 - A. Medical/ Nursing staff providing direct primary care on COVID-19 unit
 - B. Correctional staff working with COVID-19 (+) offenders that are in close proximity to offenders (less than 6 feet)
 - C. Staff transporting COVID-19 positive offenders
 - D. Orderlies working with COVID-19 (+) offenders that are in close proximity to offenders (less than 6 feet)
- 6. **Shoes Covers- Issue 1 new pair per person daily**
 - A. Medical/ Nursing staff providing direct primary care on COVID-19 unit
 - B. Correctional staff working with COVID-19 (+) offenders and are in close proximity to offenders (less than 6 feet)
 - C. Orderlies on COVID-19 unit and are in close proximity to offenders (less than 6 feet)

The Department is preparing to continue the testing, isolation, and quarantine operations for at least 120 days. Furthermore, through its Prison Enterprise operation, the Department is incurring transportation costs associated with delivering needed supplies (hand sanitizer, cloth masks, gowns, etc.) to the institutions during this effort.

The Department has maintained a parallel focus on screening employees for the virus. As of April 22, 2020, 78 employees have tested positive for COVID-19. In an effort to mitigate the spread of the virus, the Department also deploys contact tracing to identify staff exposure risks and directs identified staff to self-quarantine for 14 days. Unfortunately, COVID-positive employee and the self-quarantined employees are not able or allowed to report to work and this has caused staffing shortages at the institutions. In order to address these staffing shortages, which as of this report are averaging 175 per day (100 average security staff and 13 average healthcare staff daily), the Department is utilizing existing staff to work additional shifts, thereby leading to additional overtime costs. To date, the department is averaging about \$97,890 per pay period in additional overtime costs associated with the COVID-19 response.

In addition to the efforts noted above, the Department is also operating the previously noted isolation and step-down quarantine unit at Louisiana State for those offenders housed at the local level that have tested positive for the virus or have been exposed to

the virus. This dormitory is on the grounds of the Louisiana State Penitentiary at Angola and was previously closed and non-operational. For minimal maintenance costs and the cost associated with renting portable air conditioning units, this unit was made operable for this needed function. The security staffing for this additional site is being provided by Probation & Parole Officers to include overtime costs. There are additional costs to the department associated with travel for these officers as they are coming in from all STATEWIDE LOCATIONS. In addition, the medical staffing for this site is being provided by exiting LSP medical staff at overtime rates.

Lastly, the Department's Division of Probation and Parole have been tasked with supporting community law enforcement at community step-down quarantine locations (i.e. Morial Convention Center); at housing sites for COVID-19 positive homeless individuals (Hilton Garden Inn and Quality Inn & Suites in New Orleans); and at drive through testing sites (Erath Police Department). Again, additional overtime costs associated with this effort is captured in the overtime rate and there are additional costs to the department associated with travel for these officers as they are coming in from all over the state.

DPS&C/CORRECTIONS SERVICES
BREAKDOWN OF COVID-19 EXPENDITURES
FY 2019-2020

4/24/2020

Agency #	Unit	Year-to-date Expenditures	Category	Explanation
08-400	HDQ	32,032	Salaries	Overtime \$36,032 for security staff
		1,728	Operating Services	Licenses to review cases for population reduction and subscription for video
		169,386	Supplies	Hand sanitizer, gloves, clorox wipes and bleach, face masks, thermometers and batteries, flash drives, test kits, and food for IMC Room
Total		203,146		
08-402	LSP	50,162	Salaries	Overtime \$50,162 for security and medical staff
		54,008	Operating Services	Rental of portable air conditioning units for Camp J for offenders in quarantine
		859,400	Supplies	Supplies related to re-purposing Camp J to house quarantined offenders such as mattresses, bedsheets, & pillows, medical supplies & medications, thermometers, personal protective equipment such as gloves, masks, gowns, hazmat suits, & shoe covers; cleaning & sanitizing supplies
Total		963,570		
08-405	RLCC	9,574	Salaries	Overtime \$9,574 for security and medical staff
		226,161	Supplies	Hand sanitizer, ice chests, and personal protective equipment such as gloves, masks, gowns, hazmat suits, and shoe covers
Total		235,735		
08-406	LCIW	3,019	Salaries	Overtime \$3,019 for security and medical staff
		1,438	Operating Services	Oxygen cylinder rentals and isolation room inspection & service fees - JCCY location
		223,468	Supplies	Hand sanitizer, thermometers, clorox bleach, plumbing and electrical parts for temporary showers & toilets, disposable cups, plates, bowls, material for walkway and cabinets for temporary exam room such as lumber, hinges, etc, personal protective equipment such as gloves, masks, gowns, hazmat suits, & shoe covers
Total		227,925		
08-408	ALC	5,724	Salaries	Overtime \$5,724 for security and medical staff
		81,841	Supplies	Clorox bleach, hand sanitizer, thermometers, transport coolers, medical supplies & medications, stretchers, personal protective equipment such as gloves, masks, safety goggles, hazmat suits, & shoe covers
Total		87,565		
08-409	DCI	24,193	Salaries	Overtime \$24,193 for security and medical staff
		246,335	Supplies	Medical supplies & medications, hand sanitizer, hand soap, thermometers, coolers, stethoscopes, personal protective equipment such as gloves, masks, safety goggles, hazmat suits, & shoe covers, disposable cups, plates, bowls
Total		270,528		
08-413	EHCC	19,588	Salaries	Overtime \$19,588 for security and medical staff
		1,038,769	Supplies	Soap, hand sanitizer, thermometers, blood pressure monitors, disinfectant wipes and bleach, thermal scanners, personal protective equipment such as gloves, masks, goggles, hazmat suits, & shoe covers, coolers, nebulizer system
Total		1,058,357		
08-414	DWCC	50,614	Supplies	Wipes, hand sanitizers, soap, bleach, medical supplies, thermometers, coolers, personal protective equipment such as gloves, masks, gowns, hazmat suits, & shoe covers; cleaning & sanitizing supplies
Total		50,614		
08-415	P&P	156,222	Salaries	Overtime \$156,222 for P&P agents assisting in providing security at LSP, LCIW, and EHCC for offenders in quarantine
		23,457	Travel	Meals and lodging for P&P agents to provide security at LSP, LCIW, and EHCC for offenders in quarantine
		89,807	Supplies	Wipes, hand sanitizers, thermometers, personal protective equipment such as masks, gloves, goggles, hazmat suits, & shoe covers
Total		269,486		
08-416	RCC	15,212	Salaries	Overtime \$15,212 for security and medical staff
		10	Operating Services	Webinar for Covid-19 Update
		206,451	Supplies	Maintenance supplies to set up temporary isolation buildings for positive cases, hand sanitizer, soap, bleach, cleaning supplies, personal protective equipment such as gloves, masks, goggles, hazmat suits, & shoe covers
Total		221,673		
21-811	Prison Enterprises	17,977	Salaries	Overtime \$17,977 for Prison Enterprises staff
		184,124	Supplies	clorox wipes and bleach, hand sanitizer, disinfectant cleaner, soap, materials to make face masks and shields
Total		202,101		
Grand Total		3,790,700		

Louisiana Department of Public Safety and Corrections

Public Safety Services



FY 20 COVID-19 Financial Impacts

- | | | |
|---|---|--|
| 1 | { | • Inadequate revenue to support existing budget authority within DPS |
| 2 | | • Inadequate “cash on hand” to cover existing obligations |
| 3 | | • DPS Estimated Expenditures to date - \$3.14M |
| 4 | | • DPS Estimated Revenue Loss (3/16/20 through 4/30/20) - \$41.3M |

5/3/2020



Louisiana Department of Public Safety

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FY 20 COVID-19 Financial Impacts

1. Inadequate revenue to support existing budget authority within DPS

Primary Revenue Deficits:

- Riverboat Gaming Enforcement Fund
- OMV Self-Generated Revenue

5/3/2020



Louisiana Department of Public Safety

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FY 20 COVID-19 Financial Impacts

2. Inadequate “cash on hand” to cover existing obligations, such as:

IAT payments to other state agencies such as:

- Office of Technology Services
- Office of Group Benefits
- Office of Risk Management
- Division of Administrative Law

Private Vendor Invoices:

- Utility bills
- Crime Lab supplies
- Fuel
- Facility maint./repairs
- Necessary office supplies
- Contract obligations

**Working with
Division of
Administration to
address issues**

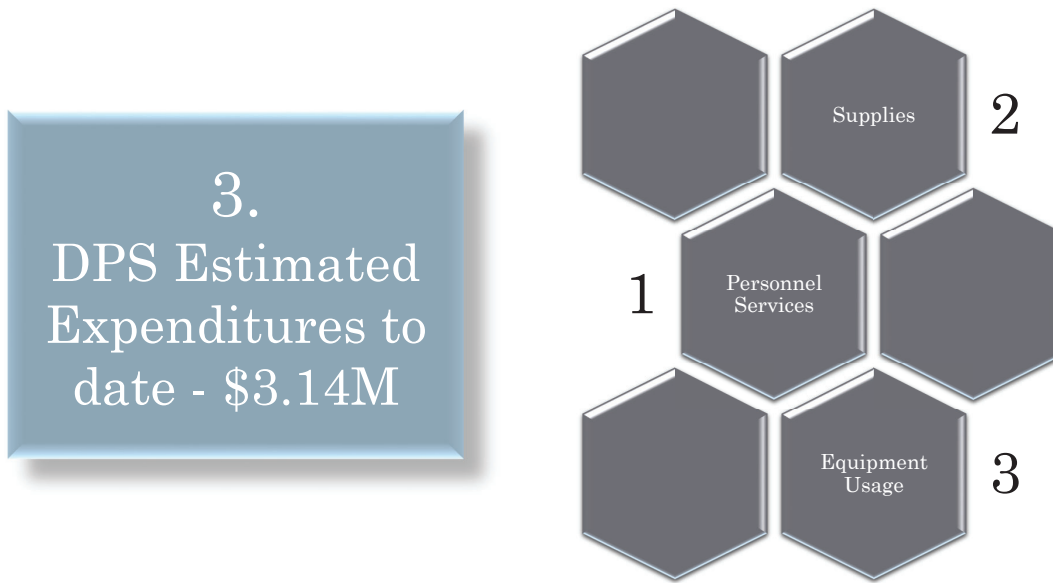
5/3/2020



Louisiana Department of Public Safety

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FY 20 COVID-19 Financial Impacts



FY 20 COVID-19 Financial Impacts

4. DPS Estimated Revenue Loss (3/16/20 through 4/30/20) - \$41.3M

Total of daily revenue collections compared to 3 year average of daily historical collections

Primary sources are Statutory Dedicated Funds and Self-Generated Revenue

Includes OMV “deferred” revenue estimates which may not be collected in FY 20 but could be collected in FY 21

Estimates are subject to change depending on phased re-openings

FY20 Operational Impacts



Louisiana State Police

Office of Motor Vehicles



FY20 Operational Impacts



Canceled cadet class scheduled for June 2020

Deferred purchasing of emergency equipment for patrol cars creating issuance delays for some vehicles already ordered

Deferred other needed supply/acquisitions purchases



FY20 Operational Impacts



Technology Upgrade Delays

OMV Reengineering Project for updated technology system will be delayed due to funding

Reduced required payments to existing mainframe system

5/3/2020



Louisiana Department of Public Safety

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FY21 Budget Priorities



LSP cadet class - \$6.3M for 50 cadets (adjustable based on the number hired)

Replacement vehicles - \$6.5M

LSP Gaming LIGHTS System replacement - \$5M (needed technology upgrade)

Critical Acquisitions (replacement radios, bullet proof vests, weapons, crime lab equipment, etc.) - \$11.2M

Continuation of funding for on-going technology initiatives

5/3/2020



Louisiana Department of Public Safety

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FY21 Budget Priorities



LSP cadet class - \$6.3M (50 cadets)

78 current vacancies – will increase due to upcoming retirements

Not filling vacancies would result in fewer Troopers to provide essential police services

Increases need for overtime due to staffing shortages

Currently 227 Troopers working past retirement eligibility

Current T.O. is still under recommended levels from manpower allocation study

Need to establish recurring funding to fill vacancies and increase T.O. to recommended levels

5/3/2020



Louisiana Department of Public Safety

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FY21 Budget Priorities



Replacement Vehicles - \$6.5M

260 vehicles over 150k miles

High mileage vehicles creates increased repair costs and officer safety issues

Lack of consistent available funding results in the inability to establish a recurring replacement schedule for vehicles. This results in a backlog of replacement vehicles needed.

5/3/2020



Louisiana Department of Public Safety

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FY21 Budget Priorities



**LSP Gaming LIGHTS System
replacement - \$5M (needed
technology upgrade)**

5/3/2020



Louisiana Department of Public Safety

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FY21 Budget Priorities



**Critical Acquisitions (replacement radios,
bullet proof vests, weapons, crime lab
equipment, etc.) - \$11.2M**

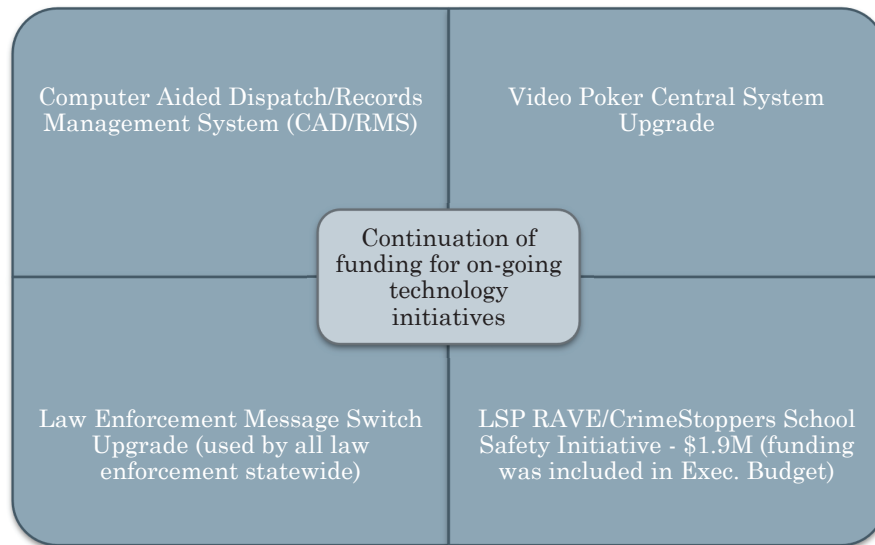
5/3/2020



Louisiana Department of Public Safety

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FY21 Budget Priorities



5/3/2020



Louisiana Department of Public Safety

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Budget Needs

Assistance to Industry



Operational Response to COVID-19

5/3/2020



Louisiana Department of Public Safety

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FY 21 OMV – Budget Needs

Continued funding for OMV
Reengineering project to
update technology



5/3/2020



Louisiana Department of Public Safety

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OMV – Operational Response to COVID-19

70 OMV employees providing telecommuting services:

Driver's license reinstatement and
installment agreement services

Providing information on status for DL, , ID
cards, vehicle registrations and titles, etc

Over 18,000 call-in customers have been assisted

Over 3,000 installment agreements have been initiated

Approximately \$1M in revenue collected



5/3/2020



Louisiana Department of Public Safety

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OMV – Assistance to Industry

Trucking industry with title/registration, driver's license by appointment

Car dealers with processing dealer files

Supplying inspections stations with supplies

Service/supply/support for Public Tag Agents



Louisiana Office of State Fire Marshal

Status of the Agency

April 28, 2020

H. "Butch" Browning, Jr.
State Fire Marshal



Emergency Response

Puerto Rico Earthquake and Aftershocks

Overtime:	\$102,179
Materials/Supplies:	\$ 46,408
Travel:	\$140,180
Total Estimated Expenditures:	\$288,767

COVID-19

Overtime:	\$305,515
Materials/Supplies:	\$157,837
Travel:	\$ 35,720
Total Estimated Expenditures:	\$500,072



Personnel Reductions

2008	204 T.O.
2009	186 T.O.
2010	181 T.O.
2011	182 T.O.
2012	176 T.O.
2013	175 T.O.
2014	168 T.O.
2015	168 T.O.
2016	168 T.O.
2017	168 T.O.
2018	168 T.O.
2019	176 T.O.

Over the last 11 years,
the agency has seen a
**13.73% reduction in
staffing**

-28 T.O.



Turnover

Fiscal Year	Number of Employees	Turnover	Turnover %
2008	167	23	13.77%
2009	167	23	13.77%
2010	175	11	6.29%
2011	173	6	3.47%
2012	173	18	10.40%
2013	170	21	12.35%
2014	164	20	12.20%
2015	163	26	15.95%
2016	167	16	9.58%
2017	167	17	10.18%
2018	166	24	14.46%
2019	164	15	9.15%

- **Average
Turnover:
11% / year
or 220 TO**
- **Deputies
work average:
6 days / week**



Streamlining Initiatives

1. **An aggressive cross-training program** for field deputies - trained specialized deputies perform multiple enforcement duties for timely and effective investigations and inspections throughout the state.
2. **Regional offices for Plan Review services** - allow immediate and personal interaction for the public.
3. **A new web-based information management system** - integrates the work processes of all agency programs into one system and allows the public to manage and receive immediate updates of their own plan review and licensure applications.

40% Increase in Productivity



Critical Needs

1. Full funding for current and additional staffing

Workload	FY 2015	FY 2018	Change
Plan Review submittals	17615	18154	3% increase
New Construction Final Inspections Requested	7921	14565	83% increase
Life Safety/Property Protection License Applications	9875	12804	30% increase
Fire Investigations Conducted	646	785	21.5% increase



Critical Needs

Fire Investigations	Calendar Year 2016	Calendar Year 2017	Calendar Year 2018	Calendar Year 2019 thru 9/11/2019
Total Investigations	394	783	749	534
Cases Closed	394	775	738	404
Cases Open	0	8	11	130
Under Investigation	0	5	4	115
Pending Review	0	0	1	5
Corrections Required	0	3	6	10
Cases with at least 1 Arrest	59	131	147	94
Cases Closed by Arrest	56	125	137	84
K9 Cases	51 (0 open)	87 (0 open)	145 (1 open)	100 (10 open)

- Increasing Case Backlog
- 44% Clearance with Arrest (National Average 20%)



Critical Needs

2. Replacement vehicles for aging fleet

Total Number of Vehicles	Mileage Projected by 6/30/2020	Number of Vehicles Reaching Projected Mileage by 6/30/2020	Percentage of Vehicles Reaching Projected Mileage by 6/30/2020
132	125,000	55	42%
132	150,000	40	30%
132	175,000	21	16%
132	200,000	10	8%

- 2/3 of the current fleet is over 100,000 miles



Critical Needs

3. Improvements or new facilities for continued, effective and efficient operations to serve the public:

- Northeast Louisiana vacated because of mold, hazards
- Shreveport office has no generator backup
- Shreveport, Alexandria, Lafayette, New Orleans offices have no proper evidence storage facility
- Current offices do not have space for storage and securing vehicles and equipment:
 - ☐ fire investigation scene vehicles
 - ☐ mobile command center
 - ☐ mobile generators
 - ☐ emergency response equipment trailers
 - ☐ Spirit of Louisiana fire truck



Critical Needs

4. Emergency Response vehicles, equipment and training for responsibilities mandated by the State Disaster Plan

- Command Vehicle
- Urban Search and Rescue (USAR) Equipment for the Statewide USAR Task Force
- Truck to transport large equipment
- LWIN Radio Replacement
- Cross-training for effective incident support and emergency operations



Budget Request

Fiscal Year 2019-2020	Amount	T.O.
Deficit from Fire Marshal Fund Revenue	\$2,500,000	
Fiscal Year 2020-2021	Amount	T.O.
Budget Request – Agency Level		
▪ Statewide Enforcement positions	\$3,951,252	30
▪ Fleet Replacement / Emergency Response	\$3,047,926	
▪ USAR Sustainment Funds / Acquisitions	\$1,099,486	
▪ Radio Grant for LA Fire Depts.	\$924,000	
TOTAL FY 2021:	\$9,022,664	206

Current Year Deficit: \$2,500,000

One Time Purchases: \$5,071,000

New T.O.: \$3,951,000



Fire Marshal Fund

- R.S. 22:835: A **tax of one and one-fourth percent** of the gross annual premium receipts is levied from any business which insures property of any nature or description against loss or damage by fire, less return premiums on all insurers doing business in the state which insure property of any nature or description against loss or damage by fire.

- ☐ Enacted in 1904 at 0.20%
- ☐ Increased in 1914 (10 years later) to 0.50%
- ☐ Increased in 1958 (44 years later) to 1.00%
- ☐ Increased in 1968 (10 years later) to 1.25%
- ☐ Current in 2019 (51 years later) at 1.25%



Fire Marshal Fund

Revenue Estimating Conference

Fire Marshal Fund	REC Adopted 6/30/2016	REC Adopted 1/13/2017	REC Adopted 5/16/2017	REC Adopted 12/14/2017	REC Adopted 4/12/2018	REC Amended 6/26/2018	REC Adopted 4/10/2019
FY 2017	16.6	16.6	16.6				
FY 2018	17.5	15.2	16.9	16.8	17.5		
FY 2019	18.3	14.8	17.4	16.3	15.6	15.6	16.5
FY 2020	19.0	16.0	18.2	17.0	16.3	16.3	16.6
FY 2021		16.9	19.3	17.4	16.7	16.7	16.7
FY 2022				18.3	17.6	17.6	16.8
FY 2023							16.9

- FY 2019 Fire Marshal Fund Actual Collection: \$16.4M
- City of New Orleans has new Class 1 Fire Rating



Fire Marshal Fund

History FY 2008 through FY 2019

P01 - Fire Marshal Fund													
	FY 2007-2008	FY 2008-2009	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014	FY 2014-2015	FY 2015-2016	FY 2016-2017	FY 2017-2018	FY 2018-2019 As of 8/15/2019	FY2007-2008 thru FY 2018-2019
Beginning Balance	\$4,501,642	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$278,175	\$0	\$0	\$0	
Prior Year Carryover Adjust		\$394											
Seed Advance/Established	\$5,247,907	\$8,000,000		\$10,306,022		\$13,841,634	\$13,430,991	\$14,539,641	\$11,284,202	\$16,800,000	\$16,525,941	\$15,531,495	
Repay Seed Advance	(\$5,247,907)	(\$8,000,000)		(\$10,306,022)		(\$13,841,634)	(\$13,430,991)	(\$14,539,641)	(\$11,284,202)	(\$16,800,000)	(\$16,525,941)	(\$15,531,495)	
Revenues	\$11,433,320	\$13,672,036	\$13,226,117	\$14,171,256	\$14,742,842	\$15,298,691	\$16,227,590	\$16,056,226	\$16,161,537	\$16,385,994	\$16,359,528	\$16,585,411	\$180,320,548
Budgeted to FM	\$9,844,881	\$8,632,764	\$10,358,981	\$10,306,022	\$12,264,204	\$13,841,634	\$14,330,991	\$15,215,110	\$17,265,175	\$16,800,000	\$17,074,793	\$15,941,637	\$161,876,192
FM Expenditures	(\$9,718,990)	(\$8,276,268)	(\$10,358,981)	(\$10,306,022)	(\$12,230,321)	(\$13,586,705)	(\$14,030,932)	(\$14,936,935)	(\$16,439,712)	(\$16,385,994)	(\$16,858,487)	(\$16,198,672)	(\$159,328,019)
Transfers In											\$841,117		
Transfers Out	(\$6,215,972)	(\$5,396,161)	(\$2,867,136)	(\$3,865,234)	(\$2,512,520)	(\$1,711,987)	(\$2,196,658)	(\$841,116)	\$0	\$0	(\$342,158)	(\$386,739)	(\$26,335,682)
Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$278,175	\$0	\$0	\$0	\$0	\$278,175
Capital Outlay balance owed								\$1,658,884	\$1,658,884	\$1,658,884			

A total of **\$26,335,682** has been **transferred out** of the Fire Marshal Fund at the Treasury Level from FY 2008 through FY 2019.



Adjustments to Fire Marshal Fund

Current R.S. 22:835	Proposed	
CURRENT % to Fire Marshal Fund	PROPOSED % to Fire Marshal Fund	Difference
1.25%	1.75%	0.50%
\$16,585,411	\$23,219,575	\$6,634,164
FY 2019 Revenues to Fire Marshal Fund	Estimate Based on 2019 Revenues	

Consider Increasing Fees					
LSPP License	Fire Sprinkler Employee	Initial	\$100	Renewal	\$50
LSPP License	Fire Alarm Employee	Initial	\$50	Renewal	\$50
LSPP License	Fire Sprinkler Firm	Initial	\$500	Renewal	\$250
LSPP License	Fire Alarm Firm	Initial	\$350	Renewal	\$100
Plan Review	Business Occupancy	10,000 s.f.		Review Fee	\$60
Fees and Self-Generated bring in approximately \$2,500,000 (FY 2019)					



Surplus Lines

Current R.S. 22:439	Proposed		
CURRENT % to State General Fund	PROPOSED % to State General Fund	PROPOSED % to Fire Marshal Fund	PROPOSED % to 2% Fire Insurance Fund
100%	86%	6%	8%
\$73,110,000 *	\$62,874,600	\$4,386,600	\$5,848,800
2018 Collections of Surplus Lines Premium Tax	Estimate Based on 2018 Collections	Estimate Based on 2018 Collections	Estimate Based on 2018 Collections

*Figures are based on HB361 of 2019 Fiscal Note - ReEngrossed with Senate Committee Amendments

Surplus Lines	Premium Tax	% Change	Difference
2020 estimated	\$ 88,312,605	10.00%	\$ 8,028,419
2019 estimated	\$ 80,284,186	10.00%	\$ 7,298,562
2018 actual	\$ 72,985,624	6.43%	\$ 4,407,307
2017 actual	\$ 68,578,317	2.08%	\$ 1,396,963
2016 actual	\$ 67,181,354		



Fire Marshal Fund

Activities and functions added to SFM since 2008 with no increase in FM Fund:

- Construction Code Council
- Manufactured Housing Commission
- Elevator Licensing
- Volunteer Firefighter Workers Compensation Program
- Volunteer Firefighter Tuition Reimbursement Program
- Fire Safe Cigarette Regulation
- Novelty Lighters
- LDH Health Care Plan Review
- ESF- 4/9 Responsibilities
- State USAR Administrator
- Operation Save a Life
- Radio Grant Funding

Estimated additional expenses: \$3,220,000



The Office of Juvenile Justice: Providing Appropriate, Individualized Services

Covid-19 Impacts

Expenditures: As of 4/24/2020, OJJ has incurred \$704,547 in expenditures related to the COVID-19 pandemic. Of this amount, \$634,539 is in Personal Services and the remainder is related to Travel and Supplies for a total of \$72,008.

Revenue: Parental cost of care fees and garnishment have been suspended during the pandemic. At this time there is no way to determine exact impact. Total related in CY2018 was \$586,207 and \$391,415 in CY2017.

Act 1225 called for placing youth in the least restrictive placement most appropriate to their needs, consistent with the circumstances of the case, and protection of the best interests of society and public safety.

Three levels of services are maintained to meet this goal:

1. Secure Custody is the deepest end of OJJ's continuum of care dedicated to youth in most need of treatment and pose the greatest risk to public safety. All male secure care facilities are run by OJJ. The one female secure care facility is managed through a contract with Ware Center for Youth.

- Challenge 1 –Moving away from a primarily correctional model and maintaining a regional, therapeutic model in current facilities.
- Challenge 2 –Maintaining the workforce
- Challenge 3 –Replacing costly, aging facilities

2. Non Secure Custody is less restrictive means of providing custody for youth in need of treatment and out of home placement, but do not pose a large threat to public safety. All non-secure or residential settings are run by nonprofits who contract with OJJ.

- Challenge 1 –Building the provider network to handle increased utilization
- Challenge 2 –Developing specialized residential programs

3. Community Supervision is the optimal level of service. Research shows that if youth can be served in their community, they have the best chance for future success. It is also the least costly of the level of services.

- Challenge 1 –Expanding evidenced based or promising practices
- Challenge 2 –Securing fiscal support for programs during times of budget deficits

OJJ Budget Notes

The Executive Budget currently has a recommended budget of \$148 million, an increase from the \$142 million EOB, for FY2020.

After accounting for adjustments including a \$3.1 million increase for the full implementation of Raise the Age (to be enacted on July 1, 2020), OJJ has two mitigating issues that need to be addressed.

A 1% (\$1.3m) reduction in State General Funds (Personal Services) virtually reduces the funding needed for full implementation of Raise The Age (\$3.1m). This reduction will leave the OJJ \$1.3m short of the needed funding level and will require the agency to implement a phased hiring approach to filling the needed positions. In addition, the agency also had a 2% (\$33,410) reduction in State General Funds related to Local Housing of State Juvenile Offenders.

Retention of 2 staff positions and \$142,610 in State General Fund associated with a personnel reduction. Current Raise the Age trends show that these positions will need to be filled.

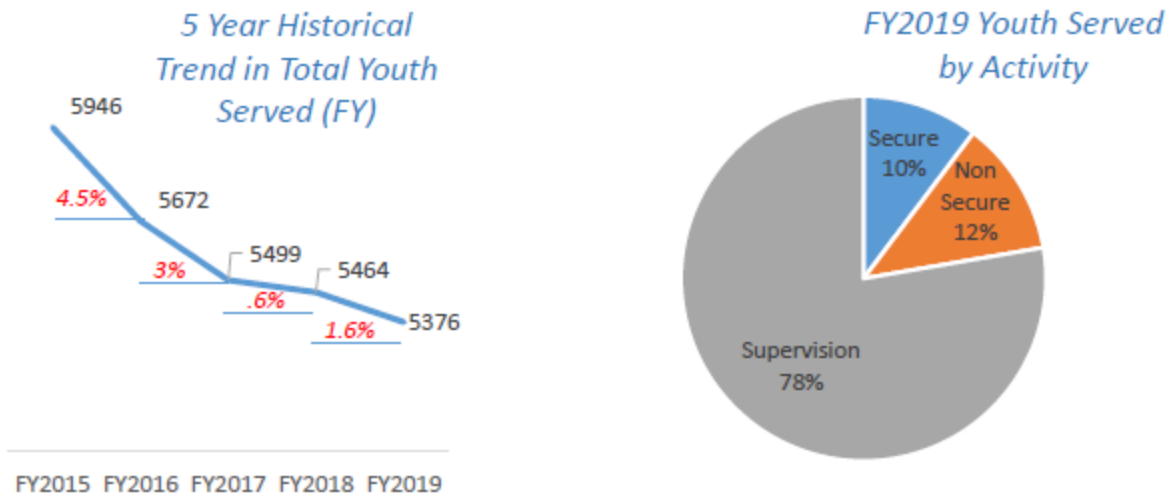
Requested Budget Items not included in the Executive Budget

Consultant Resources to address Families First Implementation: \$300k for consultant services to research and provide information regarding the Federal Families First Initiative and its fiscal impact (Title IV-E reimbursement) on OJJ.

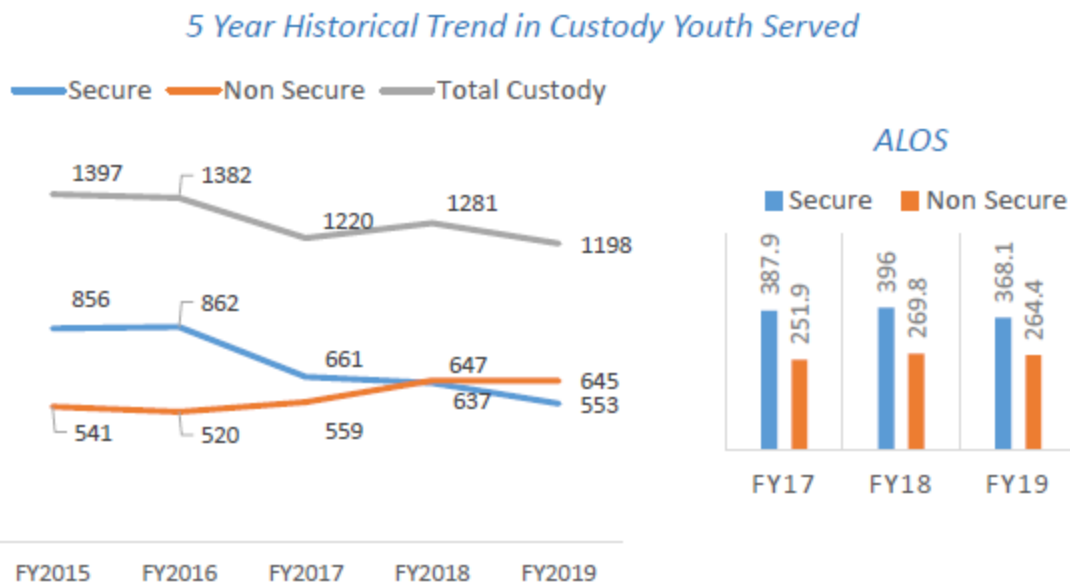
Major Repairs: \$200k associated with Swanson Center for Youth, \$300k associated with Bridge City Center for Youth.

Resources to Implement Secure Care Standards: The Task Force on Secure Care Standards and Auditing has formally recommended the standards and procedures associated with the operations and audit function of secure care facilities in the state. OJJ estimates the first year cost will be approximately \$4m and 32 new positions.

Closer Look at OJJ Youth Served Trends



The trend of utilizing community-based placements (non secure) for custody youth, continues to outpace secure care, but seems to be leveling off. We saw a 6.5% decrease in overall custody youth served at the end of the FY19 from the previous year. The Average Length of Stay for custody youth decreased slightly for secure care and plateaued for non secure. There is still uncertainty concerning RTA implementation's true impact on both levels of custody. (see next page)



Raise the Age – Annual Projections On Track to be Exceeded

		Projection for additional youth served per year <i>with full implementation</i>	Commitments where age at petition is 17 <i>during the 1st year of partial implementation</i>
<i>Non violent offenders set to be served by OJJ starting March 1, 2019 (FY2020)</i>	TOTAL	381	442
	Supervision	294	386
	Non Secure Residential	20	34
	Secure Care	67	22
	<i>Violent offenders set to be served by OJJ starting July 1, 2020 (FY2021).</i>		

Justice Reinvestment Act Programs

Alternatives to Detention				
	Number of Programs	Number of Youth Served	Number of Parishes Served	Total Award
Central/SW	4	34.25	7	\$ 469,827.00
North	4	64.17	5	\$ 580,000.00
SE	5	116.50	9	\$ 824,955.00
				\$ 1,874,782.00
Diversion				
	Number of Programs	Number of Youth Served	Number of Parishes Served	Total Award
Central/SW	5	89.55	8	\$ 744,660.00
North	4	158.33	6	\$ 517,756.00
SE	5	119.00	9	\$ 656,948.00
				\$ 1,919,364



LDH Budget – Fiscal Year 2020-21

LDH's fiscal year 2021 budget is largely flat relative to the current fiscal year. The executive budget does include a total increase of \$305.8 million for LDH, which represents a **2% increase** in the agency's budget from fiscal year 2019-20. Of the \$305.8 million total increase, \$220.1 million are state general funds (SGF).

The executive budget proposal includes a total of \$15.3 billion for the Louisiana Department of Health. LDH's budget for fiscal year 2021 (FY 21) includes \$10.7 billion in federal funding, \$2.7 billion in SGF, and \$1.9 billion from interagency transfers, self-generated revenues, and statutory dedications.

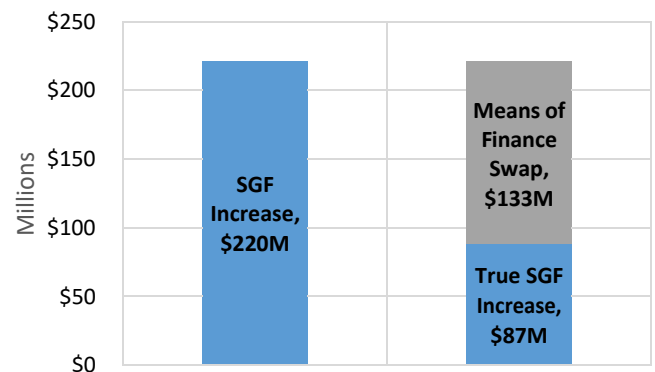
LDH FY 2021 Budget	FY 20	FY 21	Net change FY 20 to FY 21
State General Funds (SGF)	\$ 2,485,861,578	\$ 2,705,962,784	\$ 220,101,206
Federal Funds	\$10,569,962,977	\$ 10,685,438,063	\$ 115,475,086
Other sources (IGT, SD, SGR)	\$ 1,907,732,876	\$ 1,878,028,451	\$ (29,704,425)
Total Funds	\$14,963,557,431	\$ 15,269,429,298	\$ 305,871,867

- A large portion of LDH's SGF increase in the FY 21 budget is accounted for by a means of finance swap that converted \$133 million funds that were previously statutorily dedicated to fund the Medicaid program to state general funds. After accounting for that swap, LDH has a SGF increase of \$87 million, or a **3.5% SGF increase** from FY 20 to FY 21.
- While LDH has a *net* SGF increase in the FY 21 executive budget, it is important to note that the budget proposal also **includes \$25 million in SGF reductions to LDH**, including targeted reductions to the regional human services districts (\$5.6M), programmatic cuts (\$11.7M), and reductions in contracted services (\$4.2M).

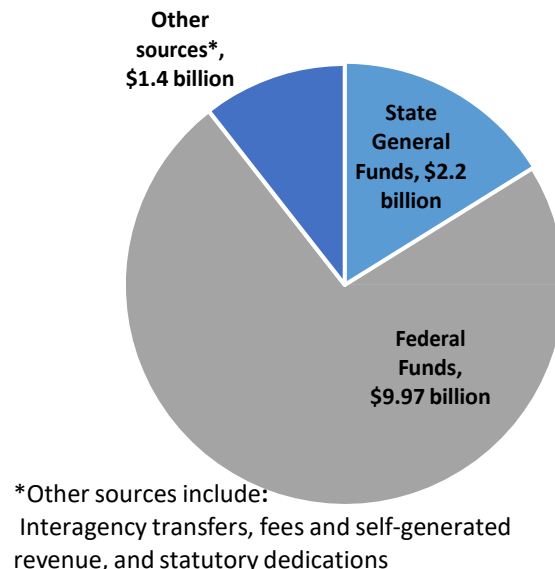
Medicaid Budget FY 2021

- The minor net increase in LDH's budget in FY 2021 is largely driven by changes in the Medicaid budget. Medicaid provides health insurance to **1 in 3 people in the state**, including more than half of all Louisiana children.
- Because Medicaid is a health insurance program, the overall costs of the program are also affected by the rising costs of health care services (medical inflation), increasing pharmaceutical costs, and enrollment changes.
- The majority of Medicaid costs in Louisiana are paid by the federal government, but the state is required to pay its share of the costs in order to "draw down" the federal funds.

LDH SGF Increase from FY 20 to FY 21 includes a large 'Means of Finance' Swap



Medical Vendor Payments (Medicaid)
Payments, FY 21 projected



- The FY 21 executive budget includes a total of **\$2.2 billion SGF in the “Medical Vendor Payment”** category, an increase of \$90 million SGF, after accounting for the means of finance swap referenced above. The vast majority of these Medicaid (MVP) payments flow to hospitals, nursing homes, physicians and other medical providers.
- The FY 21 executive budget includes a total of **\$9.97 billion in federal Medicaid funds**, an increase of \$147 million from FY 20.
- The percentage of total Medicaid costs the federal government pays, known as the FMAP, or Federal Medical Assistance Percentages, vary from year to year based on a variety of factors (state’s per capita income, federal policy changes, etc.). **FMAP changes account for \$24.8 million of Medicaid’s SGF increase in FY 21.**

Federal Medical Assistance Percentages (FMAP) Changes FY 20 to FY 21			
	FY 20	FY 21	Change
Traditional Medicaid	66.40%	67.28%	0.88%
Uncompensated Care	66.86%	67.42%	0.56%
Expansion	91.50%	90%	-1.50%
LaCHIP	90.85%	79.97%	-10.88%

Managed Care Rates

- More than 90% of the 1.5 million Medicaid members are enrolled in health insurance through the state’s five contracted managed care organizations (MCOs). The other 10% are enrolled in fee-for-service Medicaid, which means the state pays providers directly for the health care services the enrollee uses.
- For enrollees in Medicaid managed care, Medicaid pays a monthly premium, or per member per month (PMPM) payment to the MCOs.
- The PMPM rates paid to MCOs are determined by actuaries, who review historical trends in costs and utilization, project the impact of state and federal policy changes, and account for new covered services and pharmaceuticals. Medicaid is required by federal law to cover the cost of any FDA approved drug for which the manufacturer has agreed to provide a rebate to the federal government.
- Increased utilization of mental health services, addiction treatment, infectious disease (HIV and Hep C) treatment, and primary care services are factored into the increased FY 21 PMPM rates.

Common Medicaid Acronyms

MVP – Medicaid Vendor Payments is a budget category that includes all payments to Medicaid managed care organizations and medical providers

FMAP – Federal Medical Assistance Percentages are the % of total Medicaid costs paid by the federal government

MCO – Managed Care Organizations are private insurance companies that contract with the state to insure more than 90% of Medicaid members

PMPM – Per Member Per Month payments are the monthly premium payments made by the state to managed care organizations for each Medicaid member

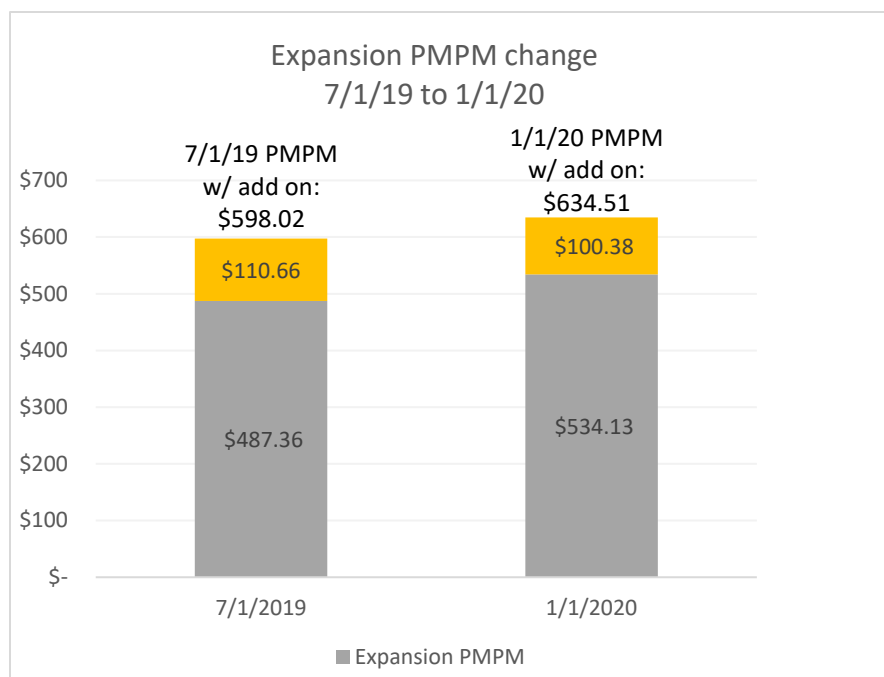
- **Increases in the PMPM rates to MCOs account for \$38.2 million in Medicaid’s SGF increase for FY 21.**

Medicaid Enrollment

- Medicaid is an entitlement program, meaning that anyone who applies and has income below the eligibility limit and meets other eligibility requirements is entitled to health coverage through the program.
- LDH recently implemented a new eligibility system that has the ability to verify an applicant’s self-reported income using various databases. LDH also implemented a policy to verify wages of adult enrollees on a quarterly basis. The new eligibility system combined with the quarterly wage checks have resulted in **decreases in Medicaid enrollment that are projected to continue into FY 21.**
- Minor enrollment decreases account for some savings in the Medicaid program, but those savings are offset by the increase in the PMPM rates and FMAP changes, referenced above.

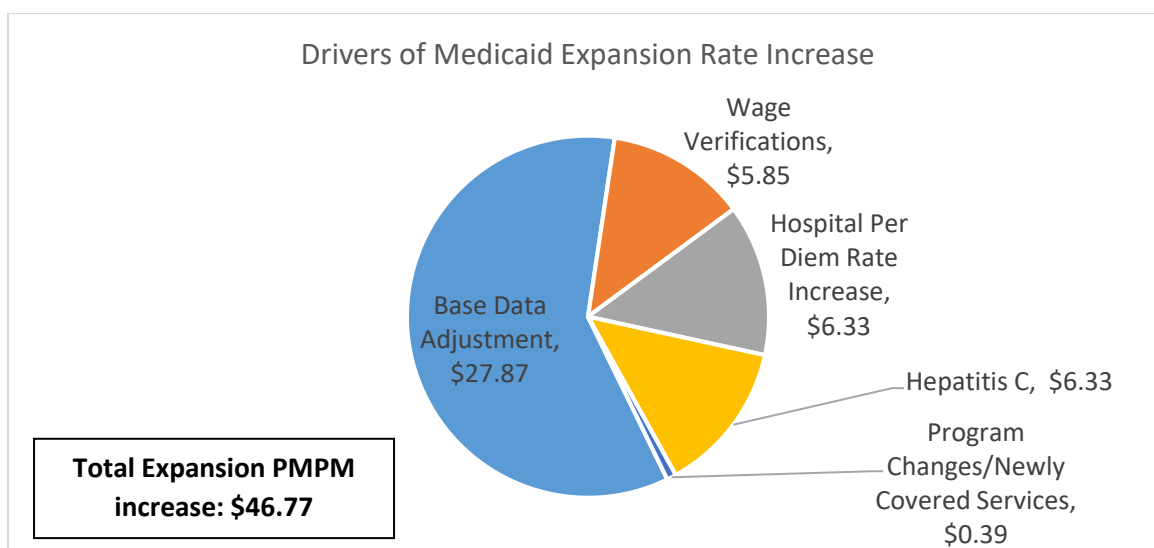
Drivers of the Medicaid Expansion Rate Increase

The Medicaid Expansion per member per month (PMPM) limited rate increased by \$46.77, from \$487.36 to \$534.13, in the rate adjustment that became effective on January 1, 2020. With the Full Medicaid Payment (FMP) “add on,” which accounts for supplemental payments to hospitals, the Expansion PMPM full rate is \$634.51, up from \$598.02, an increase of \$36.49.



Expansion PMPM change: 7/1/19 to 1/1/20	
Increase in PMPM limited rate	\$46.77
Decrease in Full Medicaid Payment add-on	-\$10.28
Net change in Expansion PMPM full rate	\$36.49

There are **five major drivers** of the Expansion PMPM increase: an update to the PMPM base data, enhanced wage verifications, hospital per diem rate increases, hepatitis C treatment, and Medicaid program changes, including newly covered services.



Rate Increase Driver #1: Expansion PMPM Base Data Adjustment (\$27.87)

- To calculate the FY 2020 PMPM for Medicaid Expansion, LDH's contracted actuaries adjusted the rates using more recent base data (federal fiscal year 2018) which accounts for changes in unit costs and utilization among the Expansion population.
- The **base data adjustment accounts for a \$27.87 increase in the Expansion PMPM** rate from Rate Year 19 to Rate Year 20.
- Three categories of Medicaid services account for 71.2% of the PMPM change resulting from the base data adjustment: prescription drugs, outpatient hospital services, and specialized behavioral health services.

Impact of Base Data Adjustment	
Category of Service	\$ PMPM change
Outpatient Services	\$ 6.03
Prescription Drugs	\$ 8.65
Specialized Behavioral Health	\$ 5.15
All Other Services	\$ 8.04
Total	\$ 27.87

- The largest per unit cost increase after the base data adjustment is in the prescription drug category – increases in the **unit costs of prescription drugs** alone, not accounting for increased utilization, account for \$4.51 of the PMPM increase.
- Pharmacy costs are driven by market inflation, breakthrough therapies, first time generics, and new biologics. The top drivers of cost in the pharmaceutical category include:

Top traditional Rx drivers of cost	Top specialty Rx drivers of cost
Diabetes	HIV
Asthma	Rheumatoid arthritis
Substance abuse/dependence	Hepatitis C
Mental/Neurological disorders	

Rate Increase Driver #2: Enhanced Wage Verifications

- On average, individuals who have lost coverage as a result of wage verifications have been relatively healthier, low-acuity Medicaid members. As a result, the population that remains enrolled is a higher acuity population that is utilizing more services more frequently.
- The **increased acuity and higher utilization** of the remaining Medicaid Expansion population accounts for an **increase in the Expansion PMPM of \$5.85**, or 1.2% of the 9.6% overall increase.

Rate Increase Driver #3: Hospital Per Diem Rate Increases

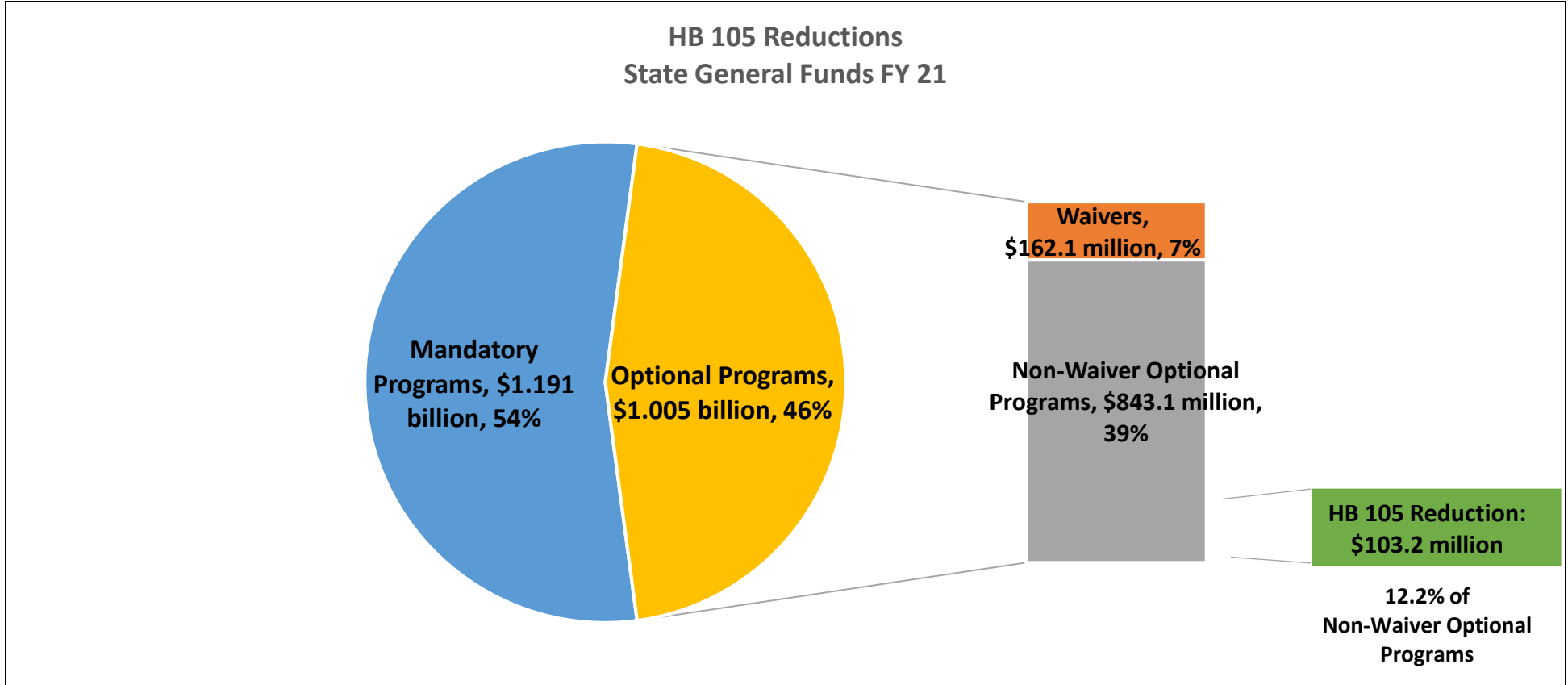
- Hospital rate increases included in HCR 5 flow through the PMPMs and account for increases in the unit costs of inpatient and outpatient services. Mercer's analysis shows that **HCR 5 accounts for an increase in the Expansion PMPM of \$6.33**, or 1.3% of the 9.6% overall increase.
- The increase in hospital rates resulting from HCR 5 increased per diem rates for inpatient and outpatient services, long-term acute care hospitals, distinct part psychiatric units, freestanding psychiatric hospitals.

Rate Increase Driver #4: Hepatitis C

- Anticipated utilization of pharmacy and non-pharmacy services as a result of **hepatitis C diagnosis accounts for an increase in the Expansion PMPM of \$6.33**, or 1.3% of the 9.6% overall increase.
- A substantial portion of the increased hepatitis C pharmacy costs paid through the PMPMs will be returned to the state in the form of a pharmacy rebate, as required by the state's rebate agreement with the pharmaceutical manufacturer.
- Early detection and treatment of hepatitis C results in costs savings associated with avoided cases of cirrhosis, liver failure, liver cancer, and premature death.

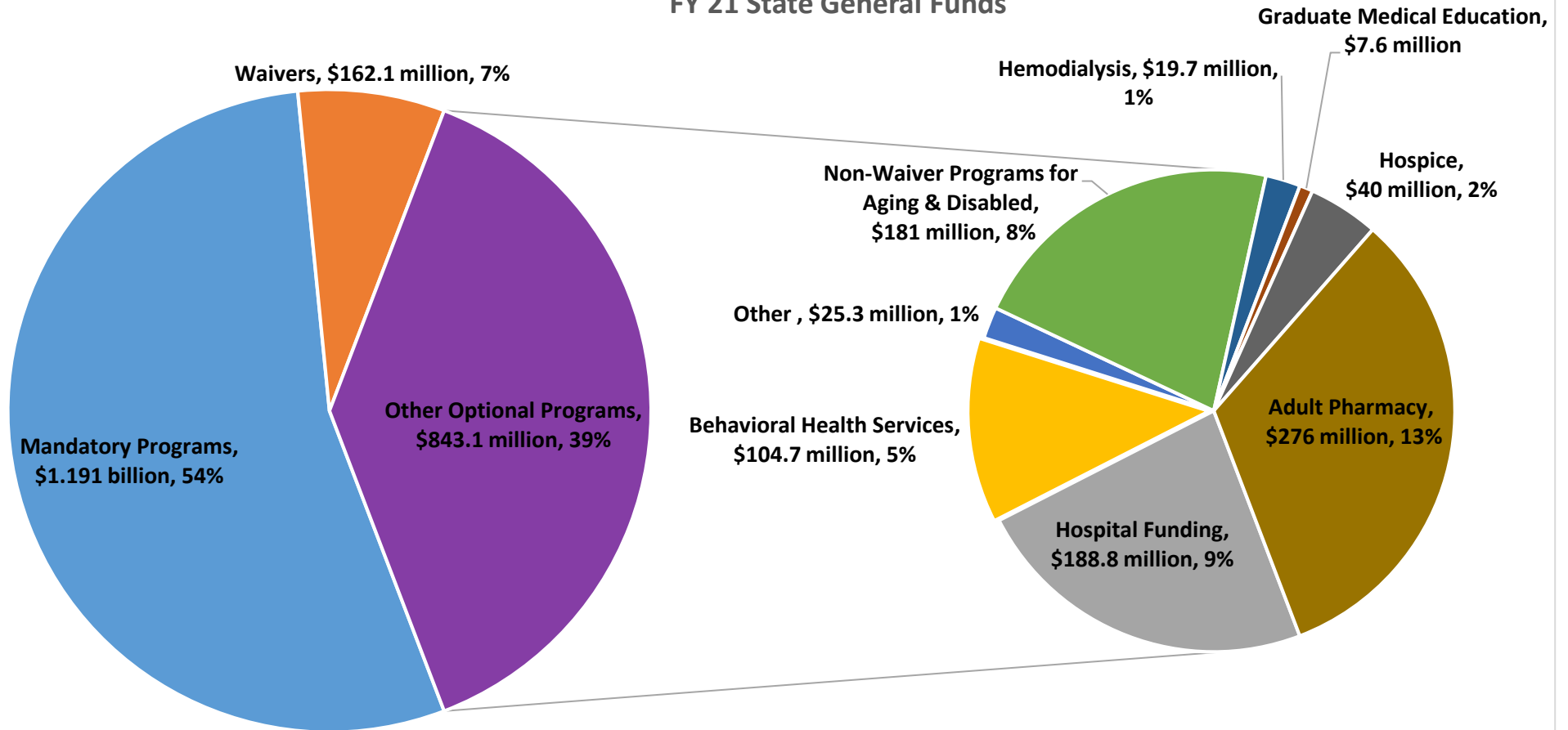
Rate Increase Driver #5: Program Changes and Newly Covered Services

- Other Medicaid program changes and newly covered services account for the remaining Expansion PMPM increase. These changes include:
 - Medication Assisted Treatment coverage
 - Hospice & LSU Physician Fee Schedule Updates
 - Newborn Severe Combined Immune Deficiency (SCID) screening
 - Tobacco cessation for pregnant women



- Mandatory services, or services that Louisiana Medicaid is required to cover by federal and state law, make up 54% of Medicaid’s state general fund (SGF) budget for FY 21.
- Another 7 percent, or \$162.1 million of Medicaid’s SGF budget, is allocated to optional waiver services that are protected from reductions by the language included in HB 105.
- That leaves the remaining “optional” services which comprise 39% of the Medicaid SGF budget, or \$843.1 million, from which the proposed \$103.2 million in reductions in HB 105 must be taken.
- This \$843.1 million is budgeted for services which the state is not federally required to cover, but include basic health care services such as hospice services, adult pharmaceutical coverage, physical and occupational therapy, hemodialysis and inpatient behavioral health services.
- The \$103.2 million SGF reduction for Medicaid optional services represents a 4.7% reduction in total Medicaid SGF, but represents a 12.2% reduction to optional Medicaid services that are not waivers.
- Additionally, the \$103.2 million SGF reduction would result in the loss of \$426.6 million in federal Medicaid funding, \$16.5M in inter-agency transfers, \$71.9M in self-generated revenue and \$4.3M in statutory dedications, for a total reduction of \$622 million in total Medicaid funding.

Optional Medicaid Programs by Category
FY 21 State General Funds



LDH Budget - FY 21

House Committee on Appropriations

May 2020



Presentation Agenda

- Budget Overview
- Major Adjustments
- Reductions
- Hospital Payment Reform
- COVID-19 Update



Budget Overview - HB 105

See handout 1 - FY 21 Budget Brief

LDH FY21 PROPOSED BUDGET

MOF	EOB as of 12/1/19	FY21 Recommended	Over/(Under)	% Over/(Under)
SGF	\$2,485,861,578	\$2,705,962,784	\$220,101,206	8.85%
IAT	\$416,600,359	\$437,628,104	\$21,027,745	5.05%
FSGR	\$561,668,967	\$537,470,724	(\$24,198,243)	-4.31%
Stat Ded	\$929,463,550	\$902,929,623	(\$26,533,927)	-2.85%
FED	\$10,569,962,977	\$10,685,438,063	\$115,475,086	1.09%
TOTAL	\$14,963,557,431	\$15,269,429,298	\$305,871,867	2.04%
T.O.	6,101	6,458	357	5.85%

SGF Increase, \$220M	Means of Finance Swap, \$133M
	True SGF Increase, \$87M

- For SFY21, the LDH budget is \$15.3B, which represents an increase of \$305M or 2.04%. Of this amount the SGF increase is \$220M or a 8.85%.
 - The SGF increase is in large part due Act 612 of the 2018 RLS, which removed the Statutory Dedications for the Tobacco Tax Medicaid Match Fund and the Health Trust Fund. This swap accounted for \$133M increase in the general fund but an overall net effect of ZERO
 - Taking Act 612 into consideration, **the true SGF increase in SFY21 is \$87M or 3.5%**

LDH Budget Broken Down

	SGF	IAT	FED	FSGR	STAT DED	TOTAL
MVA	\$102,015,372	\$473,672	\$357,196,807	\$4,200,000	\$1,407,500	\$465,293,351
MVP	\$2,196,237,504	\$100,094,263	\$9,970,442,255	\$455,620,515	\$882,056,763	\$13,604,451,300
OS	\$52,584,630	\$11,781,437	\$20,872,418	\$2,869,401	\$557,250	\$88,665,136
OAAS	\$23,057,821	\$31,013,349	\$181,733	\$782,680	\$4,234,428	\$59,270,011
OPH	\$57,298,930	\$6,269,020	\$266,380,104	\$49,389,557	\$9,748,092	\$389,085,703
OBH	\$112,989,666	\$95,035,174	\$59,922,063	\$678,915	\$4,925,590	\$273,551,408
OCDD	\$28,183,558	\$150,029,168	\$7,015,177	\$4,317,807	\$0	\$189,545,710
	\$2,572,367,481	\$394,696,083	\$10,682,010,557	\$517,858,875	\$902,929,623	\$15,069,862,619

Program Offices
total \$1,000,117,968

	SGF	IAT	FED	FSGR	STAT DED	TOTAL
Districts DDC LERN	\$133,595,303	\$42,932,021	\$3,427,506	\$19,611,849	\$0	\$199,566,679
LDH TOTAL	\$2,705,962,784	\$437,628,104	\$10,685,438,063	\$537,470,724	\$902,929,623	\$15,269,429,298

Major Adjustments - MVP

- FY21 Major Drivers of net* SGF growth

Program/Category	SGF \$ in Millions
Legislative/Legal/CMS Requirements	161.10
FMAP Rate Changes	24.80
Annualization	3.00
Utilization	21.30
MCO Payments & Enrollment	43.80

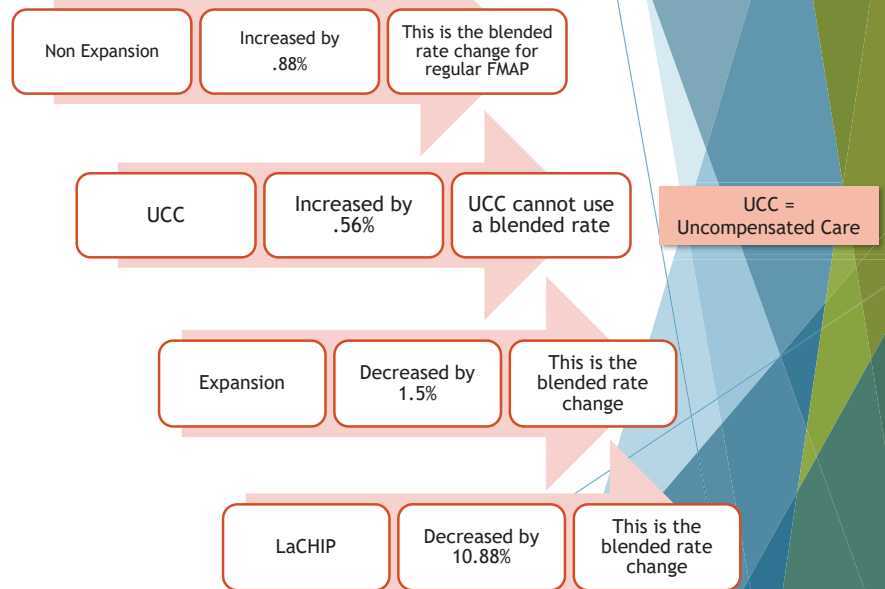
*The MVP Budget realized a \$223.4M NET increase to State General Fund for FY21. The adjustments above do not represent all adjustments, but would be considered the major drivers of the growth.

Legislative/Legal/CMS Requirements \$ 161,022,774

Act 612 of 2018 RLS - reclassification of Health Trust Fund & Tobacco Medicaid Match Fund to SGF	\$133 M
Act 412 of 2019 RLS - TEFRA Funding	\$4.4 M
ICF/DD rate adjustment required by state plan in non-rebase years	\$2.9 M
Medicaid Coverage of Peer Support Services - per DOJ Settlement	\$2.1 M
Nursing Home Rebase	\$8.8M
Payment to CMS for phase-down contributions for Medicare drug expenditures for individuals who projected Medicaid drug coverage is assumed by Medicare Part D	\$9.8 M

FMAP Changes \$ 24,807,897 (Federal Medical Assistance Percentage)

- FMAP changes dictate how much the Federal Government will contribute to the program.
- These percentages change on an annual basis and are formula driven based on the state's average Per Capita Personal Income (PCPI) compared to the National PCPI based off of last 3 years.



Annualization \$ 2,932,421

- Nursing Home Rebase - Means of Financing Substitution
 - MoF substitution replacing Medicaid Trust Fund for the Elderly with SGF
- Rural Health Clinics, FQHCs, ICF/DD Rates
 - Annualization of payments to 10 RHCs and 20 FQHCs projected to enroll in FY20 as well as the rebased rates for ICF/DD

Utilization \$ 21,308,626

- Medical Assistance Trust Fund
 - Replaces Trust Fund with SGF to align with projected FY 21 provider fees
- Coordinated System of Care (CSoC) Program
 - CSoC is a diversion waiver program for children at risk of out-of-home placement

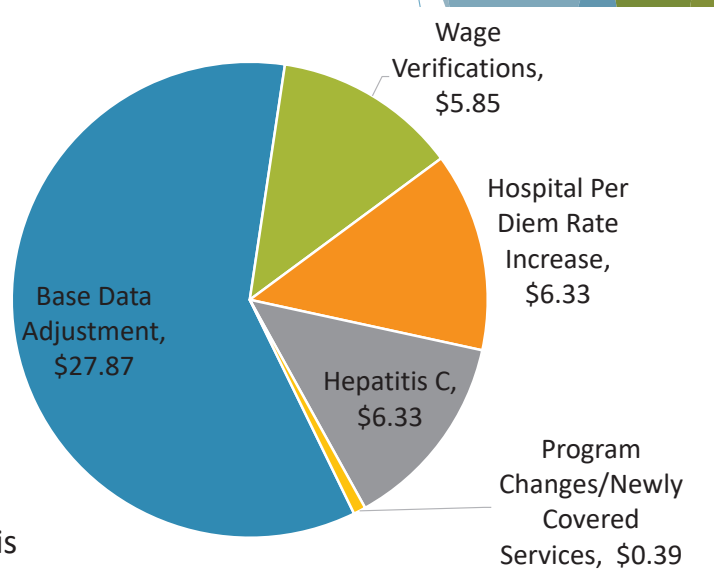
MCO Payments

\$ 43,843,022

MCO Rebate for Medical Loss Ratio	\$5.6 M
MCO Payments	\$38.2 M

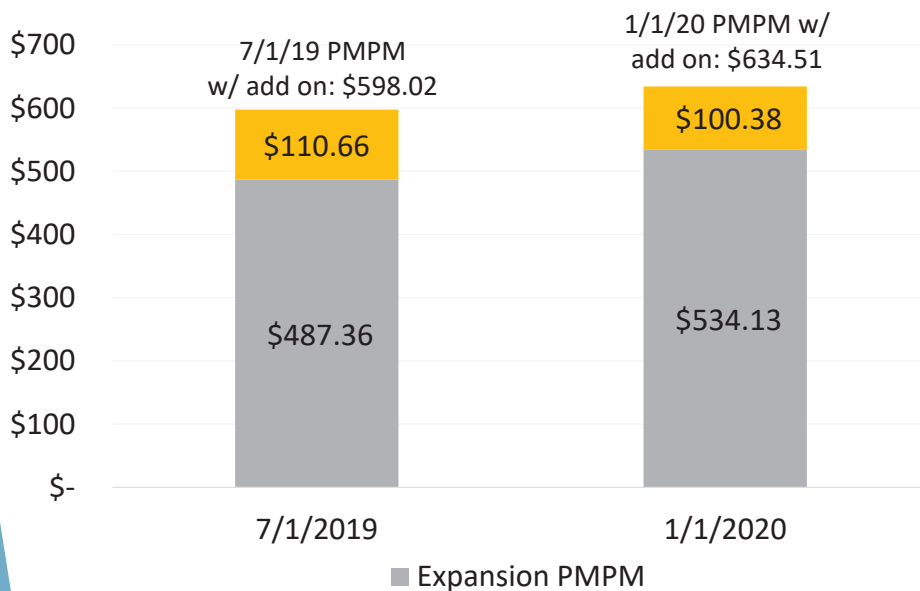
Drivers of the PMPM Rate Increase*

1. **Expansion PMPM Base Data Adjustment** – outpatient services, Rx drugs, specialized behavioral health, others services
2. **Enhanced Wage Verifications** – due to healthier individuals typically being the ones to lose coverage, the remaining population is a higher acuity, which uses services more frequently
3. **Hospital Per Diem Rate Increases** – HCR 5 rate increases flow through the PMPM
4. **Hepatitis C** – anticipated utilization of pharmacy and other services as a result of a Hep C diagnosis
5. **Program Changes** and Newly Covered Services



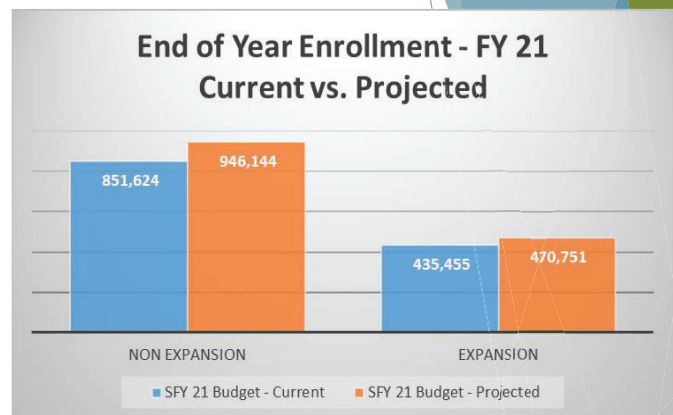
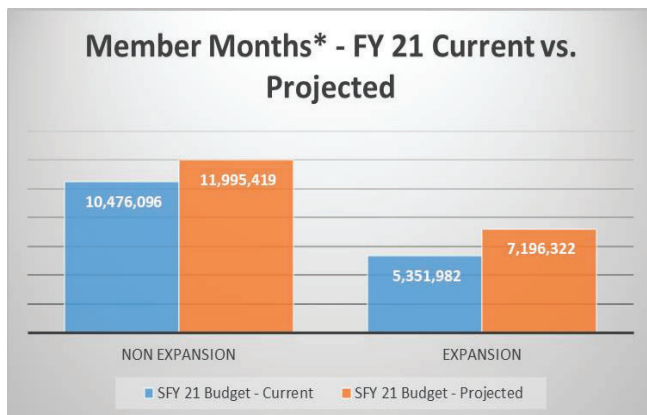
*see handout 2 - Medicaid Expansion PMPM Increase

Expansion PMPM change



Expansion PMPM Change 7/1/19 to 1/1/20	
Increase in PMPM limited rate	\$46.77
Decrease in Full Medicaid Payment add-on	-\$10.28
Net change in Expansion PMPM full rate	\$36.49

Current Estimated FY21 Enrollment



- Based upon current projections, the significant surge in member months compared to more moderate growth in enrollment demonstrates the anticipated growth in enrollment early in the fiscal year that then recedes post the COVID period.
- The projected enrollment growth is related to the following based upon more current data: increase in monthly enrollment (non-COVID), updated churn assumptions, slightly fewer wage check disenrollments, and slight remaining enrollment from COVID population.

* Member months represent the number of individuals participating in the Medicaid program each month during the state fiscal year. It's calculated by summing the enrollment counts for the 12 month period ending June 30th - i.e. 1 member on the rolls for 12 months = 12 member months; 2 members on the rolls for 7 months = 14 member months.

Major Adjustments - MVA

	EOB 12/01/19	FY21 Proposed Budget	# Increase	% Increase
T.O.	901	1026	125	13.87%

➤ FY21 Major Drivers of T.O. growth

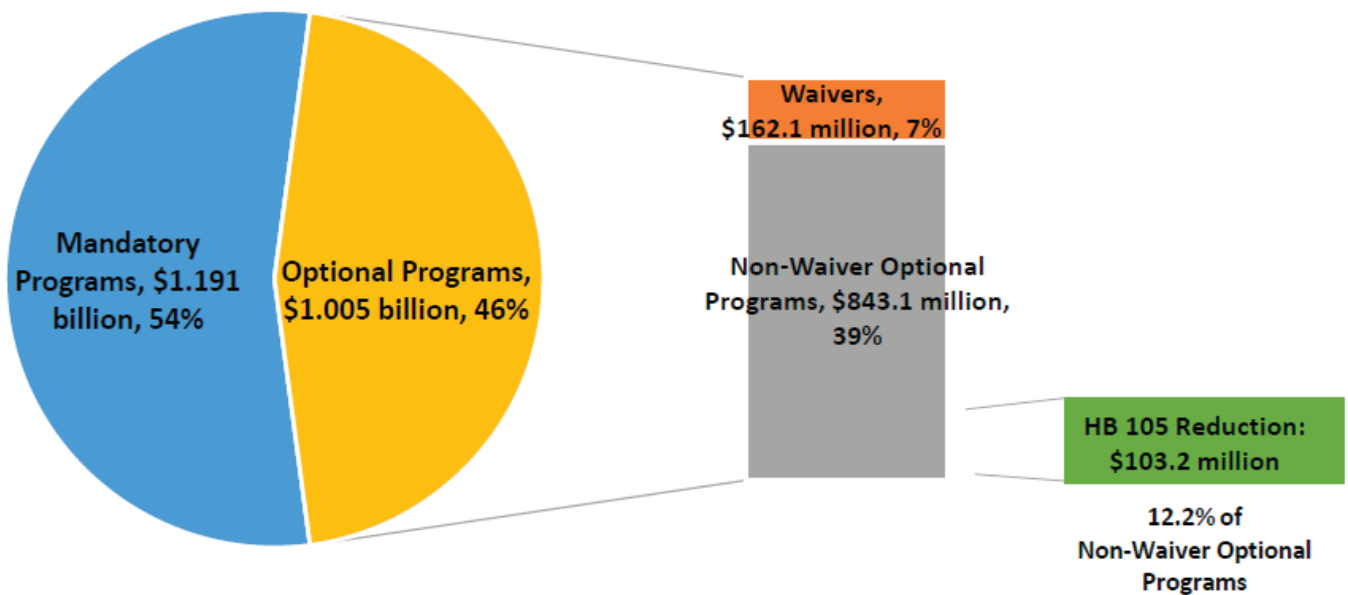
- Medicaid presently leverages a large staff augmentation contract to support its Eligibility Field Operations. Over 20% of the Medicaid eligibility analysts are provided through this staff augmentation contract.
- The FY21 budget provide 120 T.O. in order to convert contract positions to authorized classified T.O.
- **This conversion allows LDH to realize cost savings of \$3.4M TOTAL and decrease staff turnover.**

Reductions - \$103M

➤ Optional Programs: Funded with SGF in the FY21 Budget

Public/Private Partner Hospitals	Clinic Services	OBH Public/Private Partnership	DSH Payments to State Psych Hospitals
Inpatient Graduate Medical Education	Physical and Occupational Therapies - Adults	Program of All-Inclusive Care for the Elderly (PACE)	Long-Term Personal Care Services
Rural Hospitals	Coordinated System of Care (CSoc)	Hospice	Community Choices Waiver
TEFRA/Act 421	Pediatric Day Health	Adult Pharmacy	Most Appropriate Waiver
Ambulatory Surgical Centers	Adult Day Health	Inpatient Behavioral Health	LaHIPP Premiums
Personal Assistant Services	Community Behavioral Health Services	ICF/DD	

HB 105 Reductions State General Funds FY 21



See handout 3 - HB 105 Reductions Pie Chart

Hospital Payment Reform (July 1, 2020 estimated date of implementation)

➤ Hospital Money Follows the Patient (MFP):

- Replaces Full-Medicaid Pricing (FMP)
- Significantly reduces the department's reliance on UCC/DSH in preparation of ACA reductions
- Invests in the safety-net system to shore up limitations revealed by the COVID-19 pandemic
- Payments will be distributed based on each hospital's volume of hospital services delivered to Medicaid enrollees
- Applies a uniform percentage rate increases to hospital classes that capture every short-term acute care hospital in Louisiana
- Supports hospital services to Medicaid enrollees state-wide

Hospital MFP - continued

➤ Hospital Classes:

- Rural Hospitals
- Urban Public Hospitals
- Teaching Hospitals
- Other Short-Term Acute Care Hospitals
- 20% Medicaid Utilization or 5% of Entire State's Medicaid Days
- Region 1 – Jefferson Parish, Orleans Parish, St. Bernard Parish and Plaquemines Parish
- Adult ICU Bed Capacity of 30 or More
- Telemetry Bed Capacity of 75 or More
- Emergency Department Capacity of 50 or More
- Med/Stroke Bed Capacity of 200 or More

Hospital MFP - Continued

- Current level of payments and associated maintenance of effort remains
- Generates an additional \$745M in hospital payments to shore up the safety-net and ensure access for Medicaid enrollees
- Financing for additional payments will be financed with SGR and Federal dollars
- LDH will need an amendment for SGR and Federal authority in SFY21 Budget

Medicaid COVID-19 Unknowns

➤ Public Health Emergency End Date

- Federal emergency legislation has been enacted in response to COVID-19 to provide supplementary funding, benefits and flexibilities to Medicaid members and providers.
- Once the public health emergency and all corresponding federal assistance is terminated, Medicaid may have additional funding needs to allow for transitional activities.
- Adequate advance notice to the state will be required to ensure appropriate notice to stakeholders and efficient recovery from the public health emergency.
- However, adequate advance notice to the state and all stakeholders for transitions of service and policy changes may not be sufficient to avoid increases in state funded costs.

Medicaid COVID-19 Unknowns: Financing Changes

➤ Duration of 6.2% Increase to Louisiana's FMAP

- Applicability:
 - Starts with expenditures back to January 1, 2020
 - Available for the duration of the COVID-19 public health emergency
 - Extends through the last day of the calendar quarter in which the emergency period occurs.
- The uncertain timeframe of the emergency declaration for which the additional FMAP increase will apply creates Medicaid budget unpredictability.
- State funding need estimates will be affected by the actual end date and trailing transitional expenditures.
- Additionally, though federal funding is available for IT needs during the declaration, it is uncertain that CMS will fully fund trailing added costs.

Medicaid COVID-19 Unknowns: Eligibility

➤ Enrollment

- During this emergency, in order to meet federal requirements of the FFCRA for the 6.2% enhanced FMAP, **all current Medicaid members must remain covered and enrollment terminations are suspended**, unless the member requests termination, moves permanently out of state, or due to death.
- There is no indication how long we will be required to keep our current enrollment static.
- Medicaid also anticipates an impending increase in Medicaid applications corresponding to the large increase in unemployment and SNAP filings. However, the timing of this application spike is unknown; currently, LDH is not seeing a large application increase.
- Due to the uncertainty in enrollment effects, financial impacts cannot be determined with certainty.

➤ Phase-In Plan for Eligibility Verifications

- At the termination of the emergency, Medicaid is to timely and effectively resume its original processes/procedures related to its eligibility verification determinations.
- **Medicaid predicts that it may take approximately 3-6 months to phase back in its standard eligibility verification processes**, including appropriate allocation of staff capacity and rolling back systems programming changes. The state has notified CMS of this concern.
- However, no guidance has been issued from CMS on expectations or timeline.
- The extended enrollment impact creates additional state funding needs after the end of the public health emergency and there is no longer enhanced FMAP available.

Medicaid COVID-19 Unknowns: Provider Impact

➤ Provider Reimbursement Changes

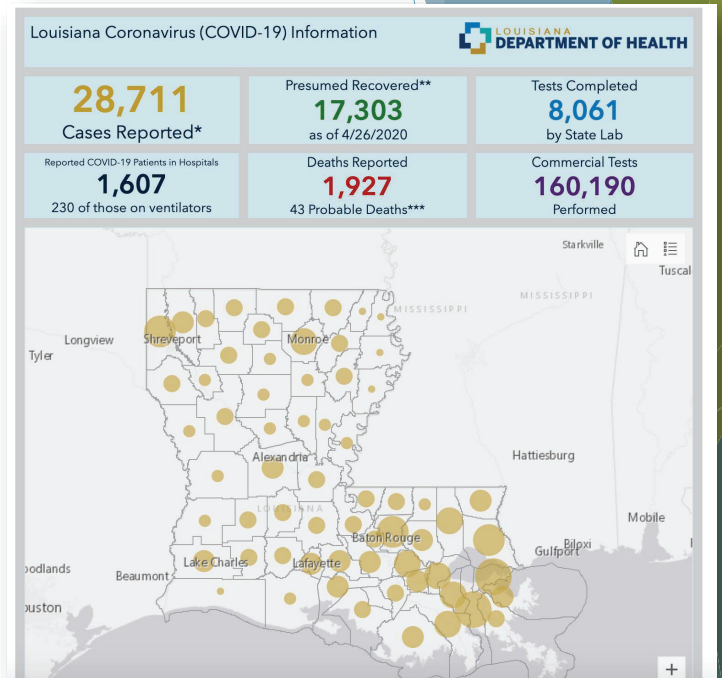
- Many Medicaid providers require reimbursement increases or changes in order to remain solvent so that our safety net remains viable through the declared emergency and beyond.
- Without this funding, our most vulnerable citizens might not be able to get vital hospital care, long term care or home-and-community based services.
- The enhanced FMAP contributes to the state's ability to support these providers as well as new funding appropriated directly to providers through federal legislation.
- The state's reconciliation with direct federal funding to providers has proven to be a challenge as access to federal Health and Human Services disbursement data is largely unavailable.
- Additionally, once the enhanced FMAP ends with the public health emergency, the state will no longer have the added FMAP to continue to pay ongoing claims filed after the declaration ends, even if the service occurred during the public health emergency.
- State funding supplements will likely be necessary to support ongoing provider reimbursement and maintain the network.

➤ Service and Policy Changes

- In order to protect Medicaid members and the public from transmission of the COVID virus and allow for appropriate medical capacity, Medicaid took proactive measures to expand telehealth, reduce barriers to care, and initiate safety protocols with providers.
- Many of these policy and benefit changes are beneficial to continue in the long term or require additional transition time to return to normal operations for providers and patients.
- Additional funding considerations should be expected as we adjust to the new normal.

COVID-19 Response: Louisiana Punches Above Its Weight

- On March 14 went live with one of the first COVID-19 dashboards – which continues to be one of the most robust in the country. **23.9M views to date**. One of the first states to share COVID-19 data by race.
- Erected COVID-19+ Medical Monitoring Station in New Orleans in less than one week; has **served 179 people** to date. New Battelle system can disinfect up to **80,000 masks per day**.
- Have **distributed 12.8M units of PPE** (e.g., gowns, gloves, body bags, surgical masks) to facilities across the state.
- **Multi-sector partnerships**, including with Oschner, Blue Cross Blue Shield and LSU-Health to strengthen data analytics and modeling of COVID-19 spread; and Walmart to ramp up community-based testing.
- Office of Public Health State Lab to increase testing capacity **5X in 21 days**.



Questions?

- **Lauren Gleason**, Director of Legislative & Governmental Relations
 - Lauren.Gleason@la.gov
 - 225-342-5274 (office)
 - 225-964-1789 (cell)



DCFS Update

House Committee on Appropriations

Secretary Marketa Garner Walters

April 28, 2020



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Our Mission

- Working to keep children safe
- Helping individuals and families become self-sufficient
- Providing safe refuge during disasters



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Our Department

Child Welfare

- Intake/Child Protection Investigations
- Family Services
- Foster Care
- Adoption

Family Support

- Economic Stability & Self Sufficiency
- Child Support Enforcement Services
- Disability Determination Services
- Fraud & Recovery

Emergency Preparedness & Recovery

- Emergency Preparedness
- Disaster Recovery



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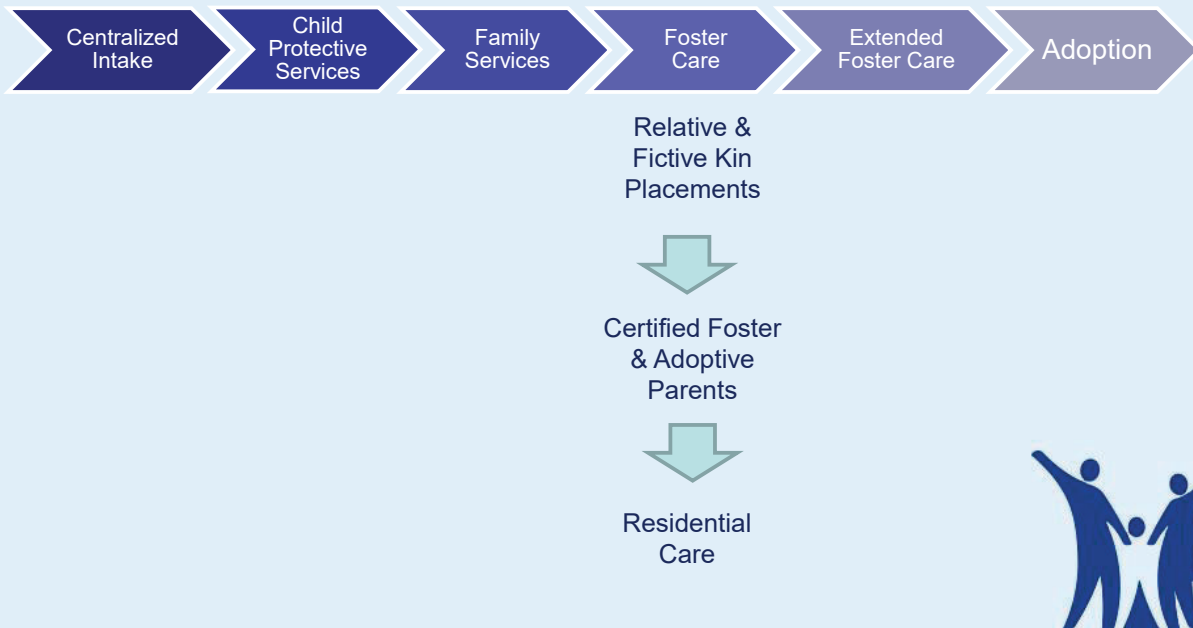
Our Mission

Working to keep
children safe



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DCFS Continuum of Responsibility



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Child Welfare Continuum of Responsibility

- Receive and assess all reports of child abuse/neglect by a “caretaker” (Centralized Intake)
- Investigate all cases meeting the legal criteria of a report (Child Protective Services)
- Provide in-home services (Family Services) to families whose children are at high or very high risk of child abuse/neglect
- Assume legal custody on behalf of the state for any child that must be removed from their home for their own safety (Foster Care)
- Ensure a permanent family for children when parental rights have been terminated, (Adoption or legal Guardianship)
- Prepare youth who “age out” for independent living (Extended Foster Care)

Child Welfare Caseloads

Child Protective Services (abuse & neglect investigations)



Standard caseload
15-17 open cases

Average Caseload
34 open cases



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Child Welfare Caseloads

Foster Care (meeting care of children in state custody)



Standard caseload
10 cases

Average caseload
14 cases

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Child Welfare Turnover Statewide



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COVID-19 – Impact on Child Welfare As of 4/24/20

- **Impact on the Child Welfare Workforce:**
 - 109 staff were quarantined at various points in time;
 - 14 staff tested positive for COVID-19. Unfortunately, one staff member died.
 - Recommended PPEs to Child Welfare staff for use when having in-person case contact. National Guard provided PPE training for entire staff.
- **Impact on Foster Children and Foster Parents:**
 - 54 children were quarantined at various points in time; 2 foster children tested positive;
 - 10 foster parents were quarantined at various points in time; 7 tested positive. Unfortunately 2 foster parents died due to COVID-19, and children had to be placed elsewhere.
 - Louisiana foster parents have been amazing throughout the crisis. There were minimal placement disruptions directly related to COVID-19.

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COVID-19 Response – Child Welfare

- Worked with Judges and the Louisiana Court Improvement Program to determine court protocols for on-going hearings pertaining to child safety and permanency.
- Implemented protocol for staff communication with foster parents at least twice weekly to ensure they have all they need for children in their care.
- Secured cell phones to help facilitate on-going virtual visits between family members, and for service provision, when this was otherwise not possible.
- Created a foster parent hotline, available 24/7, to provide support, answer questions, and address issues, concerns.
- Provided reimbursement for foster parents to secure babysitting services for foster children, when needed, due to the foster parents' employment.
- Created Practice Support Teams, available 24/7, to provide staff with guidance on cases where any family member was affected by COVID-19.
- Made foster parent orientation sessions available by phone.
- Created online training for foster parents to maintain certification.

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COVID-19 Response – Child Protection

- Throughout the crisis, Child Protective Services staff remained on call 24/7 as first responders and continued to investigate all reports of abuse and/or neglect.
- During this time period, 1,023 reports were accepted for investigation.
 - With school out and children not seeing doctors, Louisiana's DCFS, like that in other states, experienced a decline in child abuse reports.
 - Experts project a nationwide increase in child abuse and neglect, and in turn, a spike in the need for foster care in the next few months.

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COVID-19 Response - Foster Care

- 125 children had to be placed in foster care for their safety during this time (3/14/2020 to 4/24/2020) due to one or more of the following reasons:
 - Physical abuse
 - Neglect
 - Sexual abuse



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COVID-19 Response -- Adoption

- DCFS paid close attention to adoption timelines, not wanting any adoption to linger.
- The department worked with courts to facilitate virtual adoptions, wherever possible. The department continues its efforts in ensuring adoptions occur in a timely fashion.

Our Mission

Helping Individuals and Families Become Self-Sufficient



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Family Support

Economic Stability

- Supplemental Nutrition Assistance Program (SNAP)
- SNAP Employment & Training (E&T)
- Family Independence Temporary Assistance Program (FITAP)
- Kinship Care Subsidy Program (KCSP)
- Strategies to Empower People (STEP)
- TANF Initiatives (LA 4, Nurse Family Partnership, etc.)

Child Support Enforcement

- Parent Locator Service
- Paternity Establishment
- Order Establishment
- Collection and Distribution

Disability Determination Services

Fraud and Recovery

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Temporary Assistance to Needy Families (TANF)

Louisiana Received \$163.4M in TANF Funding in FFY20. Current funding allotments:

- TANF Core Programs: \$36.4M
- Child Welfare: \$43.3M
- TANF Initiatives: \$71.4M. Among these:
 - LA 4: \$45M
 - STEP: \$5.3M
 - Drug Courts: \$5.4M
 - CASA: \$4M
 - JAG: \$3.9M
 - Nurse Family Partnership: \$2.9M
 - Substance Abuse: \$2.8M
 - Homeless: \$1M
 - Abortion Alternatives: \$1.3M

For SFY21, DCFS is requesting \$1.1M increase for Jobs for America's Graduates (JAG) and \$5M in faith-based initiatives to address poverty.

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DCFS Workforce Initiatives

In addition to increasing resources in Child Welfare, as needed, DCFS is re-engineering its approach to workforce.

- Re-tooling *Strategies to Empower People (STEP)* program (requesting 40 T.O. -- 100% federally funded)
- Expanding *SNAP Employment & Training* program (*SNAP E&T*), through federal reimbursements (requesting 5 T.O. -- 100% federally funded)
 - *USDA FNS recently named Louisiana a "SNAP to Skills" state.*
- Boosting investment in highly successful *Jobs for America's Graduates (JAG)* program

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SNAP Employment & Training (E&T)

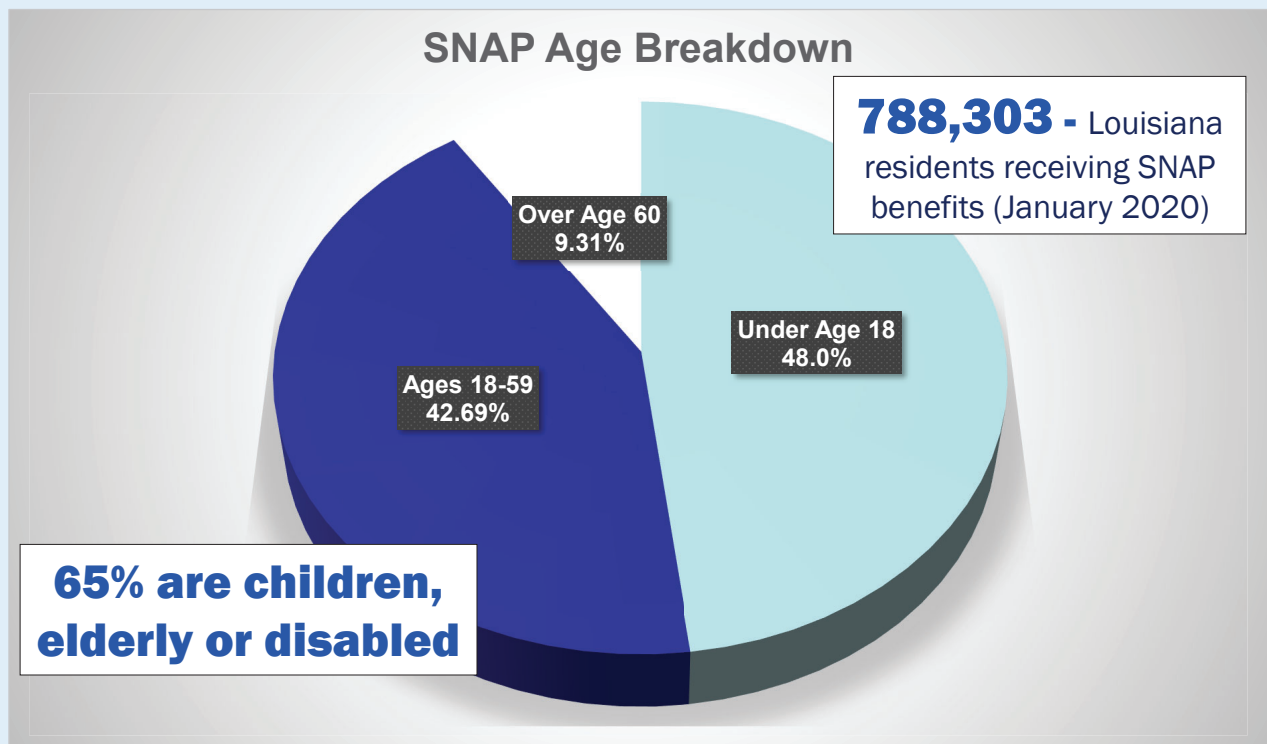


- Provides federal reimbursements to organizations offering career services to SNAP recipients
- Goal: to move SNAP recipients into meaningful-wage employment
- ***17 providers currently under contract***

www.dcfslouisiana.gov/SNAPET

www.dcfslouisiana.gov

SNAP Recipient Profile



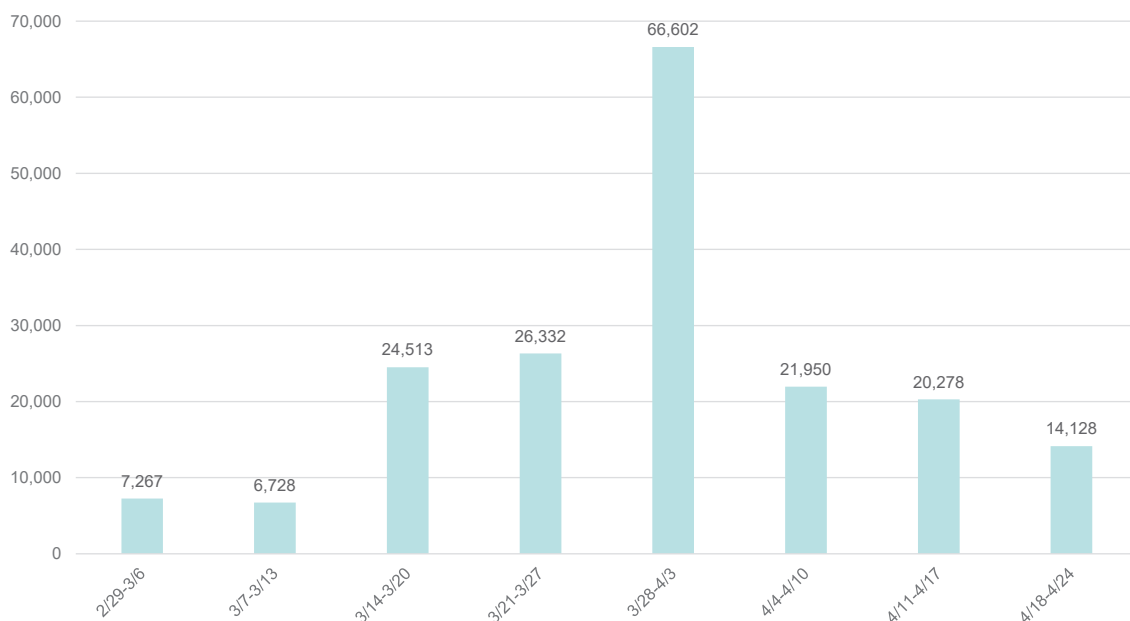
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SNAP Applications Break Records

- DCFS received 66,602 SNAP applications the week of 03/28-04/03, more in any month before March 2020 (42,096 applications in August 2017).
- The department received 22,850 SNAP applications on 3/31/2020, which is the highest number of applications received in a single day.
 - In March 2020, DCFS received 98,783 SNAP applications.
 - In April 2020, DCFS has received 93,087 as of 4/27/2020.
- DCFS is still receiving 2x more applications weekly than before COVID-19.

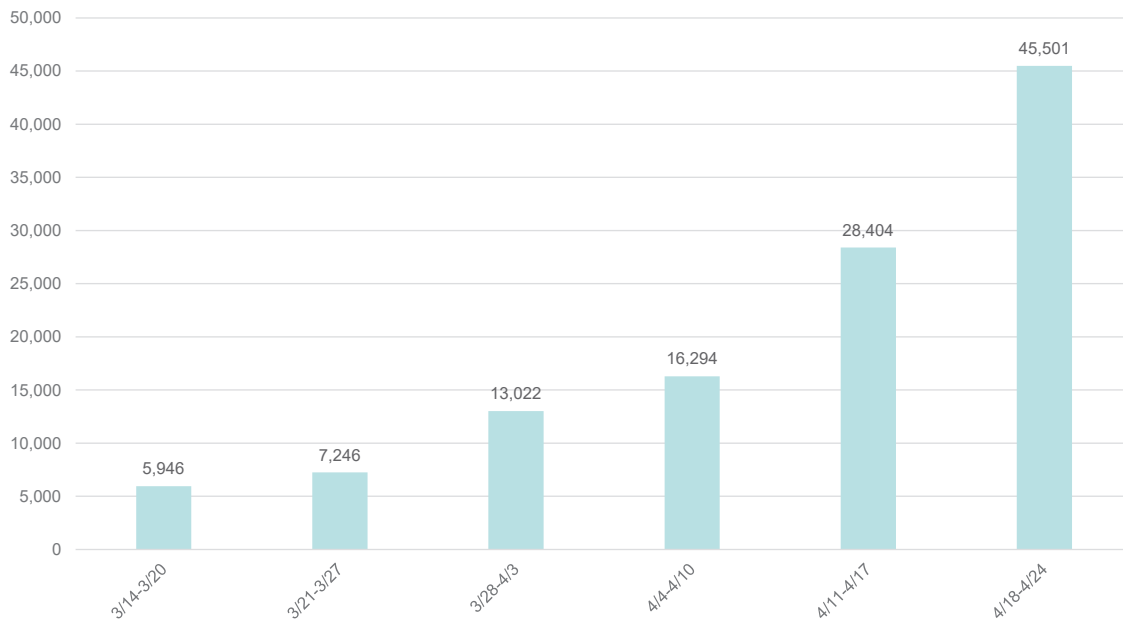
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SNAP Applications Received by Week



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SNAP Applications Processed by Week



Note: The week of 4/18-4/24, approximately 12,000 applications were denied because they were duplicates.

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How DCFS is Meeting Increased Demand

- DCFS is currently processing 6x more applications weekly than it did before COVID-19.
- The department has shifted staff and resources in the following ways to meet demand:
 - Assigned staff to 10-hour shifts and weekend work.
 - Reassigned staff from other programs and projects
 - Augmented staff from another agency and contractor
 - Applied FNS waivers to streamline processes and expedite applications

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Our Mission

Providing Safe Refuge During Disasters



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DCFS Emergency Preparedness

The DCFS division of Emergency Preparedness and Response leads Louisiana's Emergency Operations Plan *Emergency Support Function-6 (ESF-6)* and *Recovery Support Function-3 (RSF-3)*.

Both functions require a constant state of readiness to support evacuation, response and recovery related to any type of disaster, including **evacuation, sheltering, emergency food assistance and human services**.

Past Major Events Supported:

- March and August 2016 Floods
- February 2017 Tornado
- Hurricane Harvey
- Hurricane Barry

In 2019, DCFS:

- Trained 1,844 staff (52%) for ESF-6 duties
- Responded to 8 emergency events
- Logged over 18,870 emergency response hours



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Emergency Preparedness (March & April)

- 196 DCFS staff participated in the Public Health Emergency response associated with COVID-19 (109 at peak).
- DCFS has managed Isolation and Observation Sites at state parks: Bayou Segnette, Bayou Chicot, and Lake Bistineau.
 - 171 residents have been in isolation at these sites (51 at peak).
- DCFS has supported LDH operations at the Morial Convention Center in New Orleans.

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Proposed SFY21 Budget

Includes funding for the following:

- Maintenance & Operation for Integrated Technology System Upgrade (LITE) -- \$25.2M (\$12.1M SGF)
- 45 additional authorized T.O positions for work programs (STEP and SNAP E&T) -- \$2.6M (all federal funds)
- Statewide adjustments



Proposed SFY21 Budget

What it doesn't include:

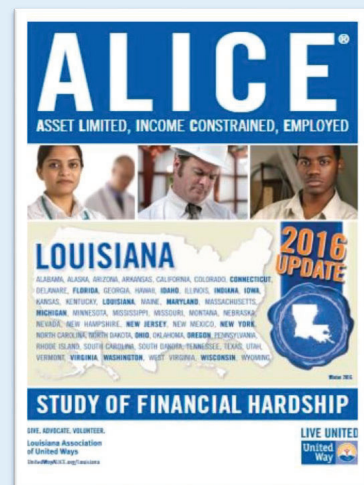
- Critically needed additional authorized T.O. and financing for Child Welfare positions -- \$2.2M SGF



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Louisiana Families at Risk

- Asset Limited, Income Constrained, Employed
- 1 in 3 (29%) Louisiana residents are ALICE
- Another 19% live in poverty
 - **48% of all Louisiana households cannot afford basic expenses**
 - One financial setback from disaster.
 - We've all been ALICE or know someone who is.



Louisiana Association
of United Ways

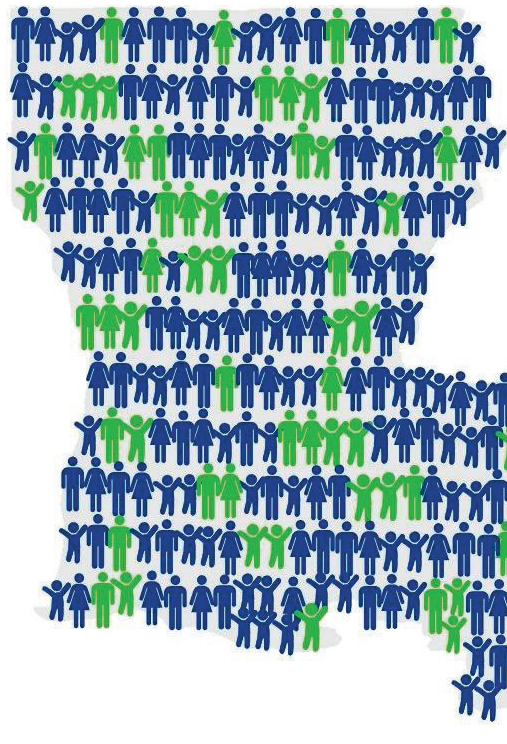


Source: Louisiana ALICE Report Update, January 2019



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We Serve Louisiana



DCFS programs serve
approximately

1 in 5

Louisianans



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SFY 2021 Budget Statement to House appropriation Committee

The Proposed budget for DCFS in SFY 2021 includes funding for the following:

- Maintenance & Operation for Integrated Technology System Upgrade (LITE) Technology System Upgrade (LITE) - \$10.2M SGF
- 45 additional authorized T.O positions for work programs (STEP and SNAP E&T) - \$2.6M (all federal funds)
- Statewide adjustments

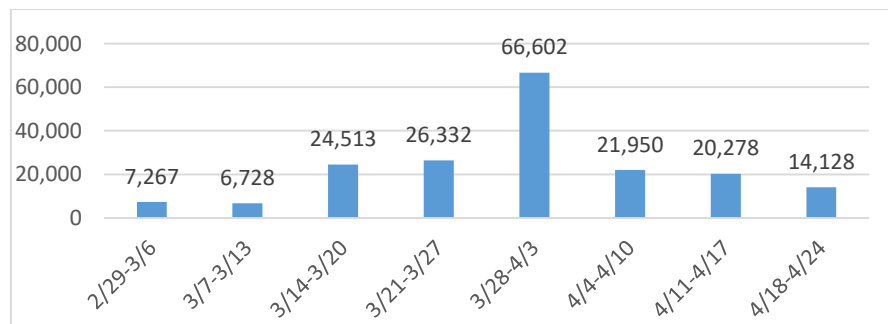
The Proposed budget for DCFS in SFY 2021 does not include funding for the following:

- Critically needed additional authorized T.O. and financing for 50 Child Welfare positions - \$2.2M SGF

Concerns:

- Staffing needs: In recent years, we have not been able to hire new staff to address high caseloads throughout the Department, impacting our ability to protect children, reunite families and serve clients.
- Impact of COVID-19:
 - We have received an unprecedented number of SNAP applications in the last two months and expect the SNAP caseload to remain extremely high through SFY 2021.
 - Experts project a nationwide increase in child abuse and neglect, and in turn, a spike in the need for foster care in the next few months.

SNAP Applications Received by Week



Schedule 11 – Department of Natural Resources

Thank you for giving the Department of Natural Resources an opportunity to update the House on our current state of operations. The Department does not require adjustments to its requested budget authority and will monitor to ensure a deficit does not occur. There are, however, significant impacts on DNR's operations that the Department would like to update the Legislature on.

While the event itself is nearing the May 1st deadline, the unprecedented drop in oil prices that occurred during the event doesn't have a known end date. The oversupply and lack of demand in the oil market affect the Department more than the event itself. Our dedicated funds aren't primarily correlated to price per barrel, but they are based on the level of activity performed by the operators. An extended timeframe of low prices will certainly cause lower revenues in the Department.

At this current time, to ensure the Department maintains a balanced budget and does not approach a deficit, the Department will hold vacancies in excess of normal attrition rates and delay/cancel acquisition purchases until revenue stabilizes to current budgeted levels. The impact of holding vacancies will cause increased times for permitting, inspections, and reductions in compliance actions. This may also result in reduction of lease management activities, the collection of royalties, and delays in processing new mineral lease applications. If oil prices rebound and the revenue streams return during the fiscal year, the Department will resume filling positions and return to normal operations.

- Benjamin Spears, Department of Natural Resources

Schedule 12 – Department of Revenue

No submission at this date.

Schedule 13 – Environmental Quality

DEQ has reviewed our financial position for FY21 and would like to add that we project a 2% reduction or \$1.2 million in Environmental Trust Fund Account fees collected (in FY21). We reviewed past disasters and recessions and took the most conservative approach in calculating this number. In each of the past disasters and recessions, DEQ fees reduced by less than 1.5% - mostly because while we do regulate industry and businesses, even in times that their production slows, they still maintain their permit with DEQ. We are working with OPB to make reductions in REC and to our FY21 budget request to account for or estimated reduction in expenditures in our FY21 request.

Schedule 14 – Louisiana Workforce Commission

Summary Info Provided from LWC Regarding Federal Stimulus Bill

4/24: USDOL UI Emergency Administration Funds of \$12,708,754 allocated to LA as additional UI Base grant, of which \$6,354,377 has been awarded. The UI base grant is the annual allocation of funding LWC receives to administer the UI program, and the new approx. \$12M allocation is to accommodate the increased UI claims due to COVID-19.

On the other hand, supplemental budget requests (SBRs) are individual proposals that a state can submit to request additional funding for specific purposes. Typically, SBR funds cannot be used for staffing. The estimates provided in the FFIS document of \$4.396M each for UI Base and Supplemental is inaccurate, since more than \$12M has been allocated for UI Base grant alone.

Further, the approx. \$600M paid out till date by LWC as UI claims to LA citizens was disbursed directly from the US Treasury accounts, and the \$12M UI Base grant covers additional expenses related to staffing, operating costs, technology, etc. Thus, the COVID-19 pandemic does not appear to have any direct impact on LWC's FY20 nor FY21 budgets, as reported in the attached emails.

Schedule 16 – Department of Wildlife and Fisheries

A Brief Synopsis

The Department of Wildlife and Fisheries currently does not receive any General Fund. Our Conservation Fund serves as our General Fund. It covers almost all of our administration and enforcement cost, matches our federal dollars and is used to spray aquatic weeds and in the collection of samples for commercial fisheries.

The Department has been relying on oil and gas production to generate the revenue to meet our annual appropriations. The declining oil and gas revenue since 2016 has put the Department in the posture that we are funding a portion of our annual budget with using a fund balance of the Conservation Fund. Oil and Gas is not our only financial trouble. The increase in Lifetime license and the increase in sportsman qualifying for the senior hunt/fish combo has reduced our basic hunting and fishing annual license sales. This coupled that we have not raised license fees since 1999 has made it difficult to continue to rely only on internal generated funding to meet growing expenditures.

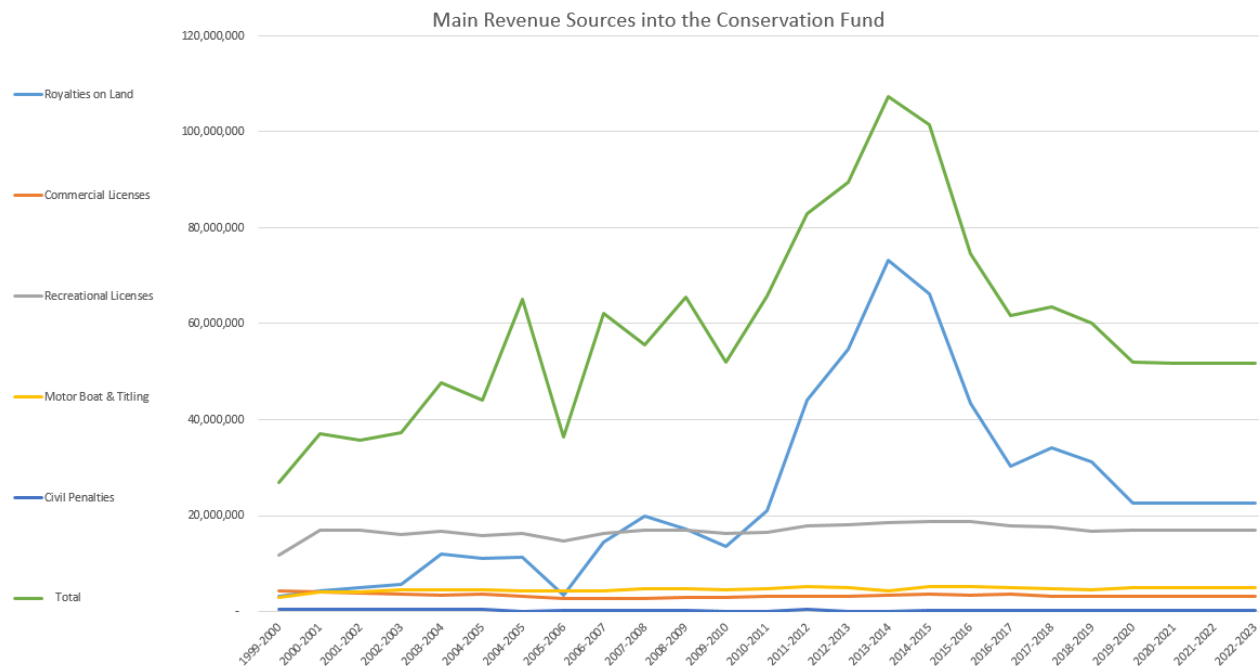
We requested \$16 million in General Fund this year in our annual budget request to the Division of Administration trying to cover IAT cost that we cannot control like Risk Management, State Procurement, OTS, Legislative Auditor, DOTD mapping, DNR mineral management fees, and civil service. This support would allow the Department to extend its projection to require a larger sum of general fund when our fund balance is depleted. The strategy was to delay the inevitable giving the oil and gas industry a change to rebound.

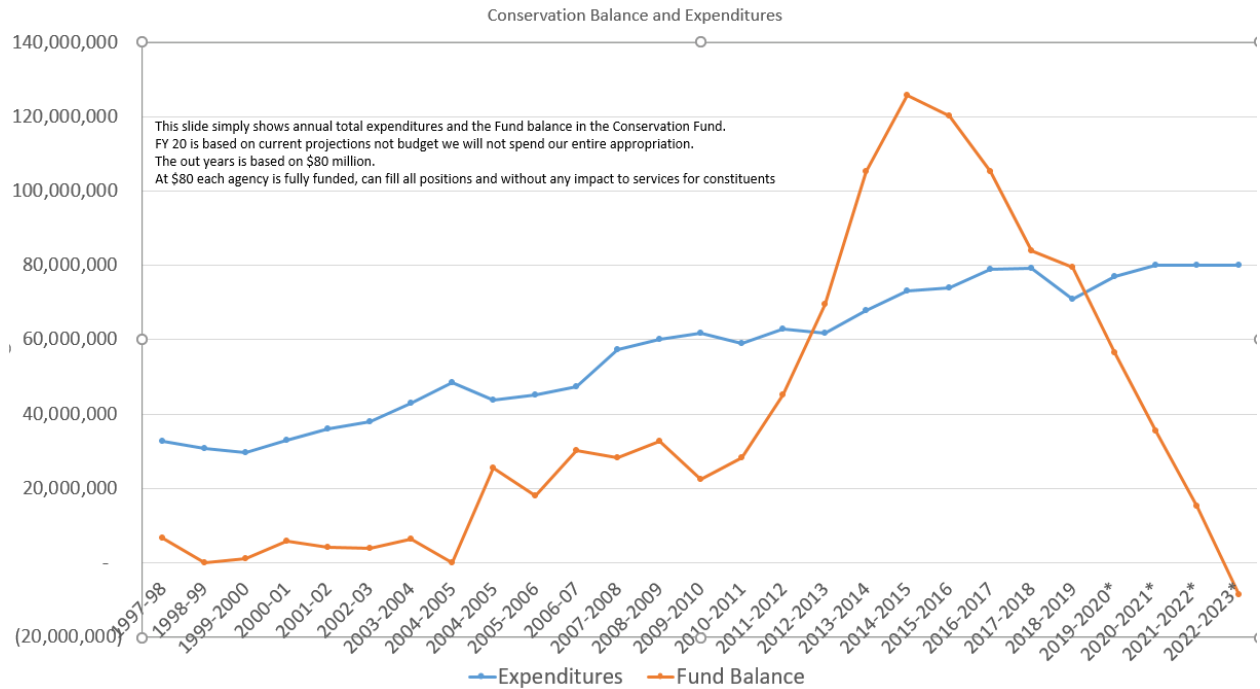
We have been working on other revenue options seeking to find some stabilizing revenue that is not so erratic and unpredictable. We have a commercial and recreational license restructure and fee increase that would not fix our deficit spending but would provide the same slowing of the process as the general fund request would.

We know tough times are coming and are looking forward to any ideas and to work with you to find solutions in order to keep Louisiana the Sportsman's Paradise.

Cares Act Funding

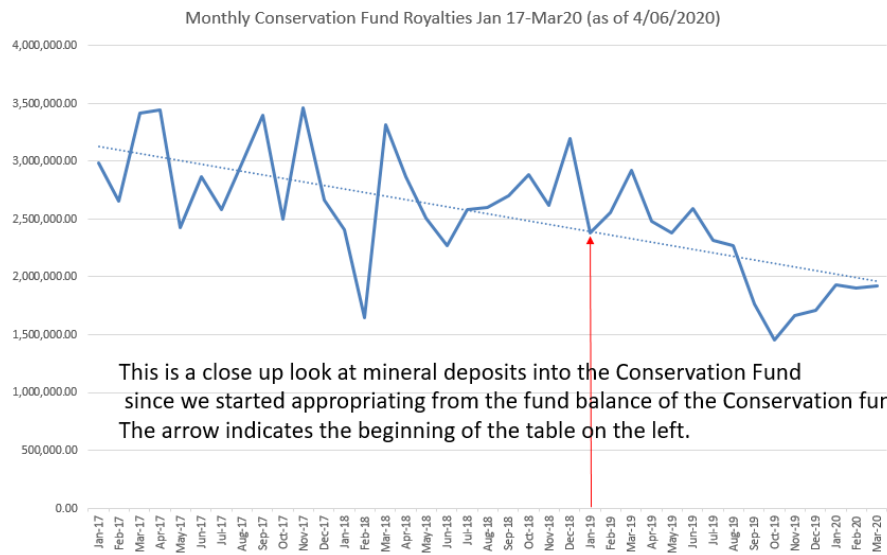
Section No.	Section Name	Agency (ies) commented	Notes	Agency POC email	Agency POC phone number	Responsible Agency(ies)	Beneficiary (ies)
12005 (b)	Fishery Participants	LDWF Office of Fisheries	Assistance for Fishery Participants – The bill provides \$300,000,000 which 98% of this funding aid in economic revenue losses greater than 35% as compared to the five-year average and any negative impacts to subsistence, culture, and ceremonial fisheries. NOAA Fisheries will administer this funding. It is unclear if it will be evenly divided per each state or if it will be divided based on fishery landings or fishery activity	pbanks@wif.la.gov	225-765-2370	NOAA Fisheries / Department of Commerce	Commercial, recreational and charter fisheries participants
714	Departmental Offices Office of the Secretary Departmental Operations	LDWF Office Of Wildlife	DOI Departmental Operations - \$158,400,000 which can include bio surveillance of Wildlife and environmental persistence: An additional amount for "Departmental Operations", \$158,400,000, to remain available until September 30, 2021, to prevent, prepare for, and respond to coronavirus, domestically or internationally, including, but not limited to, funds for purchasing equipment and supplies to disinfect and clean buildings and public areas, supporting law enforcement and emergency management operations, <u>bio surveillance of wildlife and environmental persistence studies</u> , employee overtime and special pay expenses; PLEASE NOTE: It is possible though not apparent that these agencies could seek assistance from state agencies to implement surveillance, studies, etc. For example, if the bio-surveillance included collecting feral swine, waterfowl, shore birds, or other potential vectors our staff could be involved and funded from the allocation. This would save conservation fund dollars. However, we are unsure at this point.	rmyers@wif.la.gov	225-765-2805	Department of Interior	LDWF, would receive the federal assistance to aid DOI on meeting its intentional goals.
631	State and Local Law Enforcement Assistance	LDWF Enforcement Division	State and local law enforcement - \$850,000,000- This act could provide assistance to our agency for law enforcement. We began directly working this event when State Police asked for assistance through ESF-13 for security of isolation camps. The congregating of vessels on the waterways of the state has become a problem since the stay at home order was announced. With the large number of vessels venturing out on the water and congregating, we are patrolling Louisiana's waterways asking people to adhere to the governor's instruction of social distancing. Our department has closed Elmer's Island from the recommendation of the mayor of Grand Isle due to people gathering in large numbers, we are working to make sure citizens adhere to this directive. We are recording all time and expenses associated with this event with the expectation of reimbursement from the CARES Act of 2020	smartin@wif.la.gov	225-765-2536	Department of Justice	Members of the public who are secured and protected from the spread of this virus

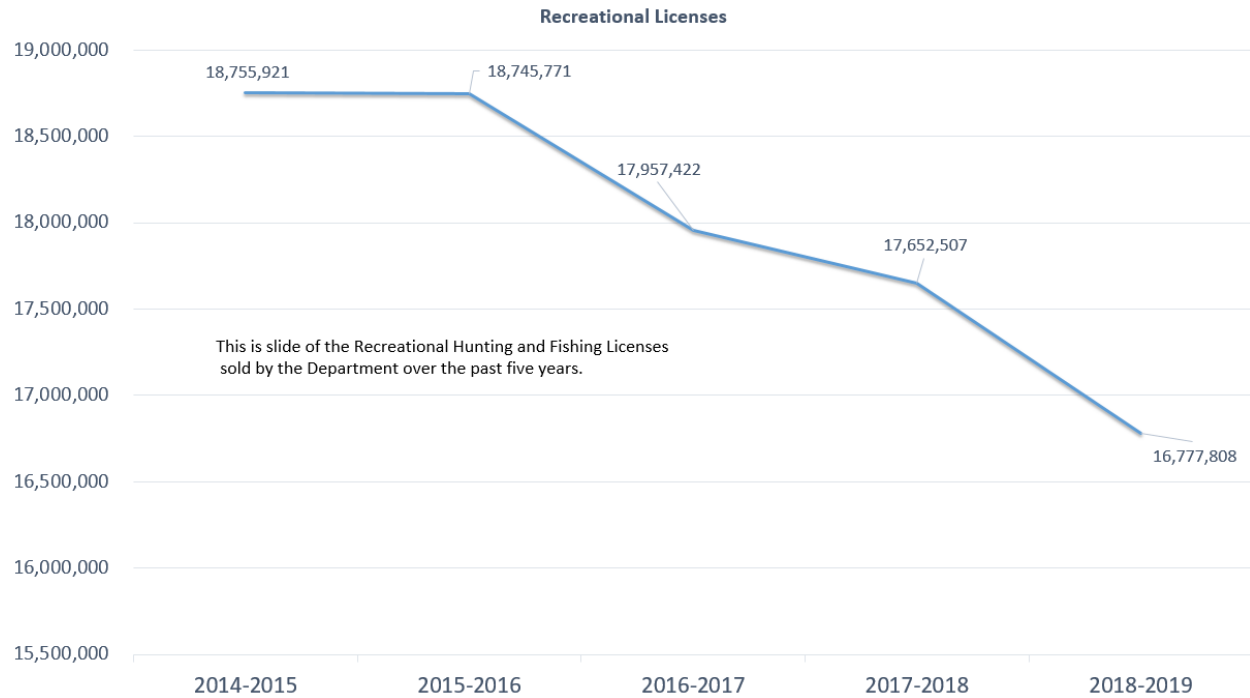




Monthly Mineral Collections

January	2,380,049.50
February	2,552,244.02
March	2,919,268.19
April	2,479,899.93
May	2,378,043.43
June	2,591,641.64
July	2,316,830.19
August	4,172,787.45
September	1,768,475.25
October	1,455,609.28
November	1,664,858.37
December	1,709,729.14
January	1,929,180.00
February	1,899,876.75
March	1,919,682.41





CONSERVATION FUND PROJECTIONS

April 24th 2020

	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	PROJECTED FY 19-20	PROJECTED FY 20-21	PROJECTED FY 21-22	PROJECTED FY 22-23
Carryforward prior year	69,646,960	105,170,959	125,706,382	120,333,087	105,237,223	83,934,097	81,063,955	57,875,564	29,192,507	509,450
Revenue	107,246,990	101,404,063	74,654,117	61,593,605	63,489,480	60,120,053	51,860,222	51,656,422	51,656,422	51,656,422
Expenditures	(67,958,718)	(73,253,191)	(73,987,646)	(79,015,690)	(79,377,366)	(71,019,410)	(74,260,589)	(80,000,000)	(80,000,000)	(80,000,000)
Other transfers in/out	(3,764,274)	(7,615,449)	(6,039,767)	2,326,222	(5,415,239)	6,510,257	(788,024)	(339,479)	(339,479)	(339,479)
Year-end Balance	105,170,959	125,706,382	120,333,087	105,237,223	83,934,097	79,544,997	57,875,564	29,192,507	509,450	(28,173,607)

What we have done

	Budgeted FY 19	FY 19 EXP	Budgeted Fy 20	Projected FY 20
Conservation Fund - W01*511	\$12,472,104	\$10,560,525	\$11,730,222	\$ 11,282,348
Conservation Fund - W01* 512-A	\$3,074,015	\$2,403,943	\$3,062,797	\$ 2,717,607
Conservation Fund - W01*-512-E	\$34,041,848	\$30,940,246	\$35,575,847	\$ 34,759,593
Conservation Fund - W01* 513	\$16,572,498	\$11,525,927	\$17,788,664	\$ 14,085,506
Conservation Fund - W01* 514	\$18,104,233	\$14,069,811	\$17,136,595	\$13,783,596
Conservation Fund TOTAL	\$ 84,264,698	\$69,500,452	\$ 85,294,125	\$ 76,628,650

Non FTEs

January 1, 2016	112
January 1, 2017	96
January 1, 2018	89
January 1, 2019	69
January 1, 2020	41

Knowing that we have been deficit spending each section has been responsible to save as much Conservation fund as possible. This includes expanding federal grants, relying more on other statutory dedicated funding or simply not expending dollars.

Non FTEs are made up by WAEs and Job Appointments – students are not considered in this figure

Actions the Department has taken to reduce Expenditures to mitigate declining Revenues

Enforcement Division has held off initiating an new Academy they currently have 30 vacancies (13% of total Agents Statewide)

They have reduced travel their Strike force unit and are holding vehicles an additional 50k miles in their fleet rotation.

Office of Fisheries has been reducing non FTE positions when their term expires, they have also had to reduce spraying of

aquatic weed to find cost savings.

Office of Wildlife has also reduced non FTE positions and have consolidated some programs, postponed maintenance and major repairs on WMAs.

These cost saving measures are viable in the short run, however, the Department is not able to operate at this level and still deliver services to your constituents.

Schedule 17 – Civil Service

4-28-20: The PowerPoint response states **current** satisfaction with the **known** and proposed FY21 Recommended as it adequately funds all of DCS' agency operations as is. To the extent FY21 Recommended is altered/reduced due to the Statewide COVID-19 response or associated, future discussions would be warranted and necessary if the affects adversely impact any or all of DCS' agencies. Special mention to Ethics Administration being DCS' only SGF-funded agency, which is typically vulnerable as front line cut recipients.

So it appears that DCS incurred (or will incur) COVID-related expenses in the agencies reported (HFD does not know the exact dollars at this time), and DCS do not anticipate any loss of revenue either. They however stressed that any potential cuts in their FY21 budgets will have adverse effects on the already low operating budgets in each of its agencies.

LSU



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Louisiana's
Community & Technical Colleges
Changing Lives, Creating Futures

UNIVERSITY OF
LOUISIANA
SYSTEM

Higher Education Overview

House Appropriations Committee

GAP

45,000

40,000 Annual
Credentials
Produced in
2018

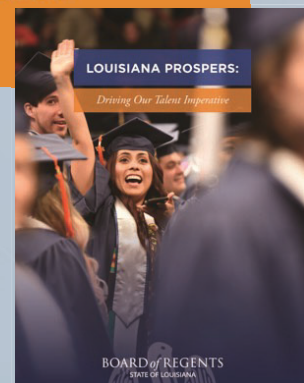
Double the Numbers

GOAL:
85,000

Annual Credentials
Produced in 2030



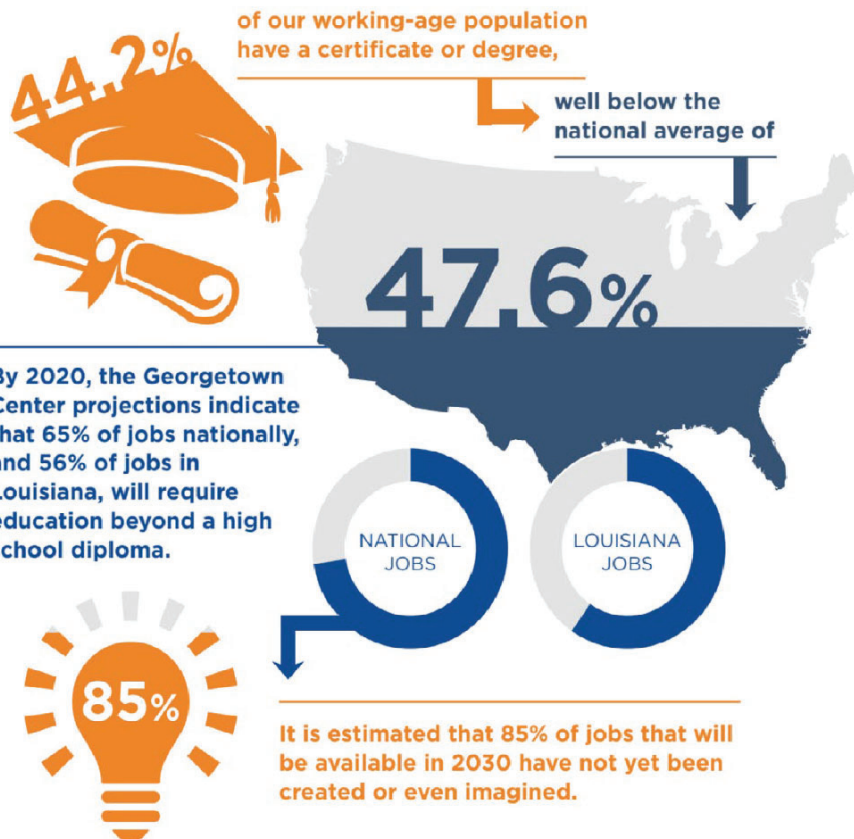
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LOUISIANA'S CHALLENGE



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Traditional to Post-Secondary



Today's Student

First in Family



Foster Youth

Working Parent in Need of Training



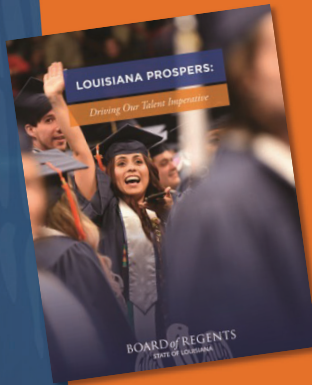
Adults in Rural Areas

Incarcerated/Formerly Incarcerated



Veterans

Moody's Investors Service released a report touting the Louisiana Board of Regents' Master Plan to improve education attainment as a "credit positive" for our state's colleges and universities.



The master plan's greater focus on educational attainment and equity is credit positive for the state's diverse colleges and universities. While an adjusted outcomes-based formula may benefit some of the state's public colleges and universities and lead to funding cuts for others, an increase in graduates who join the workforce has the potential to create a more favorable state funding environment. This is especially important since cuts in state support for higher education since 2009 have not been restored at levels similar to other states.

Higher Education Budget Basics

- Over the last decade, higher education has become a more efficient and effective enterprise.
- More
 - Graduates
 - Focus on student success
 - K-12 partnerships – dual enrollment
- Less
 - Positions
 - State support for higher education
 - (Cost swap between state and student support)





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Higher Education Employee Count 16% cut in 10 years

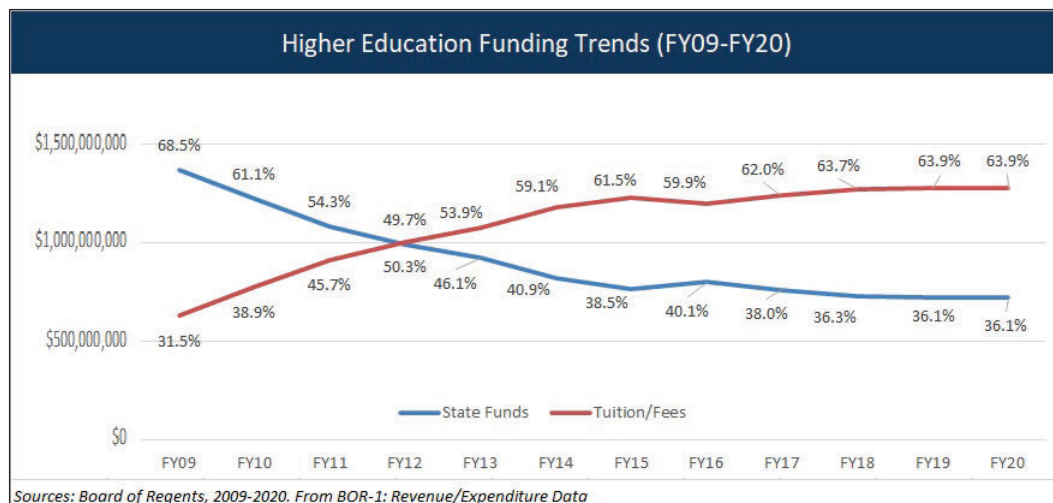
Position Category	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	10 Year Diff.	% Change
Clerical and secretarial	3,534	3,495	3,349	3,173	2,589	2,401	2,262	2,190	2,308	2,265	2,171	-1,364	-38.6%
Exec/Administrative/Managerial	2,198	1,857	1,808	1,940	1,845	1,769	1,728	1,766	1,814	1,886	1,698	-499	-22.7%
Faculty	10,274	10,233	10,078	9,802	9,616	9,523	9,400	9,254	9,256	9,487	9,745	-528	-5.1%
Professionals (support/service)	9,363	9,188	9,071	8,778	7,823	7,890	7,909	7,986	8,463	8,854	9,392	29	0.3%
Service/Maintenance	2,730	2,692	2,583	2,471	1,963	1,894	1,852	1,714	1,685	1,709	1,709	-1,021	-37.4%
Skilled Crafts	1,110	872	803	825	709	704	659	696	667	712	688	-422	-38.0%
Technical and paraprofessional	4,126	3,818	3,834	3,822	3,077	3,068	3,038	2,949	2,640	2,644	2,612	-1,514	-36.7%
Total	33,335	32,156	31,526	30,810	27,623	27,250	26,847	26,555	26,832	27,558	28,015	-5,320	-16.0%

Source: BOR Employee Salary Database



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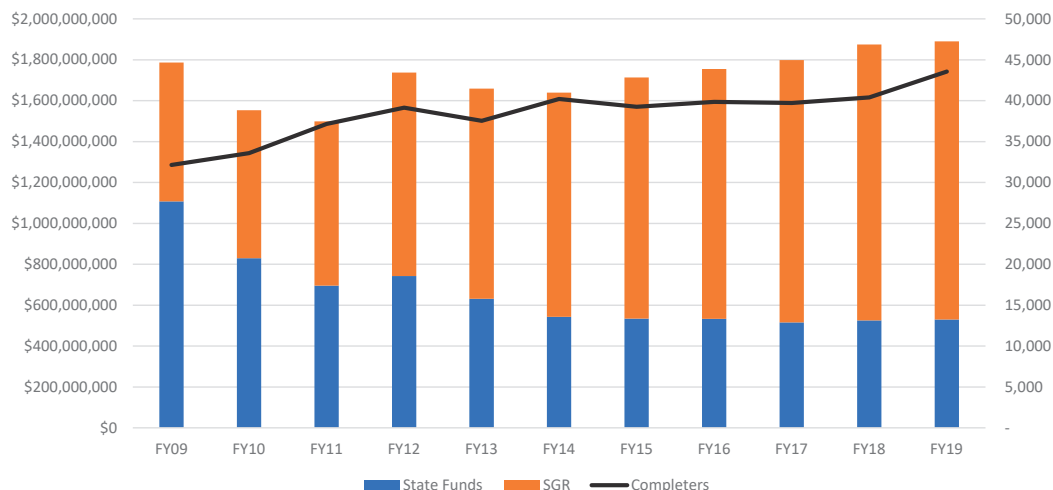
Funding Trends





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Completers compared to State Funds and Self-Generated Revenue



Source: BOR-1 documents and BOR Statewide Completers System.

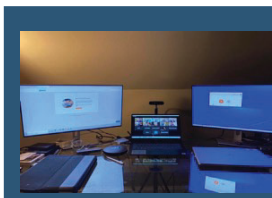
Higher Ed: A Strategic Asset in COVID-19 Recovery

Academic Response

Quickly & Successfully Transitioned to Distance Learning providing:

- Information on online course programming,
- Resources to support remote learning,
- Access to surplus laptops, and
- Map of free, public Wi-Fi for drive-in studying

- Adopted emergency guidelines for admissions, placement and dual enrollment
- Created flexible grading options
- Updated TOPS eligibility through Executive Order and posted FAQ's to guide students
- Maintained medical student/nursing clinicals through Executive Order
- Co-Chair for Resilient Louisiana Commission Education & Workforce Task Force



Higher Ed: A Strategic Asset in COVID-19 Recovery

Supporting the Health Care Surge: Developing and Sharing Talent

- Established laboratory facilities (LSUHSC-S and NOLA, LSU Vet School)
- Created Emerging Viral Threat Lab (LSUHSC-S)
- Provided drive-in and walk-up testing sites (UNO, Xavier, NTCC)
- Produced PPE and testing swabs (LSUHSC-S, McNeese, UL-Lafayette, LSU, Nunez)
- Increased state lab testing capacity with newly graduated lab techs (LCTCS)
- Participated in LDH Serology Task Force (LSUHSC-S)
- Staffing Health Equity Task Force (Southern University System)

- 4,846 healthcare students graduated
- Early Student Graduations:
 - 124 LSUHSC-Shreveport (Medical)
 - 108 Xavier (Pharmacy)
 - 123 Central Louisiana Technical Community College (Nurses)
 - 47 Fran-U (Nurses/Resp. Tech)



CARES Act Support for Higher Education

- Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act in March 2020.
- The Act provided \$186.6M for Louisiana public higher education:
 - Student portion of funds - \$73.6M
 - Provides emergency financial aid grants to students including eligible expenses under a student's cost of attendance, such as food, housing, course materials, technology, health care, and childcare.
 - Institution portion of funds - \$73.6M
 - Cover any costs associated with significant changes to the delivery of instruction due to the coronavirus.
 - Minority Serving Institutions - \$39.5M
 - For institutions that have predominately minority populations and funds can be used for cover coronavirus costs and/or provide financial aid grants to students.
- Governor's Emergency Education Fund - \$50.3M
 - Can be used for K-12 and/or higher education institutions serving students, and any other education entity deemed essential by the Governor for carrying out education services
 - Requires a maintenance of effort
- U.S. DOE Reimagining Workforce Preparation Grant
 - \$127M is available nationwide for institutions to apply for grant funds. States most impacted by COVID-19 will be weighted higher.



CARES Act Information by System

- The next slides detail institutional level information by system as it relates to CARES Act funding and COVID-19 expenditures and revenue loss.
- Institutions first submitted applications for the student portion of funds to provide financial aid grants to eligible students as determined by U.S. DOE. These funds cannot be used to address coronavirus related expenditures and revenue losses.
- Institutions were then able to submit applications for the institution portion of funds to use for response to COVID-19 expenditures and disruptions in delivery.
- Expenditures incurred by institutions include cleaning supplies, personnel expenses, subscriptions to provide online education, acquisitions of computer equipment, etc. These are year-to-date expenditures and not the full anticipated amount of expenditures, unless otherwise noted.
- Loss of revenue incurred by institutions includes refunds for dormitory and meal plans, revenue derived from athletics, facility rentals, etc.

System	BOR	LSU System	SU System	UL System	LCTC System	Total
CARES Act Student	\$0	\$13,237,579	\$7,236,791	\$32,446,066	\$20,650,003	\$73,570,439
CARES Act Institution	\$0	\$13,237,577	\$7,236,791	\$32,446,066	\$20,650,003	\$73,570,437
CARES Act MSI	\$0	\$287,259	\$24,793,666	\$12,062,888	\$2,342,575	\$39,486,388
FY20 COVID-19 Expenses and Revenue Loss	\$1,193,262	\$31,963,209	\$8,851,142	\$28,689,299	\$11,881,516	\$97,219,615
Total COVID-19 Impact	(\$1,193,262)	(\$18,438,373)	\$23,179,315	\$15,819,655	\$11,111,062	\$15,837,210

NOTE: Total impact does not include CARES Act Student Funds since those funds went directly to students.



LSU

Higher Education Overview

CARES Act Support for Higher Education LSU System

- LSU institutions will be disbursing funds to students based on U.S. DOE guidance during the Month of May.
- LSU institutions are withholding a portion of student funds to disburse for Summer and Fall semesters
- LSU Ag Center and Pennington did not receive CARES Act funding since they do not have students.

Institution	Student Amount Received	Institutional Amount Available	CARES Act MSI Funds	Total
LSU A&M	\$9,441,144	\$9,441,144	\$0	\$18,882,288
LSU Alexandria	\$999,278	\$999,278	\$97,538	\$2,096,094
LSU Eunice	\$1,030,100	\$1,030,100	\$100,407	\$2,160,607
LSU HSC New Orleans	\$695,618	\$695,618	\$0	\$1,391,236
LSU HSC Shreveport	\$158,496	\$158,496	\$0	\$316,992
LSU Shreveport	\$912,943	\$912,943	\$89,314	\$1,915,200
Total	\$13,237,579	\$13,237,579	\$287,259	\$26,762,417



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COVID-19 Higher Education Expenses LSU System

- All LSU institutions have recognized expenses related to the COVID-19 emergency. These expenditures are summarized below.
- Expenses for FY21 are unknown at this time.

Institution	FY20 Amount (1)	Comments - expenses by type and activity
LSU A&M	\$3,102,491	Expenses by type include signage, cleaning & sanitation, emergency medical care, security & law enforcement, overtime costs for essential employees, temporary employees or consultants hired to address needs associated with COVID-19, equipment purchased to work or instruct remotely, supplies purchased to work or instruct remotely, software, travel expenses incurred for cancelled trips, employees directed to COVID-19 tasks at expense of University goals, consultants for online delivery of courses - clinical trials & related activities, salary continuation for Graduate Assistants, and other COVID-19 operating expenses. These expenses are for preparation for online instruction, international study and faculty led programs, remote work, research and sponsored programs, clinical trials, transition of student off campus, dining services, student health services, ed campaigns, communications, and public relations, sanitation and disinfection activities, and other operational impacts.
LSU AgCenter	\$40,590	Expenses by type include cleaning & sanitation, overtime costs for essential employees, supplies purchased to work or instruct remotely, software, and travel expenses incurred for cancelled trips. Expenses by activity include preparation for online instruction, remote work, Ag, and sanitation and disinfection activities.

NOTE: These figures represent pandemic response-related expenditures recorded through April 2020 and are NOT the FY 20 total. The LSU System will be collecting these data on a monthly basis through the duration of the situation. Expenditures also do not include \$2.5M in payroll costs during March and April associated with LSU System employees who are unable to perform their work duties remotely but who are receiving full pay during campus closures.



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COVID-19 Higher Education Expenses LSU System (Cont.)

Institution	FY20 Amount (1)	Comments - expenses by type and activity
LSU Alexandria	\$148,218	Expenses by type include overtime costs for essential employees, supplies purchased to work or instruct remotely, software, travel expenses incurred for cancelled trips, and other COVID-19 operating expenses. Expenses by activity include preparation for online instruction, remote work, and other operational impacts.
LSU Eunice	\$92,767	Expenses by type include cleaning & sanitation, security & law enforcement, overtime costs for essential employees, equipment purchased to work or instruct remotely, supplies purchased to work or instruct remotely, software, and other COVID-19 operating expenses. Expenses by activity include preparation for online instruction, remote work, sanitation and disinfection activities, and other operational impacts.
LSU HSC New Orleans	\$1,442,049	Expenses by type include cleaning & sanitation, security & law enforcement, temporary employees or consultants hired to address needs associated with COVID-19, equipment purchased to work or instruct remotely, supplies purchased to work or instruct remotely, software, and other COVID-19 operating expenses.
LSU HSC Shreveport	\$940,878	Expenses by type include emergency operation center expenses
LSU Shreveport	\$433,909	Expenses by type include signage, cleaning & sanitation, emergency operation center expenses, security & law enforcement, overtime costs for essential employees, equipment purchased to work or instruct remotely, supplies purchased to work or instruct remotely, software, employees directed to COVID-19 tasks at expense of University goals, salary continuation for Graduate Assistants, and 25% cost share for payout of Work-Study funds. Expenses by activity include preparation for online instruction, remote work, transition of student off campus, and sanitation and disinfection activities.
Pennington	\$5,056	Expenses by type and activity include cleaning & sanitation.
Total	\$6,205,958	

NOTE: These figures represent pandemic response-related expenditures recorded through April 2020 and are NOT the FY 20 total. The LSU System will be collecting these data on a monthly basis through the duration of the situation. Expenditures also do not include \$2.5M in payroll costs during March and April associated with LSU System employees who are unable to perform their work duties remotely but who are receiving full pay during campus closures.

COVID-19 Higher Education Revenue Loss LSU System

- Most LSU institutions have recognized loss of revenue related to the COVID-19 emergency. These losses are summarized below.
- Revenue loss for FY21 is unknown at this time.

Institution	FY20 Amount	Comments
LSU A&M	\$15,270,600	Revenue losses by type include student fees, lease/rental, athletic events/sports, conferences, performances, sales & service, F&A, grants/contracts, dining, international/study abroad, and other revenue.
LSU AgCenter	\$289,702	Revenue losses by type include lease/rental, conferences, sales & service, and other revenue.
LSU Alexandria	\$173,680	Revenue losses by type include athletic events/sports, performances, sales & service, and dining.
LSU Eunice	\$159,588	Revenue losses by type include athletic events/sports, sales & service, and other revenue.
LSU HSC New Orleans	\$6,717,122	Revenue losses by type include student fees, lease/rental, conferences, sales & service, dining, and other revenue.
LSU HSC Shreveport	\$168,950	Revenue losses in sales & service.
LSU Shreveport	\$247,770	Revenue losses by type include lease/rental, athletic events/sports, sales & service, dining, and other revenue.
Pennington	\$2,729,839	Revenue losses by type include lease/rental, grants/contracts, and other revenue.
Total	\$25,757,251	

NOTE: These figures represent pandemic response-related revenue losses recorded through April 2020 and are NOT the FY 20 total. The LSU System will be collecting these data on a monthly basis through the duration of the situation.

COVID-19 Higher Education Information LSU System

- LSU A&M - If the campus closure and remote learning arrangements continue into the Fall 2020 semester, the campus will need to take more dramatic steps to address the resulting FY21 budget deficits.
- LSU Shreveport - Losses will increase as LSU-S will be unable to host K-12 camps/classes, sport camps, and large campus events over the summer. These revenues do fund certain programs for the remainder of the fiscal year. Therefore, without this summer revenue, there may need for a reduction in the labor force for the remainder of the year.
- LSU AgCenter, Pennington and the two Health Science Centers - It has been requested that some portion of the Governor's "discretionary" fund from COVID response funds may be made available to these institutions.
- Costs to Move to Remote Learning and Work: To date, LSU System campuses have spent \$900,000 in costs associated with moving to remote learning and \$410,000 in costs associated with transitioning employees to remote work.



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COVID-19 Higher Education Information LSU System

- LSU System Research and Development Impacts:
 - Given its unique role and mission as Louisiana's flagship research university, the LSU System has suffered serious financial and operational disruptions in its overall research and development enterprise due to the pandemic.
 - These disruptions include the loss of faculty research productivity due to shuttered labs and the time spent moving all courses to an online format, continued salary support for research staff and graduate assistants to ensure they are available to return to work once campuses reopen, and the costs to ramp down and ramp up research facilities.
 - The LSU System's estimated overall R&D related losses due to the pandemic will be **\$95.9 million** over the next six months, or just under **\$16 million** on average per month during that period.



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Budget Issues LSU System



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- LSU A&M enacted a hiring freeze and spending restrictions for the remainder of the fiscal year.
- LSU A&M expects to use the university portion of the CARES Act funding to help with COVID-related expenditures.
- While these strategies will help LSU during the remainder of FY20, they are not long-term solutions.
- If the campus closure and remote learning arrangements continue into the Fall 2020 semester, the campus will need to take more dramatic steps to address the resulting FY21 budget deficits.
- LSU – E has enacted a hiring and spending freeze
- LSU – E has indicated applications are up for Fall 2020, but registration is down for Summer 2020 as of this date.
 - Any decrease in enrollment will have a very negative impact on the Eunice Campus as over 80% of its operating funds come from student tuition and fees.
- Additional Information is provided in the LSU attachment.



Higher Education Overview

ENHANCED NEEDS DUE TO COVID-19 FOR FISCAL YEARS 2020 AND 2021

Investment in Higher Education

Continued and Enhanced Investment in Higher Education is Necessary

- To Protect Jobs by Ensuring Availability of Trained Workforce and Talent
- To Reduce Net Migration Away from Louisiana
- To Spur Formation of New Businesses and Attract Corporations to Invest
- To Improve Standard of Living and Quality of Life

The HBCU Imperative – Enhanced Funding of HBCU is a Must

- Aligned with Louisiana 2030 Masterplan
- State Goal of Higher Secondary Attainment is only possible with HBCUs
- Health Disparities are inherently tied to Education and Prevailing Socio-Economic of African Americans. 32% of population but 70% of deaths due to the pandemic.



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CARES Act Support for Higher Education SU System

- SU institutions will disburse to eligible students based on U.S. DOE guidelines to full-time and part-time students and by level of need.
- Funds will be disbursed by mid-May.
- SU Ag Center did not receive CARES Act funding since it do not have students.

Institution	Student Amount Received	Institutional Amount Available	CARES Act MSI Funds	Total
Southern University - Baton Rouge*	\$4,548,402	\$4,548,402	\$18,132,717	\$27,229,520
Southern University - Law Center	\$150,000	\$150,000	N/A	\$300,000
Southern University - New Orleans	\$1,240,832	\$1,240,832	\$3,300,516	\$5,782,179
Southern University - Shreveport	\$1,297,558	\$1,297,558	\$3,360,433	\$5,955,548
Total	\$7,236,791	\$7,236,791	\$24,793,666	\$39,267,247

*Southern University - BR and Southern University Law Center have the same institution ID number.



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COVID-19 Higher Education Expenses SU System

- Most SU institutions have recognized expenses related to the COVID-19 emergency. These expenditures are summarized below.
- The expenditures in FY20 include projections until the end of the year and expenses for FY21 are projections.

Institution	FY20 Amount	FY21 Amount	Comments
Southern University - Baton Rouge	\$ 927,533	\$ 23,320,000	Expenditures for FY 19-20 include cleaning supplies, operating services, acquisition of computers and personnel cost. The cost for FY21 consist of expenditures to transition the campus after COVID-19. The expenditures include upgrades to technology, infrastructure, health/safety, distance learning, training, operational support and other related expenses.
Southern University - Law Center	\$ 1,258,350	\$ 1,258,350	The Law Center expects to expend an additional \$1,258,350 for FY20 and FY21 to increase its capabilities for online instruction, distance learning, and working remotely. These expenditures will be all inclusive for students, faculty, staff and will be expended for software, licenses, hardware, classroom construction/renovation and training.
Southern University - New Orleans	\$ 229,933	\$ 7,496,067	Expenditures for FY 19-20 include training and technology to support teaching remotely for the last month of the semester and begin the administrative process of a paperless environment. For FY 20-21, SUNO expects to build-out the infrastructure changes and to apply technology and facilities upgrades that enhance distance learning capabilities. Physical plant and facility work will commence over the summer with activities designed to be ready by Fall 2020.
Southern University - Shreveport	\$ 600,000	\$ 3,700,250	The expenditures will include costs to transition to online learning and technology infrastructure to support the increased demand. These expenditures will be all inclusive for students, faculty, staff and will be expended for software, licenses, hardware, classrooms construction/ renovation and training.
Southern Ag Center	\$ 530,000	\$ 2,775,306	The expenditures to transition the campus after COVID-19. The expenditures includes upgrades to technology, infrastructure, health/safety, distance learning, training, operational support and other related expenses.
Southern University System	\$ 3,545,816	\$ 38,549,973	



COVID-19 Higher Education Revenue Loss SU System

- All SUS institutions have recognized loss of revenue related to the COVID-19 emergency. These losses are summarized below.
- The revenue loss in FY20 includes projections until the end of the year and revenue loss for FY21 are projections.

Institution	FY20 Amount	FY21 Amount	Comments
Southern University - Baton Rouge	\$ 4,663,953	\$ 24,818,314	The Southern University Baton Rouge Campus is projecting a \$29,482,267 shortfall in revenue. The loss of revenue is due to an anticipated decline in enrollment, housing occupancy and athletic income.
Southern University - Law Center	\$ -	\$ 202,000	The Law Center does not anticipate any revenue short falls from Fees or Statutory Dedications, during the current fiscal year.
Southern University - New Orleans	\$ 500,000	\$ 1,950,000	SUNO expects a current revenue loss of approximately a half million dollars. This includes revenue loss from housing, meal plans, and café cash. However, the potential revenue loss for next year could be \$1.3 – \$2.6 million, excluding state appropriation.
Southern University - Shreveport	\$ 518,806	\$ 2,001,767	SUSLA is projecting a revenue shortfall of \$518,806. This potential tuition and fee revenue loss is due to a decline in enrollment for Summer 20 and Fall 20. As a result of these potential revenue losses, the budgetary impact will require budget freezes and other measures to ensure the university maintains a balanced budget.
Southern Ag Center	\$ 300,000	\$ 498,000	The Agricultural and Research Extension Center is estimating a revenue shortfall in statutory dedications for Tobacco Funds of \$300,000 (FY20) and \$420,000 in self-generated revenues for FY21.
Southern University System	\$ 5,982,759	\$ 29,470,081	



Potential FY21 Budget Issues SU System

- In FY21, SUS anticipates to receive \$101.1M in tuition and fees (self-generated revenue) and \$4.4M from the Support Education in Louisiana First (SELF) Fund, Tobacco Tax Fund.
- Based on responses from the system office, a potential shortfall of self-generated revenue of \$19.7M from a decrease in enrollment. The system office also anticipates at least a decrease in SELF and Tobacco Funds which would result in a statutory dedicated revenue reduction of \$2.1M.
- Southern University – Baton Rouge anticipates a 10%-15% reduction in student enrollment. The estimated projected revenue loss for FY21 is \$17.2 million which includes statutory dedications, housing, student meal plans and athletics.
- Southern University – Shreveport is projecting an estimated 30% reduction in enrollment for Summer school and a 10% reduction for Fall 2020. Revenue shortfall projections for FY 20 and FY 21 are \$518,806 and \$2,001,767, respectively. Additional expenses incurred are estimated at \$582,500 and \$1,625,250 for FY 20 and 21.



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Potential FY21 Budget Issues SU System

- Southern University Law Center - Enrollment is projected to be approximately the same between years. The Law Center has a projected expenditures for online/remote learning and working. The expenditures includes software, hardware, infrastructure, training, construction, renovation and personnel cost. The projected amount for FY20 is \$929,340 and FY21 \$954,950.
- Southern University New Orleans – additional expenditures include technology and other items (i.e., computers/laptops, disinfectants, health equipment, etc.). This amount is estimated to be approximately \$0.5M by year end. SUNO continues to provide online/remote instruction, expenditures are expected to exceed \$1.5 million due to bandwidth, laptops, conversion of courses to online, professional development, etc. Expected loss in revenue for FY20 is approximately \$0.5M. However with an expected decline in enrollment, SUNO could potentially have a \$1.3 to \$2.6 million revenue budget reduction for FY21 based on an enrollment projection decrease of 10%-20%.
- The Agricultural, Research and Extension Center projects additional expenditures of \$2.9 million and loss of revenue of \$428,000 for FY21.



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Higher Education Overview

House Appropriations Committee

CARES Act Support for Higher Education UL System

- ULS institutions will provide funds to students through a disbursement methodology that complies with U.S. DOE guidelines.
- Distribution is anticipated to begin in May for most institutions.

Institution	Student Amount Received	Institutional Amount Available	CARES Act MSI Funds	Total
Grambling State University	\$3,505,194	\$3,505,194	\$9,854,862	\$16,865,250
Louisiana Tech University	\$3,547,444	\$3,547,443	\$0	\$7,094,887
McNeese State	\$2,728,181	\$2,728,181	\$268,069	\$5,724,431
Nicholls State University	\$2,528,760	\$2,528,760	\$247,710	\$5,305,230
Northwestern State University	\$2,823,517	\$2,823,517	\$275,646	\$5,922,680
Southeastern Louisiana University	\$5,290,142	\$5,290,142	\$519,358	\$11,099,642
University of Louisiana at Lafayette	\$6,343,004	\$6,343,004	\$623,129	\$13,309,136
University of Louisiana Monroe	\$2,888,882	\$2,888,882	\$0	\$5,777,764
University of New Orleans	\$2,790,944	\$2,790,944	\$274,114	\$5,856,002
Total	\$32,446,068	\$32,446,067	\$12,062,888	\$76,955,022



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COVID-19 Higher Education Expenses UL System

- All ULS institutions have recognized expenses and revenue losses related to the COVID-19 emergency. These expenditures are summarized below.

Institution	FY20 Expenditures and Loss of Revenue
Grambling State University	\$2,756,243
Louisiana Tech University	\$3,372,592
McNeese State University	\$782,139
Nicholls State University	\$1,685,499
Northwestern State University	\$2,007,999
Southeastern Louisiana University	\$3,216,591
University of Louisiana at Lafayette	\$7,728,816
University of Louisiana at Monroe	\$2,180,390
University of New Orleans	\$4,959,030
Total	\$28,689,299



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COVID-19 Higher Education Revenue Loss UL System

- Revenue loss projections for FY 21.

Institution	Athletic Revenue Loss	Auxiliary Revenue Loss	Total Other Revenue Loss
Grambling State University	1,557,190	7,107,753	8,664,944
Louisiana Tech University	6,464,617	8,555,833	15,020,450
McNeese State University	2,749,150	2,422,149	5,171,299
Nicholls State University	1,328,632	4,641,225	5,969,857
Northwestern State University	1,545,096	2,398,409	3,943,505
Southeastern Louisiana University	2,235,190	6,218,871	8,454,061
University of Louisiana at Lafayette	6,397,046	12,177,937	18,574,983
University of Louisiana at Monroe	4,010,356	2,687,135	6,697,491
University of New Orleans	728,977	3,766,884	4,495,861
Total	27,016,255	49,976,197	76,992,451



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COVID-19 Higher Education Revenue Loss UL System

- Expense projections for FY 21.

Institution	Housing Costs	Instructional Costs	PPE Expense	Janitorial/ Housekeeping	Projected Expenses
Grambling State University	2,750,000	1,260,711	23,715	503,750	4,538,176
Louisiana Tech University	2,926,000	2,362,572	45,675	980,000	6,314,247
McNeese State University	1,091,200	1,725,524	28,530	825,000	3,670,254
Nicholls State University	1,513,600	1,716,280	29,655	750,000	4,009,535
Northwestern State University	1,641,200	2,254,712	35,685	592,000	4,523,597
Southeastern Louisiana University	3,016,200	3,627,412	55,215	2,000,000	8,698,827
University of Louisiana at Lafayette	4,088,700	4,645,978	89,370	3,250,000	12,074,048
University of Louisiana at Monroe	2,068,000	2,202,960	40,365	1,000,000	5,311,325
University of New Orleans	1,764,400	2,164,842	48,330	2,500,000	6,477,572
Total	20,859,300	21,960,990	396,540	12,400,750	55,617,580



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COVID-19 Higher Education Information UL System

- The nine member institutions are developing plans to be back in face-to-face instruction for the fall semester. Academic, research and financial plans are being developed and drafted based on potential scenarios that could arise due to a possible COVID-19 resurgence.
- The uncertainty surrounding the pandemic complicates budget planning. The loss of revenue and increase in expenditures associated with COVID-19 are significant in FY20 and will likely be far greater in FY21.



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COVID-19 Higher Education Information UL System

- The nine member institutions are some of the most efficient institutions of higher education in the United States. While this is a source of pride, even minor changes in appropriations or self-generated revenue has a significant effect on the ability to operate and maintain debt obligations. There is little room for flexibility or absorption of reductions without measurable impact to student learning.
- Flexibility in the use of restricted student fees may be necessary to make up for any reductions in state appropriations or loss in revenues due to enrollment challenges.



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Potential FY21 Revenue Shortfalls UL System

- In FY21, ULS anticipates to receive \$672.8M in tuition and fees (self-generated revenue) and \$15M from the Support Education in Louisiana First (SELF) Fund.
- A 20% decrease in SELF Fund would result in a statutory dedicated revenue reduction of \$3M.



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Louisiana's
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Higher Education Overview

House Appropriations Committee

CARES Act Support for Higher Education LCTC System

- LCTCS institutions have finalized their student disbursement methodology.
- Distribution is anticipated to begin May 11th for all institutions.

Institution	Student Amount Received	Institutional Amount Available	CARES Act MSI Funds	Total
BPCC	\$1,957,956	\$1,957,956	\$189,948	\$4,105,860
BRCC	\$3,210,013	\$3,210,013	\$411,933	\$6,831,959
CLTCC	\$731,361	\$731,361	\$71,750	\$1,534,472
DCC	\$5,655,191	\$5,655,191	\$716,518	\$12,026,900
FTCC	\$687,560	\$687,560	\$66,937	\$1,442,057
LDCC	\$1,481,878	\$1,481,878	\$143,748	\$3,107,504
NCC	\$780,550	\$780,550	\$76,017	\$1,637,117
NTCC	\$1,025,650	\$1,025,650	\$100,609	\$2,151,909
NWLTCC	\$568,335	\$568,335	\$72,199	\$1,208,869
RPCC	\$481,842	\$481,842	\$0	\$963,684
SLCC	\$2,822,975	\$2,822,975	\$371,441	\$6,017,391
STCC	\$1,246,692	\$1,246,692	\$121,475	\$2,614,859
Total	\$20,650,003	\$20,650,003	\$2,342,575	\$43,642,581



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COVID-19 Higher Education Expenses LCTC System

- All LCTCS institutions have recognized expenses related to the COVID-19 emergency. These expenditures are summarized below.
- Personnel expenses incurred by the institutions were for overtime of custodial and security staffs and for extending adjunct professor contracts to teach out the Spring semester.
- The expenditures in FY20 include projections until the end of the year and expenses for FY21 are projections.

Institution	FY20 Amount	FY21 Amount	Comments
CLTC	\$ 458,600	N/A	Adjunct contracts to complete Spring 2020 courses (6 weeks of training), Prison and CDL Instructors Stay At Home Order, PPE and Computers
NTCC	\$ 150,000	\$ 250,000	Due to many variables outside of our control, it is difficult to estimate COVID 19 future expenditures.
RPCC	\$ 162,500	\$ 30,000	Estimated as most orders have not been paid as work is not completed or orders received. Amounts include the special leave granted for shutdown, but not those unable to work due to the COVID19 symptoms or diagnosis
DCC	\$ 339,446	\$ 1,157,784	Campus Disinfecting, Software, Overtime, Laptops, Consultants
SLCC	\$ 210,437	N/A	Campus closure salaries, IT Expenses, Facilities Expenses
BPCC	\$ 352,500	\$ 500,000	FY20 - Chrome Books; Deep clean entire campus; IT software and licenses for remote teaching and telework; Equipment (computers, printers, scanners, fax) to support telework; Office supplies for faculty and staff working remotely. FY21 - Additional Chrome Books; Annual software and licenses upgrades for telework; PPE; Continuous cleaning of campus; College purchase of equipment for teleworkers currently using outdated personal equipment; Office supplies for teleworkers; Barriers for social distancing.
STCC	\$ 500,000	\$ 700,000	\$135,000 expended to date; remainder based on projected costs
FTCC	\$ 64,491	\$ 191,500	Cleaning supplies and PPE, Remote working due to campus closure, Deep cleaning of building, Infrastructure needs to provide online learning to rural students and beyond
NWLTC	\$ 470,241	\$ 75,000	Cost to transition to on-line, PPE, Sanitation Expenses, Travel Cancellation, Redirection of Employee Focus
NCC	\$ 60,000	\$ 81,355	Online Transition, PPE, Building Disinfecting, Post Closure
BRCC	\$ 100,000	N/A	I'm estimating \$100k for FY 20 COVID-19 expenses. Right now we have \$43.3K of non-grant COVID-19 related expenditures. I expect this total to increase as time passes for FY 20. The FY 21 exact needs are unknown at this time, but we expect to incur expenses to retrofit office, classrooms, and building spaces that will mitigate students, faculty, and staff potential exposure to COVID-19. We will also incur costs as it relates to purchasing equipment and services to disinfect our buildings.
LDCC	\$ 90,000	\$ 200,000	Purchase of PPE supplies, disinfecting of buildings, conversion of face-to-face learning to online instruction
Total	\$ 2,958,215	\$ 3,185,639	



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COVID-19 Higher Education Revenue Loss LCTC System

- All LCTCS institutions have recognized loss of revenue related to the COVID-19 emergency. These losses are summarized below.
- The revenue loss in FY20 includes projections until the end of the year and revenue loss for FY21 are projections.

Institution	FY20 Amount	FY21 Amount	Comments
CLTC	\$ 788,912	N/A	Actual NonCredit offerings that were cancelled do to stay at home order. Estimated Reduced offerings for FACE to FACE; Welding, Carpentry, Electrical, Manufacturing, HVAC, Forestry, Outdoor Power Equipment
NTCC	\$ 268,820	\$ 806,460	Due to many variables outside of our control, it is difficult to estimate future enrollments due to COVID 19 impacts.
RPCC	\$ 500,000	\$ 2,617,204	Numbers reflect credit and non-credit, restricted and general funds
DCC	\$ 1,825,761	\$ 8,111,124	Loss Revenue for Non Credit and Credit, Restricted Fees based on applications decline, Auxiliary Loss (Rental Space, Childcare, Commission)
SLCC	\$ 1,581,977	N/A	Cancellation of trainings
BPCC	\$ 850,000	N/A	Loss of income related to lecture students not able to deal with online instruction for Spring, Maymester & Summer for whatever reason; Loss of testing income due to economy shutdown; Loss of athletic income from none-events; Loss of concession income from no students on campus; Loss of investment income due to drop in interest rates; Loss of bookstore commissions.
STCC	\$ 115,000	\$ 2,775,000	Estimates based on 20% reduction in enrollment; includes non-GF sources and GF
FTCC	\$ 81,500	\$ 50,000	FY20 - Unable to offer some non-credit classes, Returns to Title IV, Festivals-fund raisers; FY21 - Annual Gala fundraiser
NWLTC	\$ 161,700	\$ 673,000	Projected decrease in enrollment and increase in AR for Fall 20 and Spring 21
NCC	\$ 43,631	\$ 1,063,126	FY20 Summer Tuition & Fees and Aux Comm
BRCC	\$ 2,136,000	\$ 4,900,000	The total revenue loss amount listed for FY 20 includes the loss of Summer 2020 face-to-face revenues (\$1.1M), parking revenues (\$41K), other mandated and student fees (\$243K), athletic events (\$19K), non-credit revenues, (\$632K), and other revenues (\$107K). For the Summer 2020 the college expects to make up some of the loss the face-to-face revenues but at this time it's unknown how much will be made up. The FY 21 estimated revenue amounts are for the Fall 20 term only. Right now fall enrollment is down 36% when compared to last fall. A 36% decrease in enrollment would result in a decrease of about \$3.7M in general fund revenues, and \$1M in restricted revenues. If social distancing restrictions are still in place the college could lose up \$250K non-credit/workface revenues.
LDCC	\$ 570,000	\$ 3,475,038	Decreased enrollment in credit/non-credit enrollment
Total	\$ 8,923,301	\$ 24,470,952	



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Potential FY21 Revenue Shortfalls LCTC System

- In FY21, LCTCS anticipates to receive \$174.9M in tuition and fees (self-generated revenue).
- Based on responses from the institutions, a potential shortfall of \$26.9M exists based on institution responses below.

Institution	SGR	Comments
CLTCC	\$ 496,000	Actual NonCredit offerings that were cancelled do to stay at home order. Estimated Reduced offerings for FACE to FACE; Welding, Carpentry, Electrical, Manufacturing, HVAC, Forestry, Outdoor Power Equipment.
NTCC	\$ 806,460	Due to many variables outside of our control, it is difficult to estimate future enrollments due to COVID 19 impacts.
RPCC	\$ 2,377,204	Projected 25% reduction due to enrollment drop.
DCC	\$ 8,111,124	Loss Revenue for Non Credit and Credit, Restricted Fees based on applications decline, Auxillary Loss (Rental Space, Childcare, Commission).
SLCC	\$ -	We do not anticipate a decrease in enrollment due to COVID-19.
		Loss of income related to lecture students not able to deal with online instruction for Spring, Maymester & Summer for whatever reason; Loss of testing income due to economy shutdown; Loss of athletic income from none-events; Loss of concession income from no students on campus; Loss of investment income due to drop in interest rates; Loss of bookstore commissions.
BPCC	\$ 3,000,000	
STCC	\$ 2,000,000	Our fall enrollment compared to this time last year is down approximately 25%.
		Decline in enrollment as related to COVID-19 and economic situations in the oil industry.
FTCC	\$ 738,470	
NWLTCC	\$ 673,000	Projected decrease in enrollment and increase in AR for Fall 20 and Spring 21.
NCC	\$ 1,063,126	Student Tuition & Fees and Aux Commissions.
BRCC	\$ 4,900,000	The \$4.9M only represents revenue losses from the Fall 20 term.
LDCC	\$ 2,750,000	Decreased enrollment due to COVID-19.
Total	\$26,915,384	



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**UNIVERSITY OF
LOUISIANA**
SYSTEM

Thank You

LSU SYSTEM BACKGROUND INFORMATION FOR THE HOUSE APPROPRIATIONS COMMITTEE

APRIL 28, 2020

KEY TAKEAWAYS

This document presents background information regarding the LSU System as well as the impacts and response to the COVID-19 pandemic on the university for the House Appropriations Committee in response to Chairman Zeringue's request of April 23, 2020.

Key takeaways include:

- The LSU System's eight unique campuses are collectively responsible for **\$5.1 billion** annually in economic impact to Louisiana through their various teaching, research, service, and outreach activities and initiatives.
- LSU campuses have made tangible and important contributions to the state's pandemic response and recovery including the establishment of testing facilities, PPE production, and clinical trials on COVID-19 treatment strategies.
- LSU System campuses recorded **\$18.9 million** in revenue losses and **\$3.1 million** in expenses due to the pandemic in March 2020 alone. Federal relief funding allocated by Congress to LSU campuses will offset less than **two-thirds** of these financial losses. Because the formula that allocated these federal funds was student enrollment based, neither the LSU Ag Center or Pennington Biomedical Research Center received any relief monies.
- Additionally, the financial impact to the total LSU System research and development enterprise over the next six months is forecast to be **\$95.9 million**. To date, there has been no funding allocated to specifically offset such impacts.

OVERVIEW OF THE LSU SYSTEM: LOUISIANA'S FLAGSHIP UNIVERSITY HAS STATEWIDE IMPACT

The LSU System is comprised of eight institutions, each with its own distinct mission and providing a comprehensive statewide presence:

- The flagship campus in Baton Rouge
- Three regional campuses in Alexandria, Eunice, and Shreveport
- Two health science centers in New Orleans and Shreveport
- The LSU Ag Center, which has research and/or extension operations in all 64 parishes
- The Pennington Biomedical Research Center in Baton Rouge

***LSU System Overview
April 28, 2020
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The latest economic impact study (2017) indicated that the LSU System was responsible for **\$5.1 billion** in economic impact to the state, including over **41,000 jobs**, of which **20,400** were directly attributable to the university.

Some additional facts regarding the LSU System include:

- LSU campuses enrolled **51,051 students** across all levels in Fall 2019 and had **11,092 graduates** in 2018-19 across all academic programs ranging from associate degrees to professional degrees (e.g., law, medicine, dentistry).
- The LSU System has a total FY 2020 operating budget of **\$997.7 million**, of which **\$361.6 million** comes from state general fund appropriations. When counting all sources of funding including research grants, auxiliary revenues, and other restricted sources of funding, the total LSU budget in FY 2020 is **\$2.39 billion**.
- According to the most recent federal data (FY 2018) LSU campuses had **\$350.9 million** in total research and development spending, accounting for **66 percent** of research and development (R&D) spending by all Louisiana public colleges and universities. This spending is supported by **\$1.1 billion** in active research grants secured by LSU system faculty and researchers.

LSU SYSTEM CONTRIBUTIONS TO LOUISIANA’S PANDEMIC RESPONSE

The LSU System’s unique eight-campus family allows it to directly impact the most pressing needs of Louisianans during times of crisis in a way that no other system can. Supporting a comprehensive research function across the university – **\$1.1 billion** in active research during non-pandemic times – provides concrete and practical returns in dividends to Louisiana as illustrated in the following examples:

- When **testing** shortages threatened the state, LSU rapidly developed three critical, rapid turnaround testing facilities in Shreveport, Baton Rouge and New Orleans. **Louisiana now leads the nation in per capita testing.**
- **Personal Protective Equipment**, specifically surgical gowns, are the #1 need of Louisiana medical professionals on the front line of the pandemic, so LSU stood up the PMAC as a PPE manufacturing facility to address the shortage, producing thousands of reusable gowns in the first week alone. A second facility at LSUA is in the process of starting production. This is the direct result of research expertise and the existence of a strong research infrastructure.
- A multi-disciplinary team at LSU have completed an initial prototype of a modular ultraviolet- and ozone-based **sterilization** unit.

- Experts tell us that the real “return to normal” won’t occur until a **vaccine** is developed and widespread antibody testing exists. LSU began research toward developing a vaccine for COVID-19 in the first weeks of the pandemic reaching Louisiana. LSU Health Shreveport just announced the capacity to do **antibody testing**, another important step in the long road toward returning back to “normal.”
- Both LSU Health Sciences Centers are running several **clinical trials** to assess improved treatment protocol for the virus.

COVID-19 FINANCIAL IMPACTS TO THE LSU SYSTEM

Like all colleges and universities, LSU System campuses have experienced a range of financial impacts due to the pandemic including revenue losses and additional expenses incurred in response to the situation. Early on in the crisis, the LSU System established a system for collecting detailed COVID-19 financial impact data on a monthly basis, and Exhibit 1 provides a summary of revenue losses and additional expenditures reported by campus in March 2020. In total, LSU System campuses experienced **\$18.9 million** in revenue losses and **\$3.1 million** in additional expenses during that month. It is important to note that the expenditure figure does not include over \$560,000 incurred during the second half of March due to keeping employees on payroll who are unable to perform their duties remotely (an average rate of \$1.2 million per month)¹. Those employees currently remain on full pay status.

The kinds of revenue losses experienced by LSU System campuses due to the pandemic include those associated with self-generated revenues such as housing, dining, and other student fee refunds, grants and contracts, clinical trials, athletic events, conferences, performances, and international/study abroad programs, among others.

Additional expenses associated with the LSU System’s pandemic response include those associated with the transition to remote learning and work, overtime and emergency pay costs for essential employees, research and sponsored programs, cancellation costs for international study and faculty led programs, sanitation and disinfection activities, and other operational impacts. As one example, LSU System campuses collectively spent **\$900,000** to move traditional classes to a virtual environment, and **\$410,000** across all campuses in the month of March to move to a remote work status.

¹ This action was implemented by LSU according to guidance received from the Division of Administration and State Civil Service.

EXHIBIT 1
SUMMARY OF LSU SYSTEM REVENUE LOSSES AND EXPENSES DUE TO COVID-19
MARCH 2020

(Dollars in 000's)

Campus	Total Revenue Losses	Total COVID-19 Related Expenses
LSU	\$ 11,697.9	\$ 1,693.3
LSU AgCenter	\$ 143.1	\$ 13.9
LSU Alexandria	\$ 51.2	\$ 120.3
LSU Eunice	\$ 131.7	\$ 72.4
LSU HSC New Orleans	\$ 5,542.8	\$ 704.5
LSU HSC Shreveport	\$ -	\$ 233.7
LSU Shreveport	\$ 187.0	\$ 283.2
Pennington Biomedical Research Center	\$ 1,110.6	\$ 1.4
Total	\$ 18,864.3	\$ 3,122.8

Source: LSU System campus reports.

Note: Expenditures do not include \$562,800 in payroll costs during March associated with LSU System employees who are unable to perform their work duties remotely but who are receiving full pay during campus closures.

FEDERAL RELIEF PROVIDED TO THE LSU SYSTEM IN RESPONSE TO THE PANDEMIC

In the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Congress allocated funding to institutions of higher education based predominantly on undergraduate, Pell Grant-eligible enrollment. All LSU System campuses receiving a CARES Act allocation (see Exhibit 2) have applied for the funding though none have yet received it. Each campus is also currently finalizing a methodology for distributing the student aid funds according to the particular needs of their student populations, but all will use some form of demonstrated financial need to ensure that the emergency aid gets to the students who need it the most.

The balance of CARES Act funding (\$13.2 million) will only cover **64 percent** of the pandemic-related financial impacts in March 2020 alone recognized by LSU System campuses receiving the funds. Of particular note is that neither the LSU Ag Center or Pennington Biomedical Research Center received any funding via the CARES Act allocation given that they have no students, despite the fact that both institutions have contributed to Louisiana's pandemic response and recovery.

Also, institutions such as the two LSU Health Science Centers have very small enrollments by design. They are also infrastructure-intensive, costing significantly more than typical undergraduate and graduate programs. Without the diagnoses and treatment LSU clinicians in New Orleans and Shreveport have provided as well as the innovative research and development activities by their other faculty, the state would have had a much more difficult

LSU System Overview

April 28, 2020

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time in “flattening the curve” of the pandemic in Louisiana. But these institutions had relatively limited access to CARES Act funds to mitigate losses and expenses.

EXHIBIT 2
CARES ACT FUNDING ALLOCATED TO LSU SYSTEM CAMPUSES

(Dollars in 000's)

Campus	Institutional Support	Student Aid (1)	Total Allocation
LSU	\$ 9,441.1	\$ 9,441.1	\$ 18,882.3
LSU Alexandria	\$ 999.3	\$ 999.3	\$ 1,998.6
LSU Eunice	\$ 1,030.1	\$ 1,030.1	\$ 2,060.2
LSU HSC New Orleans	\$ 695.6	\$ 695.6	\$ 1,391.2
LSU HSC Shreveport	\$ 158.5	\$ 158.5	\$ 317.0
LSU Shreveport	\$ 912.9	\$ 912.9	\$ 1,825.9
Total	\$ 13,237.6	\$ 13,237.6	\$ 26,475.2

(1) Under the CARES Act provisions, a minimum of 50% of the total institutional allocation must be allocated as emergency financial aid grants to students.

Source: U.S. Department of Education, April 2020.

IMPACTS OF THE PANDEMIC ON THE LSU SYSTEM’S RESEARCH AND DEVELOPMENT MISSION

Given its unique role and mission as Louisiana’s flagship research university, the LSU System has suffered serious financial and operational disruptions in its overall R&D enterprise due to the pandemic. These disruptions include the loss of faculty research productivity due to shuttered labs and the time spent moving all courses to an online format, continued salary support for research staff and graduate assistants to ensure they are available to return to work once campuses reopen, and the costs to ramp down and ramp up research facilities.

It is currently estimated that the LSU System’s overall R&D related losses due to the pandemic over the next six months will be **\$95.9 million**, or just under **\$16 million** on average per month during that period (see Exhibit 3). As noted earlier, no funding (federal or state) has yet been specifically allocated for losses and additional costs to the impact of the pandemic on higher education R&D.

The specific consequences of these financial impacts over the long-term are unknown at this point, but there is no doubt that there will be implications for the LSU System’s R&D capacity and quality. The main concern of course is that LSU’s ability to respond to the next crisis faced by Louisiana in the same creative and nimble manner will be severely diminished as a result.

EXHIBIT 3
ESTIMATED LSU SYSTEM RESEARCH AND DEVELOPMENT LOSSES
MARCH 2020 – AUGUST 2020

(Dollars in 000's)

Campus	Reduced Faculty Research Capacity	Continued Salary	Costs to Ramp	Total
		Support to Research Staff and GA's	Down and Ramp Up Research Facilities	
LSU	\$ 12,287.3	\$ 41,120.3	\$ 4,095.8	\$ 57,503.4
LSU Ag Center	\$ 2,582.0	\$ 10,908.2	\$ 794.5	\$ 14,284.7
LSU HSC-New Orleans	\$ 194.9	\$ 549.0	\$ -	\$ 743.9
LSU HSC-Shreveport	\$ 5,269.4	\$ 3,009.5	\$ 5,256.1	\$ 13,535.0
Pennington Biomedical	\$ 3,842.7	\$ 5,324.8	\$ 640.5	\$ 9,808.0
Total Cost	\$ 24,176.3	\$ 60,911.8	\$ 10,786.9	\$ 95,875.0
Average Cost Per Month	\$ 4,029.4	\$ 10,152.0	\$ 1,797.8	\$ 15,979.2

Source: LSU System campuses, April 2020.



LOUISIANA RESEARCH, NATIONAL IMPACT



LSU'S PENNINGTON BIOMEDICAL RESEARCH CENTER

Pennington Biomedical Research Center is one of the world leaders in obesity, diabetes and nutrition research. We put science to work for a healthier Louisiana, country and global community. A campus of LSU located in Baton Rouge, LA, our specialized research team and facilities are dedicated to uncovering the triggers of chronic diseases and improving health across the lifespan. Our discoveries have helped to change the way America eats, exercises and ages; advancing treatments for diseases from obesity and diabetes to Alzheimer's and dementia.

TRANSLATING SCIENCE INTO SOLUTIONS

- We have been involved in the development of all approved obesity medications on the market today, as well as key diabetes medications.
- We discovered a new pathway that controls how our bodies respond to a diet that's low in protein. This finding could improve treatments for obesity and diabetes.
- We discovered a mechanism that leads to an inflammatory response in obesity.
- We identified regions of the human genome that predicts the effect of aerobic exercise on an individual's health.
- We developed a novel compound that targets and attacks only cancer cells, leaving normal cells unharmed. This compound is currently in clinical trials as an anti-cancer therapeutic and is the basis for establishing Esperance, Inc., a Pennington Biomedical originated startup company.



WE COLLABORATE WITH PARTNERS ACROSS THE STATE AND AROUND THE WORLD.

- Our basic scientists collaborate with nearly 300 institutions or companies in over 20 countries.
- We lead a \$20 million NIH IDEA-CTR grant, the Louisiana Clinical & Translational Science (LA CaTS) Center's in partnership with LSU Health Sciences Center New Orleans, Tulane University Health Sciences Center, Xavier University of Louisiana, LSU Health Sciences Center Shreveport, LSU, Children's Hospital in New Orleans, Ochsner Health System, New Orleans VA, and the University Medical Center. Together, we represent a unified, comprehensive approach to create a collaborative infrastructure for clinical and translational research both within and across participating institutions.

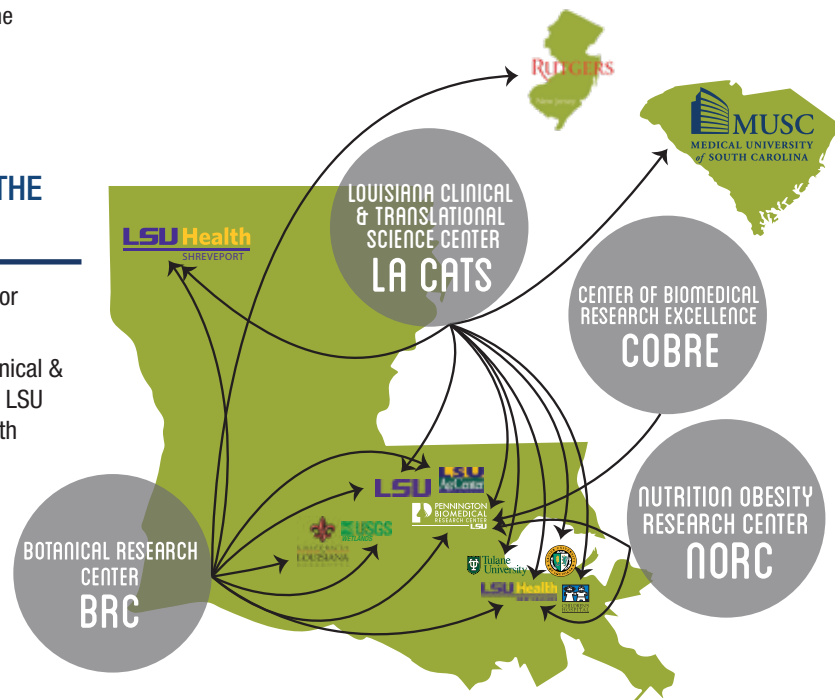
We are home to **five nationally-acclaimed, NIH**

federally-funded collaborative centers and consortiums

including: Center for Research on Botanicals and Metabolic Syndrome (BRC), Center of Biomedical Research Excellence (COBRE), Nutritional Obesity Research Center (NORC), Institute for Dementia Research & Prevention (IDRP), Louisiana Clinical & Translational Science (LA CaTS) Center

INVESTMENTS FOR DISCOVERY

- **Immunology:** Provides a key link to understanding how chronic diseases intersect with infectious diseases, such as COVID-19. Pennington Biomedical is well positioned to become a global leader in this field.
- **Cancer Metabolism:** The establishment of our new cancer survivorship program has opened opportunities for new cancer treatments involving nutrition and metabolism. This program is a key step towards a National Cancer Institute designation in conjunction with partners throughout the state in the next five years.
- **Metabolic Surgery:** The creation of our Metabolic Surgery program has positioned us as a global treatment destination, as well as establishing cutting-edge research in obesity and metabolic disease.
- **Aerospace Medicine and Nutrition:** Developing a world-class program to support the upcoming wave of space travel, space tourism, and long-distance space exploration.



LSU'S PENNINGTON BIOMEDICAL RESEARCH CENTER

PROMOTING OPTIMAL AGING

- Our Institute for Dementia Research and Prevention is an Alzheimer's Disease Cooperative Study Site – an innovative partnership with the National Institutes of Health's National Institute on Aging. This a prestigious designation makes ours the only such site in a tri-state area.
- We are home to one of the largest brain aging studies in the country with more than 2,000 Louisiana participants helping identify triggers and advance treatments for dementia.
- Our dementia study is one of the largest aging studies in the U.S., and our research has been recognized by the Alzheimer's Disease Cooperative Study Group (ADCS) – the largest Alzheimer's therapeutic research consortium in the U.S. – making Pennington Biomedical the only ADCS-approved site in a tri-state area.



IMPACTING CHILDREN & FAMILY HEALTH

- Our Translational Research Clinic for Children is dedicated to the study of pediatric obesity and diabetes. Since its opening in 2014, our researchers have been exploring innovative methods - such as "exergaming" (or using video games for exercise) - for encouraging children towards a healthy lifestyle.
- Our Childhood Obesity Treatment Toolkit provides integrative strategies for reducing and treating obesity in children across Louisiana.
- The Louisiana Trial to Reduce Obesity in Primary Care project is looking at the comparative effectiveness of obesity treatment options for underserved populations delivered in primary care settings. The results of the study are anticipated to have a direct impact on improving healthcare delivery and outcomes.
- Our Maternal Infant Phenotyping Core includes a first of its kind whole-body calorimeter that helps us research obesity in utero and understand health early in the lifespan.
- Our clinical trials and research studies have engaged nearly 47,000 individuals from every parish in Louisiana in an effort to improve the health of our state.
- We played a key role in designing the NIH DASH diet – voted the #1 diet in America for the seventh year in a row by U.S. News & World Report.



OPTIMIZING MILITARY PERFORMANCE

- We are a leader in nutrition research for our U.S. military Soldiers, retirees and their family members.
- We were proud to be part of the team that developed the First Strike® ration which feeds our U.S. military Soldiers in the field.
- We designed the Army H.E.A.L.T.H. online tool as a primary online resource for proper nutrition and physical fitness information needed to ensure personnel readiness and increase warfighter performance.
- We have aided in the development and testing of new and improved field and garrison rations for America's fighting forces. The U.S. Department of Defense is one of Pennington Biomedical's longest standing funders (\$74M since inception), making our center one of the top providers of nutritional research for the U.S. Military.



BY THE NUMBERS

730,550 sq ft of research space

450+ team of faculty, adjunct faculty, postdoctoral researchers, research associates, technicians, support and administrative personnel

40 laboratories

17 specialized core service facilities:

- Animal Metabolism & Behavior
- Cell Biology and Cell Imaging
- Cell Culture
- Comparative Biology
- Genomics
- Transgenics
- Clinical Chemistry
- Clinical Trials Unit
- Database Management
- Dietary Assessment and Food Analysis
- Exercise Testing
- Imaging/MRS
- Library and Information Center
- Mass Spectrometry
- Recruiting
- Research Kitchen
- Biostatistics & Analysis

SERVICES AND FACILITIES

- Outpatient clinic
- Imaging center
- Outpatient examination and interview rooms
- 10 inpatient rooms (20 beds)
- Magnetic resonance spectroscopy
- Metabolic kitchen
- Metabolic procedure rooms
- 2 whole-room indirect calorimeters
- Dual energy X-ray absorptiometry
- Ultrasound imaging
- Air displacement plethysmography
- Underwater weighing unit
- 4 metabolic chambers
- Infant metabolic chamber
- Pediatric clinic



www.pbrc.edu

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Impact summary of lost revenue (\$921K) to LSU's Pennington Biomedical Research Center

To-date, Pennington Biomedical has experienced revenue losses of \$921,254 due to the shutdown of research, public service and other operations. This has profound implications for the future operations of the Center, especially for its clinical trial operations, which carries by far the most significant losses of \$858,005. Additional losses are from basic science cores (\$27,324), from facility use fees for canceled events in our conference center (\$32,000), and from refunded registration fees from our Nutrition Support Conferences (\$3,925).

The impact to the basic science cores and clinical trials operations is significant. There have been 34 actively recruiting studies, and 7 studies in progress, have been suspended. Additionally, five studies targeted to begin in the months of March and April have been delayed. The study suspensions will result in approximately 475 missed study visits between March and April. Some participants have been dropped from studies without completing all required visits. The suspension of operation will delay completion of most studies and could increase the overall costs to the sponsors due to higher than projected drop rates and increased recruiting and screening procedures, which could affect the potential for those studies to resume. This also creates a substantial backlog of study visits that need to be completed as quickly as possible as to ensure study data validity and study window requirements, causing a further delay in re-opening screenings for established studies as well as implementing new studies that were planned to start over the next few months. This may in turn cause some future sponsors in need of quick turnarounds to be turned away. To preserve the critical infrastructure needed to eventually resume operations, Pennington Biomedical has made every effort to keep the clinical trials staff in paid status, increasing expenditures with no offsetting revenue.

Basic science cores have a similar business model to the clinical trials cores. In addition, these cores are an integral part of our several large scale federally-funded center-wide program grants. The wealth of state-of-the-art equipment and expertise has contributed enormously to Pennington Biomedical's competitiveness in securing grants and contracts, and features prominently in our recruitment strategies to attract new faculty.

As Pennington Biomedical has continued to cope from prior repeated budget reductions, it was left with virtually no reserves to weather significant gaps in funding or means to absorb cuts by reducing non-personnel expenditures. Significant revenue losses, if not replaced, could require reducing cores staff, which would mean curtailing overall research operations, reduced F&A recovery revenue, and the virtual elimination of competitiveness for future grant funding. The clinical cores are critically important to our work to support U.S. Department of Defense contracts aimed at warfighter performance and nutrition, and the loss of clinical research staff specifically would also jeopardize recently established and new opportunities for revenue streams related to clinical treatment programs, and any new and/or recently expanded clinical research programs would be halted. Reducing basic science cores would also mean a loss of momentum in faculty recruitment and decreased competitiveness for scarce federal and non-federal research dollars.

Facilities use fees revenue is used primarily to fund the maintenance and upkeep of our conference center, and to fund personnel dedicated to supporting the events held there. The loss of this revenue creates maintenance backlogs, which could affect future bookings.

Congress of the United States

Washington, DC 20515

April 21, 2020

The Honorable John Bel Edwards
Governor of Louisiana
P.O. Box 94004
Baton Rouge, LA 70804

Dear Governor Edwards:

Recent reports of Coronavirus Disease (COVID-19) cases in Louisiana indicate that 71 percent of the confirmed tests in our state are African Americans. As you know, this demographic only represents 32 percent of Louisiana's population. Clearly, we all must better understand this disproportionate number of cases affecting our African American citizens.

The State of Louisiana has a vital role to play in this epidemic, as your announcement of a task force specifically focused on the issue of disparities shows. It is a great step to address what is clearly a crisis. Getting answers from experts is the first step, and we are glad that the task force includes representation from the top-flight researchers at Louisiana's colleges and universities.

The Coronavirus Aid, Relief and Economic Security Act (CARES Act), included \$1,800,000,000 for the State of Louisiana to address COVID-19 response activities, an estimated \$500,000,000 for the state in funds related to our education systems, and billions of additional dollars through Social Services Block Grants, Community Development Block Grants, hospital and healthcare funding, first responder grants, law enforcement grants, and other programs. We know the state and our local governments need much more and we continue fighting in Congress to get all the funding Louisiana needs to respond and recover from this crisis.

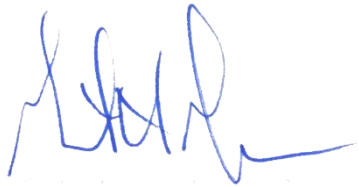
Getting answers from the experts is the first step. Putting real resources towards research moving forward is the next. It is our hope that you will pair the task force with a real commitment to investments in important medical research affecting Louisiana's vulnerable populations.

Data compiled by the Louisiana Department of Health indicates that several comorbidities exist with a COVID-19 diagnosis. Some of the most prominent include hypertension (66.4%), diabetes (43.5%), chronic kidney disease (25.1%), and obesity (24.7%). The Pennington Biomedical Research Center is one

of the nation's top research facilities of its kind. The center's work on diabetes, hypertension and obesity is some of the foremost in the United States. Other universities in the epicenter of the crisis including Xavier, LSU Health Sciences Center New Orleans, and Tulane have unmatched expertise in related fields as well and the LSU-AG Center's extension activities can help deliver results to all of the state's parishes.

To better understand the relationship between underlying conditions, increased vulnerability to COVID-19, improved access to healthcare services and other potential risk factors, we urge you to pair the task force with a substantial investment into top-flight research in Louisiana. This commitment will assist our ongoing efforts to secure additional resources from the National Institutes of Health and other federal and private institutions to help us better prepare for the future, prevent COVID-19 transmission, and address health disparities in Louisiana and around the world.

Sincerely,



Garret Graves
Member of Congress



Cedric Richmond
Member of Congress



FOR YOUR FUTURE. FOR OUR FUTURE.

HOUSE APPROPRIATIONS PRESENTATION

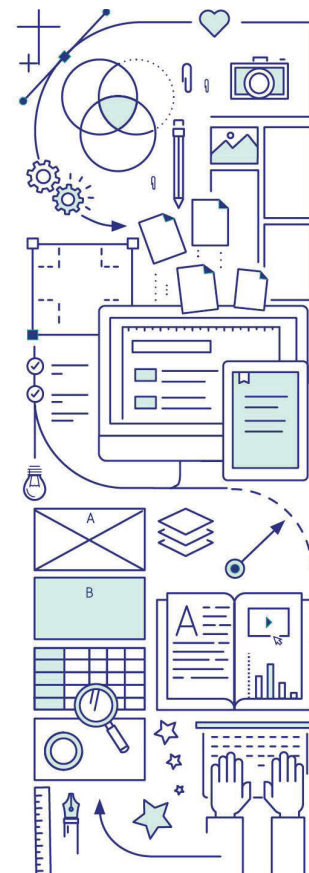
Dr. Jim Henderson | President and CEO

UNIVERSITY OF
LOUISIANA
SYSTEM

UNIVERSITY OF
LOUISIANA
SYSTEM

\$10.9 billion
Total Impact

149,662
Jobs Supported
in Louisiana



Academic Success, Student Success and Educational Attainment

Our System **will produce 150,000 new graduates** who are prepared for life and career success.

The Universities of Louisiana will **increase participation and success among all populations.**



Economic Development, Research and Innovation

Our universities will **expand public and private partnerships** that enhance economic prosperity.

The Universities of Louisiana will **leverage our collective research capacity to improve quality of life and stimulate economic growth.**



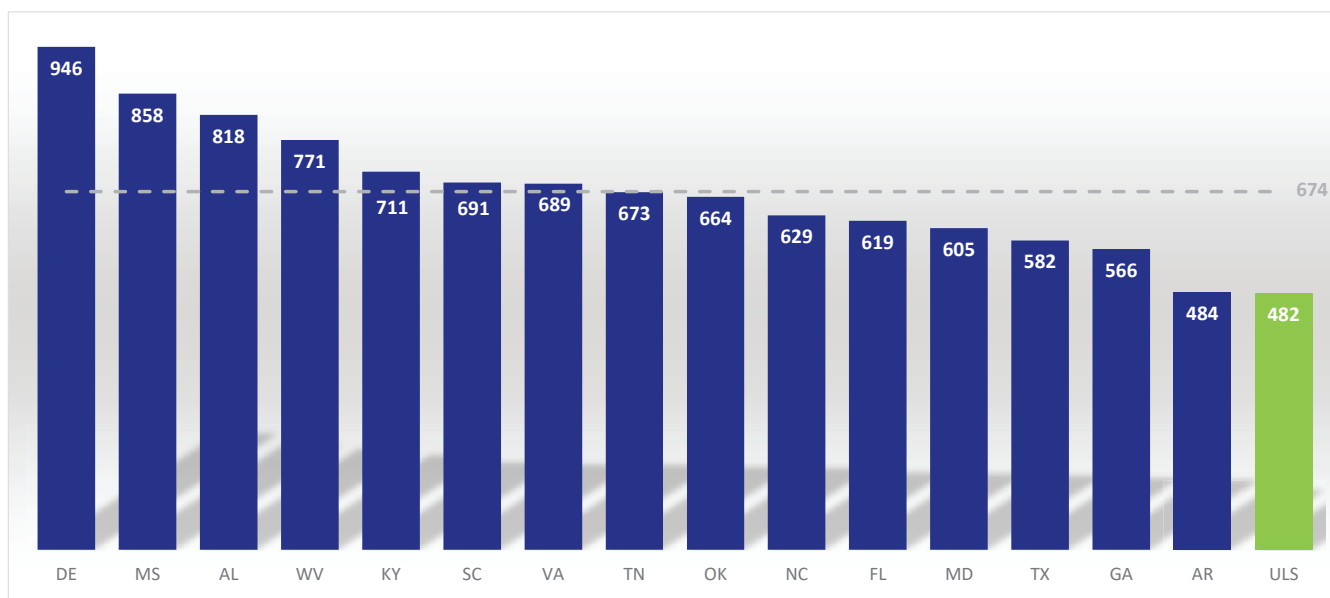
Financial Stewardship and Accountability

Our universities will **maximize administrative efficiencies** resulting in an **increased investment in instruction and academic support.**

The Universities of Louisiana will **increase value to students by recruiting, retaining, and developing the highest quality faculty with a focus on excellence in teaching, research, and innovation.**



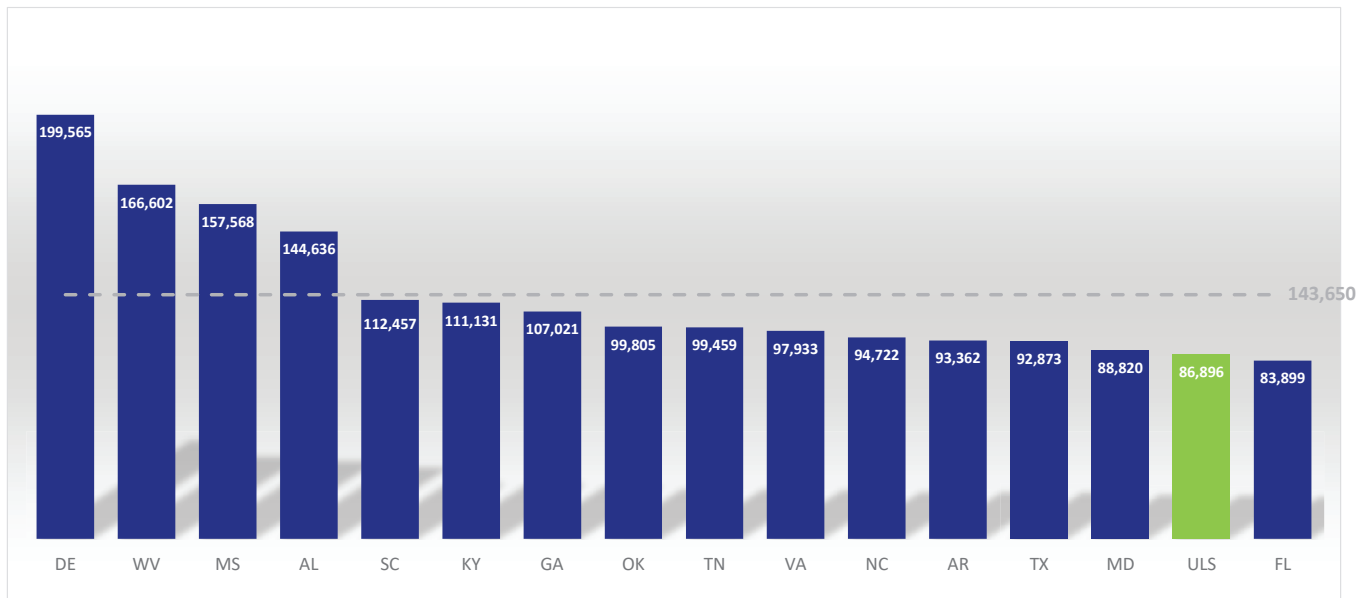
Cost Per Credit Hour



SOURCE: IPEDS

*Only institutions with same Carnegie Classifications as UL System member institutions included in analysis.

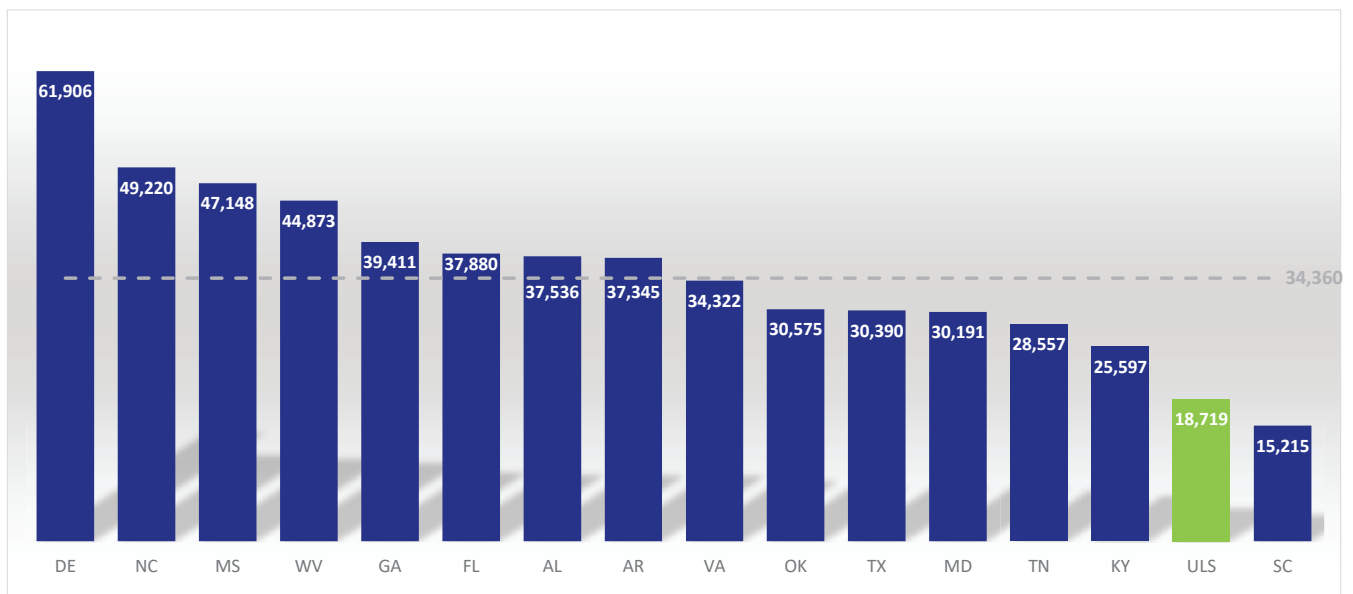
Cost per Bachelor's Degree



SOURCE: IPEDS

*Only institutions with same Carnegie Classifications as UL System member institutions included in analysis.

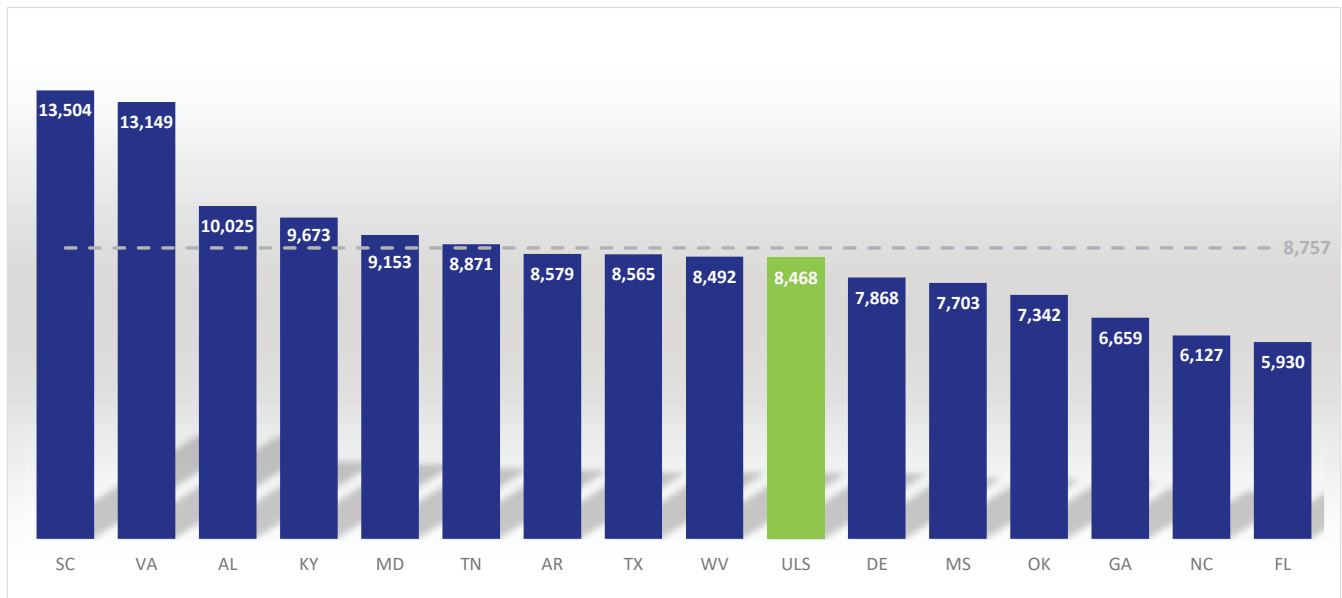
State Cost per Degree



SOURCE: IPEDS

*Only institutions with same Carnegie Classifications as UL System member institutions included in analysis.

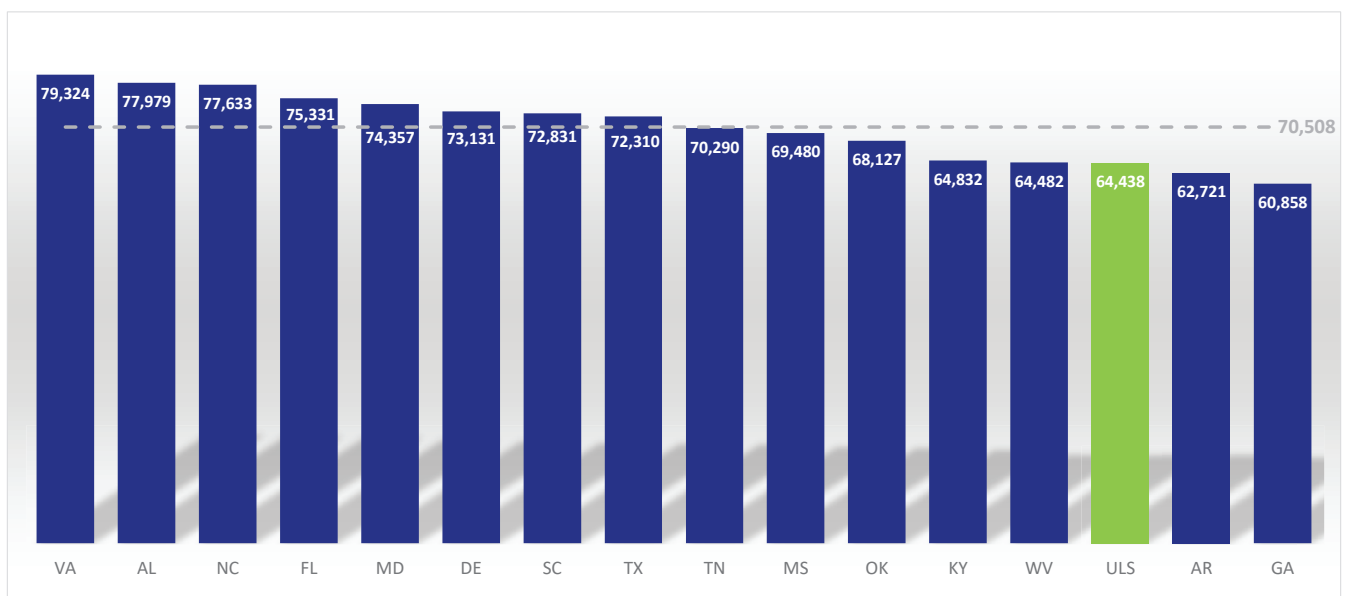
Tuition By State



SOURCE: IPEDS

*Only institutions with same Carnegie Classifications as UL System member institutions included in analysis.

Average Faculty Salaries



SOURCE: IPEDS

*Only institutions with same Carnegie Classifications as UL System member institutions included in analysis.

State Support by Institution

Institution	Formula Distribution	UAL	OPEB	Net Formula Support
GSU	\$12,552,455	(\$7,493,788)	(\$2,160,189)	\$2,898,478
LTU	\$27,588,200	(\$15,578,982)	(\$3,991,424)	\$8,017,794
MSU	\$16,605,889	(\$8,689,051)	(\$2,366,140)	\$5,550,698
NISU	\$14,240,819	(\$8,944,646)	(\$2,877,996)	\$2,418,177
NSU	\$20,591,028	(\$11,746,512)	(\$2,202,545)	\$6,641,971
SLU	\$27,750,156	(\$17,642,126)	(\$3,751,565)	\$6,356,465
ULL	\$47,370,919	(\$32,667,888)	(\$5,182,226)	\$9,520,805
ULM	\$24,713,532	(\$13,230,721)	(\$3,478,761)	\$8,004,050
UNO	\$24,999,530	(\$15,291,563)	(\$4,081,195)	\$5,626,772
TOTAL*	\$217,447,532	(\$131,795,691)	(\$30,148,222)	\$55,503,619

* includes ULS budget

UAL- Unfunded accrued liabilities are funds returned to the state to retire the state's pension debts

OPEB- Health-related benefits for university retirees



**LOUISIANIANS
HAVE SOME
COLLEGE
CREDIT BUT NO
DEGREE**

653,000 Louisiana adults
have some college credit but
no degree.





There are 653,000 adults in Louisiana with some college but no degree.

There are 653,000 adults in Louisiana with some college but no degree.

POWERED BY THE UNIVERSITIES OF LOUISIANA



FOR YOUR FUTURE. FOR OUR FUTURE.

Dr. Jim Henderson | President and CEO

Jim.Henderson@ulsystem.edu

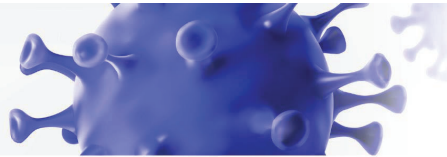
@DrJBHenderson

318.426.7104

UNIVERSITY OF LOUISIANA SYSTEM

COVID-19

TIMELINE



The UL System has provided COVID-19-related guidance and counsel to its member institutions. With this guidance, the universities have completed the herculean task of moving operations online. The timeline does not capture the thousands of phone calls, emails, zoom meetings, and texts exchanged during the past few weeks. It also doesn't reflect the reporting work done by the universities and System to evaluate various aspects of student services, housing, technology disparities and other information to assess and develop policies to reduce the burden of this event on our faculty, staff and students.

MARCH 4	<ul style="list-style-type: none"> System distributes COVID-19 guidelines largely focused on travel, distance education, communication practices, hygiene and safety
MARCH 9	<ul style="list-style-type: none"> Meeting with presidents in Baton Rouge to discuss legislative matters that largely transitioned to discussions about COVID-19 response
MARCH 13	<ul style="list-style-type: none"> System updated COVID-19 guidelines to include guidance to suspend in-person classes after March 16 as well as ensure a supportive environment for students, faculty, and staff. System provided guidelines for human resources anticipating a drastic shift in operations as COVID-19 numbers slowly started to climb.
MARCH 19	<ul style="list-style-type: none"> Legislative Update 1
MARCH 24	<ul style="list-style-type: none"> Legislative Update 2
MARCH 26	<ul style="list-style-type: none"> System distributed academic guidelines focused on student-friendly policies to ensure success during this disrupted semester.
APRIL 8	<ul style="list-style-type: none"> System releases faculty guidelines addressing tenure extensions and other matters relevant to faculty Provided an overview document of student provisions provided through the CARES act and TOPS adjustments through executive order
APRIL 14	<ul style="list-style-type: none"> Provided guidance on the distribution of student grant funds provided for through the CARES Act.

Financial Impacts of COVID-19



With the COVID-19 national shutdown our universities face unprecedented economic challenges, challenges that continue to evolve.

Financial operations and athletics are facing significant challenges, and following are some of the items we are considering.

All of the information used to determine potential economic impacts is based on speculation and estimates.

Cares Act and Financial Impact to Date

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) requires the grant to be split equally between aid to institutions and direct student aid.

University aid will mitigate losses related to COVID-19 such as housing and meal plan reimbursements and technology upgrades to facilitate distance learning.

	CARES Act Total	½ for Direct Student Aid	½ for COVID-19 Related Costs	COVID-19 Actual Related Costs as of 4/27
GSU	\$7,010,388	\$3,505,194	\$3,505,194	\$2,748,922
LTU	7,094,887	3,547,443	3,547,443	3,272,265
MSU	5,456,361	2,728,180	2,728,180	1,391,196
NiSU	5,057,520	2,528,760	2,528,760	1,682,198
NSU	5,647,034	2,823,517	2,823,517	2,013,408
SLU	10,580,284	5,290,142	5,290,142	3,100,813
ULL	12,686,007	6,343,004	6,343,004	7,581,214
ULM	5,777,764	2,888,882	2,888,882	2,176,448
UNO	5,581,887	2,790,944	2,790,944	4,795,362
Totals	\$64,892,132	\$32,446,066	\$32,446,066	\$28,761,830



FOR YOUR FUTURE. FOR OUR FUTURE.

Dr. Jim Henderson | President and CEO

Jim.Henderson@ulsystem.edu

@DrJBHenderson

318.426.7104

UNIVERSITY OF
LOUISIANA
SYSTEM

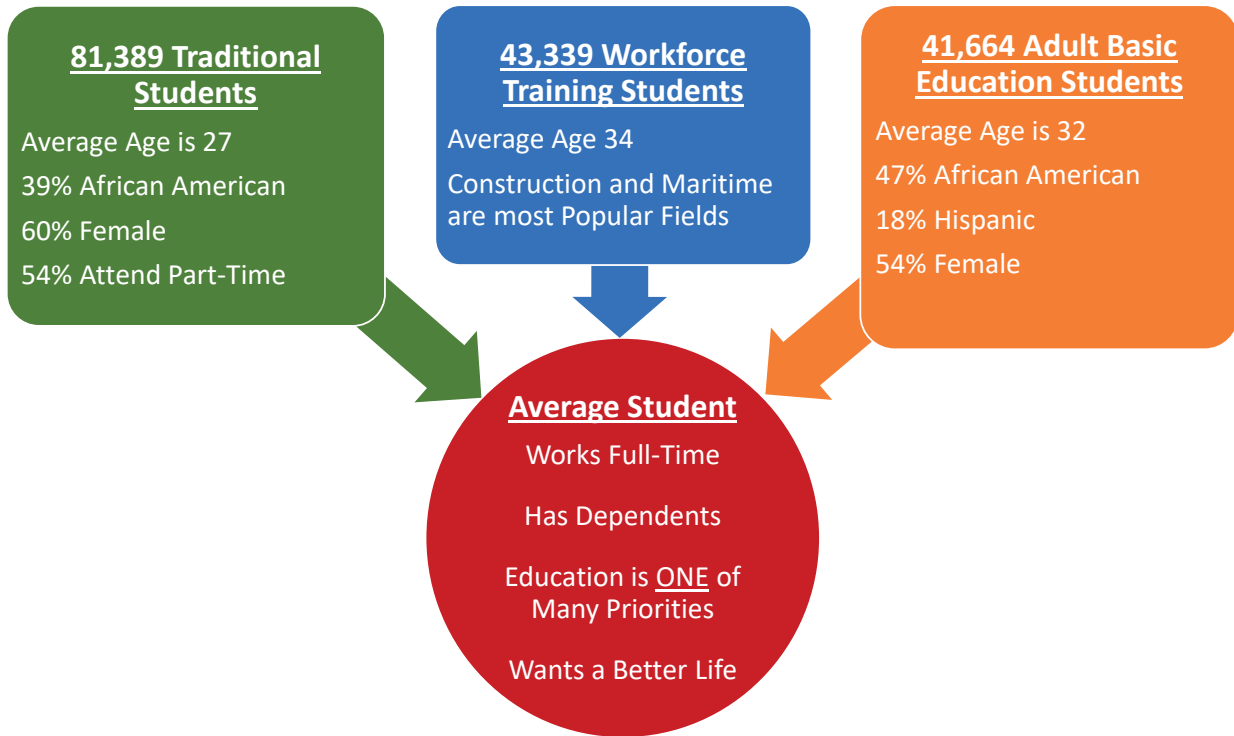
BUILDING LOUISIANA'S WORKFORCE

LOUISIANA'S COMMUNITY & TECHNICAL COLLEGES



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

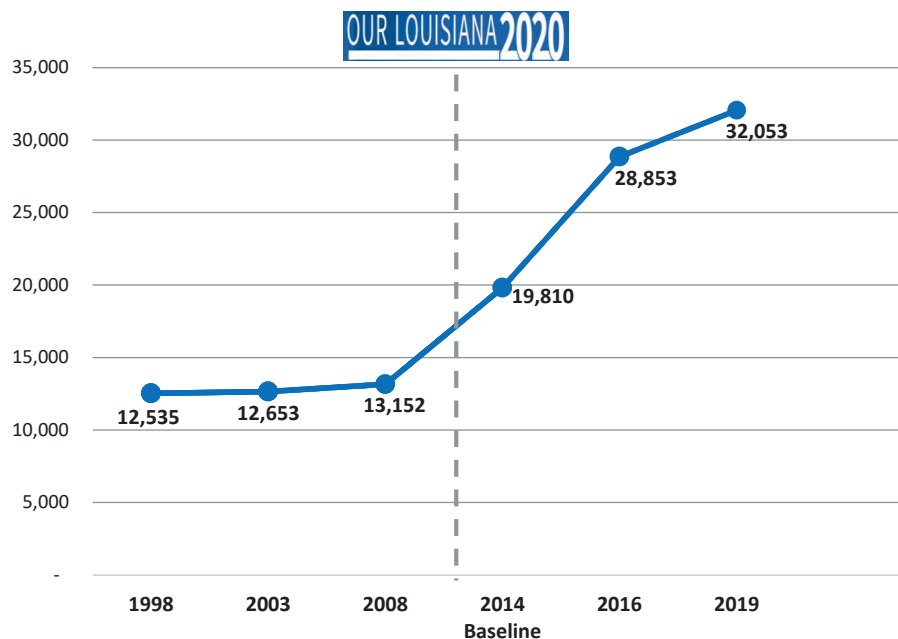
NOT YOUR TRADITIONAL COLLEGE STUDENT



Louisiana's
Community & Technical Colleges

Changing Lives, Creating Futures
www.lctcs.edu

MORE GRADUATES



2019 Quick Facts

- 17,180 credit graduates
- 15,876 earned an Industry Based Certification (IBC)

81% of overall graduates are aligned with 4/5 Star Jobs

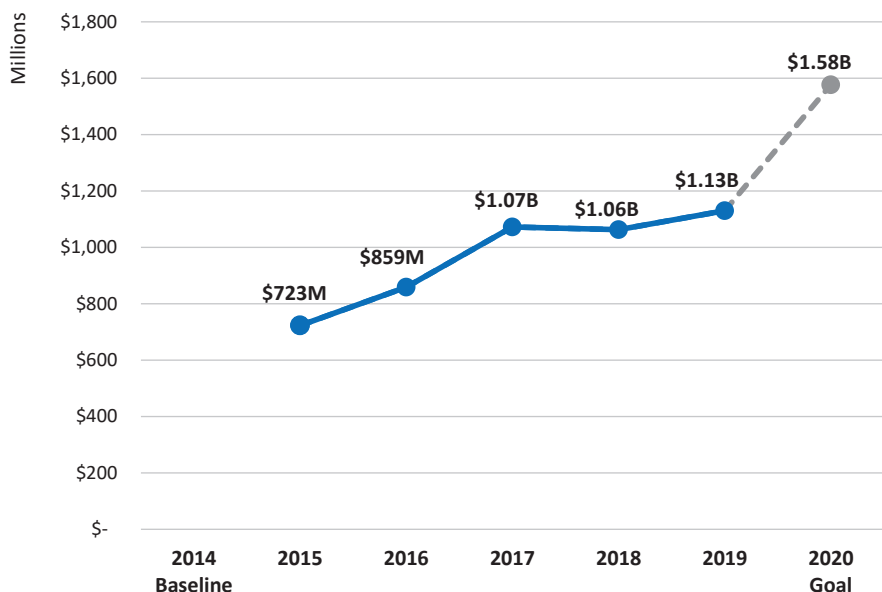
51.2% of graduates are minority



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EARNINGS OF A SINGLE GRADUATING CLASS



Quick Facts

- Average Earnings:
- Credit \$45,483.78
 - Workforce \$50,093.22

By STAR Rating:

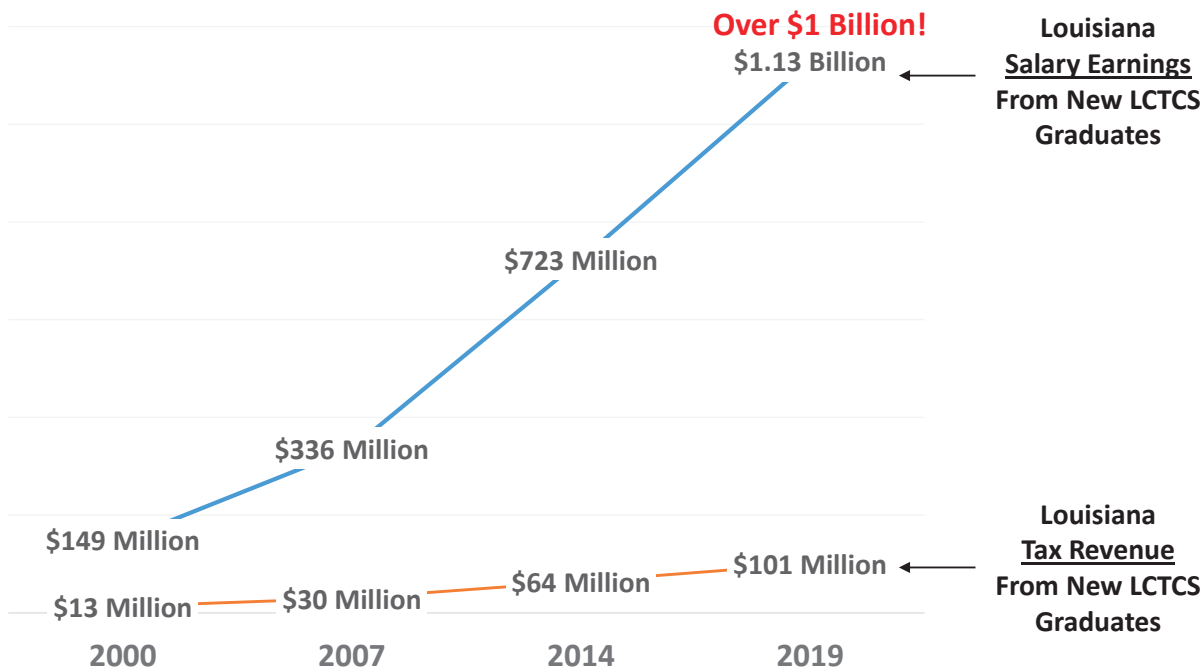
5	\$58,071.68
4	\$43,849.97
3	\$40,325.89
2	\$26,884.10
1	\$41,420.42



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RETURNING LOUISIANA'S INVESTMENT



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CHALLENGES OF COVID19

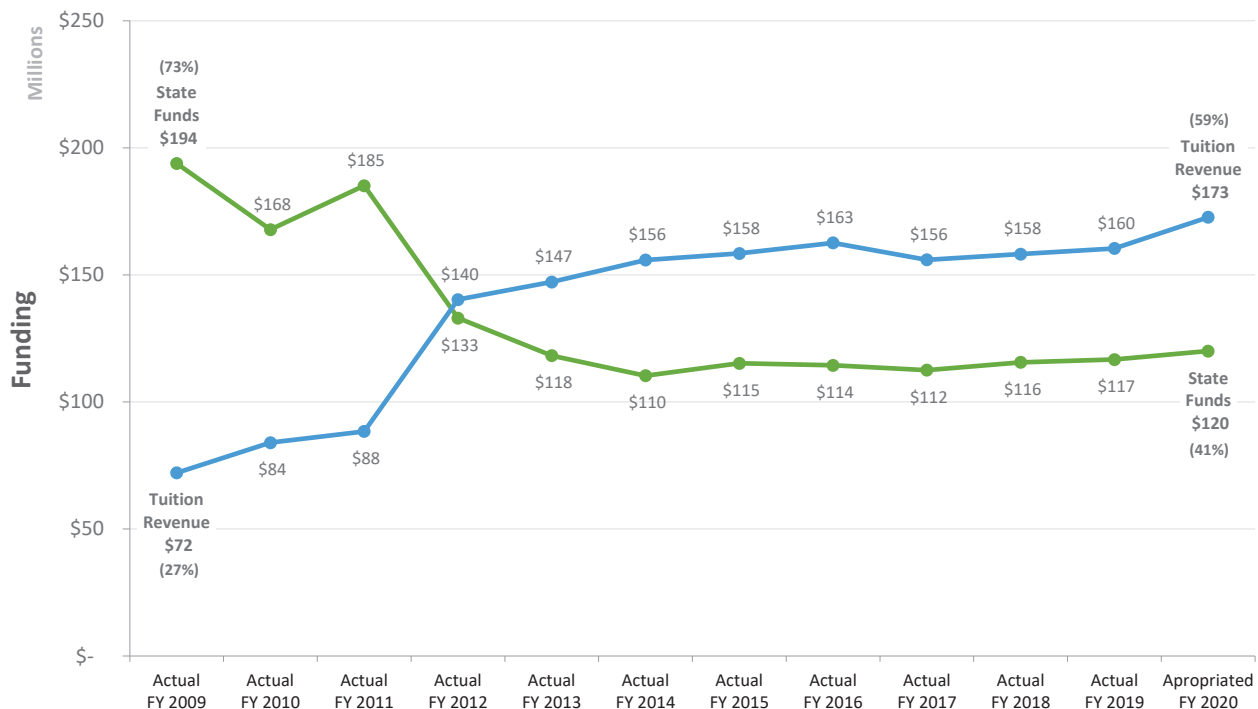
- Migration to online delivery
- “Hands On” experience required for CTE instruction
- Group Testing and Certification of Skills for Adult Basic Education Students
- Enrollment Impact
- Impact to Resources Needed to Deliver on the Workforce Training Mission



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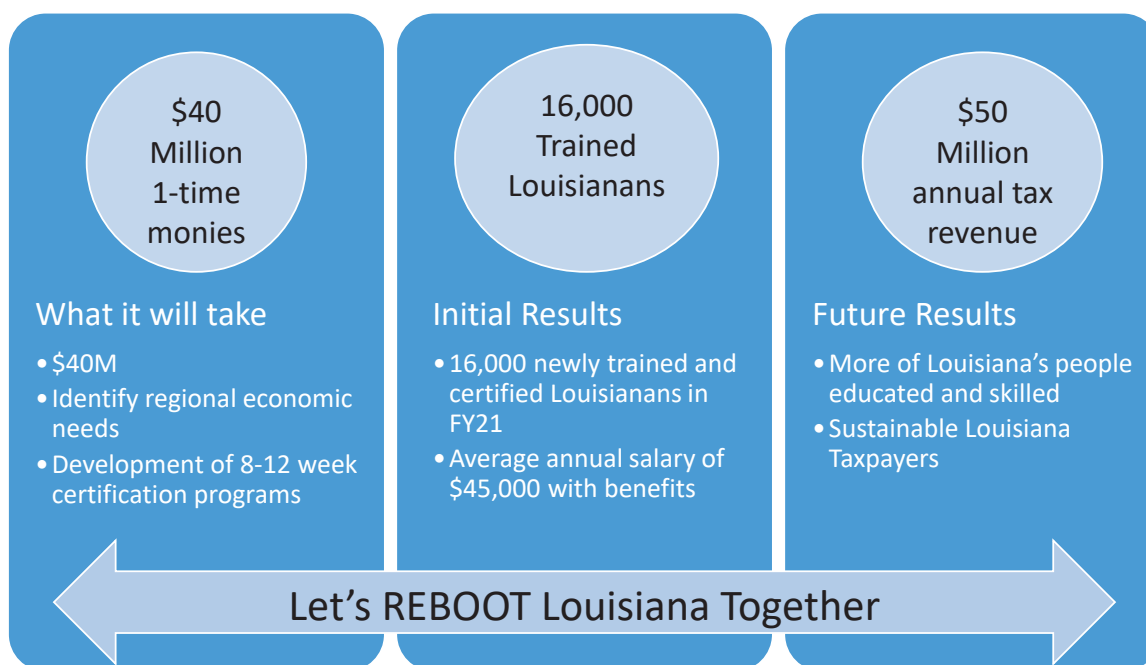
LCTCS BUSINESS MODEL HAS CHANGED



Louisiana's
Community & Technical Colleges

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www.lctcs.edu

REBOOT LOUISIANA



Louisiana's
Community & Technical Colleges

Changing Lives, Creating Futures
www.lctcs.edu

CONTACT INFORMATION

Monty Sullivan
President, Louisiana Community & Technical College System
montysullivan@lctcs.edu
225-922-1643



Louisiana's
Community & Technical Colleges

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www.lctcs.edu

LCTCS Responses to Questions Posed by House Appropriations Staff

- The agency's "budget basics";

Unlike two-year colleges in other states who have state, local and self-gen tuition revenues, LCTCS has only state funding provided by the state and self-generated tuition revenues which are student enrollment driven. The extent that student enrollment increases or decreases has a direct impact on the self-generated revenues of LCTCS colleges. One challenge to LCTCS colleges is the impact that "social distancing" measures have on the delivery of career and technical education such as welding, electrical and other technical areas.
- The agency's budget as it was originally contemplated in HB 105;

Please see the attached slide in the power point that provides a historical context of the revenue streams of LCTCS colleges.
- Any potential revenue shortfalls in fees and/or statutory dedications the agency may face due to the crisis;

To the extent we have state funding reductions and/or student enrollment decreases will determine the level of funding shortfalls from the only two revenue sources available to LCTCS colleges. Currently both are unknown at this time.
- Any sources of federal relief funding that the agency anticipates receiving along with the use of those funds;

The total US Department of Education federal funding allocation is \$41.3 million of which \$20.1 million must be allocated to student aid. The other half is allocated for "institutional aid" targeted to specific uses such as the delivery of online education measures. There are also FEMA funds available for COVID-19 related expenditures such as retrofits to comply with social distancing measures, sanitization of facilities, etc... While there may be provisions related to the use of the funds for loss of revenues from inactive dorms or food service operations, it is our appreciation that these funds cannot be used to supplant loss of regular operating revenues related to COVID-19. LCTCS colleges do not operate dorms or food service operations.
- Additional expenditure needs due to the COVID-19 crisis, for both FY 20 and FY 21.

To date, LCTCS has approx. \$3.0 million in COVID19 expenditures for FY 20 and anticipate \$3.2 million in FY 21.

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BESE

BESE Membership

- Eight members are elected, representing multi-parish districts
- Three members are appointed by the governor



2020 BESE Membership

Sandy Holloway

President
BESE District 3

Tony Davis

Vice President
BESE District 4

Kira Orange Jones

Secretary-Treasurer
BESE District 2

Jim Garvey

BESE District 1

Ashley Ellis

BESE District 5

Ronnie Morris

BESE District 6

Dr. Holly Boffy

BESE District 7

Preston Castille

BESE District 8

Dr. Belinda Davis

At-Large Member

Thomas Roque

At-Large Member

Doris Voitier

At-Large Member

LOUISIANA STATE BOARD OF ELEMENTARY AND SECONDARY EDUCATION



FY 2020-2021 BESE Budget As Proposed By HB 105

Means of Financing	Proposed Budget FY 2020 - 2021 HB 105	T.O.
State General Fund (Direct)	\$1,076,990	
State General Fund By:		
Fees and Self Generated Revenue	\$21,556	
Statutory Dedications:		
LA Charter School Loan Fund	\$218,780	
LA Quality Education Support Fund 8(g)	<u>\$23,500,000</u>	
Total Means of Financing	\$24,817,326	
Program Expenditures		
Administration	\$1,317,326	5
LA Quality Education Support Fund 8(g)	<u>\$23,500,000</u>	6
Total Expenditures	\$24,817,326	11

LOUISIANA BOARD OF ELEMENTARY AND SECONDARY EDUCATION



General Overview of BESE Expenses

- The majority of BESE's expenses relate to personnel and Board member expenses in order to carry out the Board's constitutionally mandated functions.
- State General Fund dollars are the primary source of funding for the BESE policymaking, governance, and oversight functions.
The Board is operating on less than 5% of State General Fund dollars.
- BESE's other funding stream, the LA Quality Education Support Fund – 8(g) comprises 95% of the budget and all but 3.6% is allocated for use by 8(g) recipients to support innovative and exemplary programs that will positively impact student achievement.

LOUISIANA BOARD OF ELEMENTARY AND SECONDARY EDUCATION



Administration Program State General Fund Examples of BESE Responsibilities

- Create statewide policies that govern operations of public and non-public schools
- Prepare and adopt annually a Minimum Foundation Program (MFP) formula, present it to the Legislature for approval, and equitably allocate dollars to Local Education Agencies (LEAs)
- Administer the Louisiana Quality Education Support Fund – 8(g)
- Appoint the State Superintendent of Education by 2/3 vote
- Conduct administrative public hearings, as needed, to resolve any conflict concerning BESE policies and actions

LOUISIANA STATE BOARD OF ELEMENTARY AND SECONDARY EDUCATION



Administration Program LA Charter School Start-Up Loan Fund Overview and Responsibilities

- Per LA R.S. 17:4001, The Louisiana Charter School Start-Up Loan Fund was created for the purpose of providing a source for funding no-interest loans to assist both existing and new Type 1, Type 2, or Type 3 charter schools with initial start-up funding.
- BESE requests budget authority for the Loan Fund and the State Treasury has fiscal oversight of the fund. The Louisiana Department of Education (LDE) handles the operations of the fund and funds are transferred from BESE to LDE to distribute to the charter operator.
- Charter schools can request up to \$100,000 in funding. One-third of the loan amount is due at the end of the year. Loans are repaid from a reduction of a charter's last MFP payment. BESE has budget authority of \$218,780 for the loan fund. No loans have been requested/distributed since FY 2016-2017.

LOUISIANA STATE BOARD OF ELEMENTARY AND SECONDARY EDUCATION



LA Quality Education Support Fund – 8(g) Program Responsibilities and Funding

- The Board, through the Louisiana Quality Education Support Fund, also known as 8(g), allocates and manages proceeds received from the fund for elementary and secondary educational purposes to improve the quality of education of Louisiana students.
- Funding Methods:
 - Student Enhancement Block Grant Program provides funds for projects that serve as catalysts for student academic or vocational-technical skill improvement.
 - Statewide Programs are administered by State agencies, usually the Louisiana Department of Education (LDE), to provide goods, services, or flow-through dollars to schools or school systems.

LOUISIANA STATE BOARD OF ELEMENTARY AND SECONDARY EDUCATION



BESE Prior Cost Savings Measures

- Over the past 4 years, BESE has taken the following measures to reduce costs and increase efficiencies in operations. These measures have created a very lean administrative budget for the current year.
 - Did not fill administrative vacancy, existing staff absorbed additional duties for the position.
 - Reduced a Board meeting to save in per diems and operational costs.
 - Reduced operational costs by decreasing packet mailing costs, condensing e-mail/phone bills, etc.
 - Made a more equitable alignment of both administrative and 8(g) funding streams to maximize resources.



Impact of COVID-19 Epidemic on BESE Operations

- At the present time, BESE has not incurred additional expenses related to the COVID-19 epidemic.
- A significant amount of 8(g) funding relies on oil and gas production. Due to a projected decline in oil and gas revenues related to COVID-19, BESE anticipates a reduction in 8(g) revenue in FY 2020-2021. However, the actual financial impact is not known as this time.





BESE

Louisiana State Board of
Elementary and Secondary Education
bese.louisiana.gov

Louisiana Schools for the Deaf and Visually Impaired

LEGISLATIVE SESSION, APRIL 2020

Presented by

Superintendent Ernest E. Garrett, III



Meet the Superintendent



Ernest E. Garrett III




Doctoral Candidate,
M.Phil., M.S.W., M.S.

Did you know?

- ❖ He was the first deaf African American superintendent of both the Louisiana and the Missouri Schools for the Deaf
- ❖ He has extensive experience as a school administrator
- ❖ He holds three Masters degrees and is a doctoral candidate
- ❖ He is a passionate advocate for the education of students with disabilities





Vision for the School System



-  To position the school system to respond to the ever-changing online platforms for instructional delivery.
-  To become the premier statewide resource for accessible instructional materials and assistive technology through a system-wide evaluation and upgrade.
-  To develop models of excellence in early childhood education and career training for young scholars with disabilities.

Continuum of Services



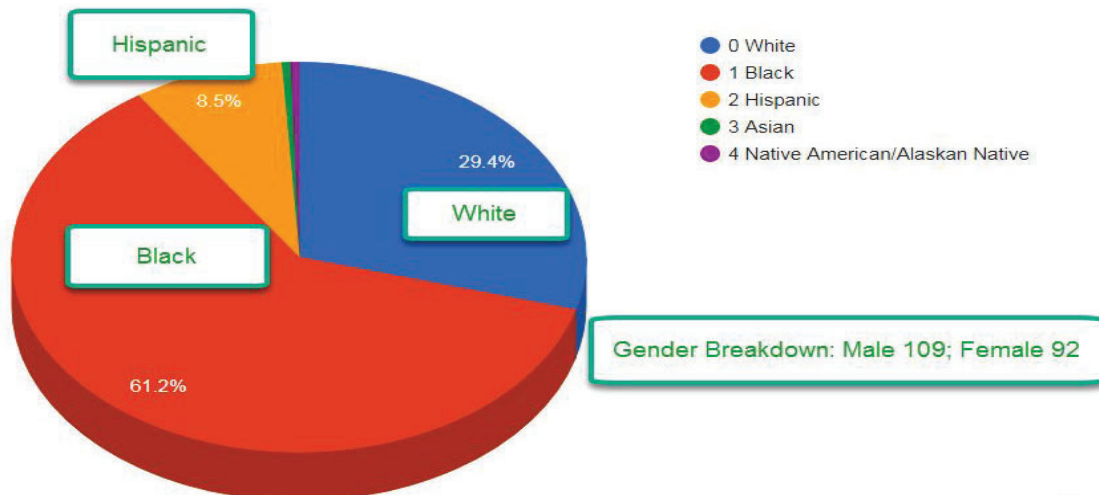
-  Instructional Day Program
-  Residential Program
-  Student Health Services
-  Louisiana Accessible Education Materials

Students Served

School Enrollment By Year	2016-17	2017-18	2018-19	2019-20
Louisiana School for the Deaf	129	131	129	117
Louisiana School for the Visually Impaired	66	72	69	75
LSD Outreach	255	265	277	281
LSVI Outreach	108	62	75	85
Totals	558	530	551	558

Student Demographics

Ethnic Count



Students By Top 10 Parishes



Parish	Number of Students
East Baton Rouge	63
Ascension	11
Livingston	16
Claiborne	12
St. Landry	7
Jefferson	7
Pointe Coupee	6
Terrebonne	8
Lafayette	6
Caddo	5

Residential Students By Parish



35 total districts and 56 cities represented

Avoyelles	Pointe Coupee
Bienville	Rapides
Calcasieu	St. Bernard
Claiborne	St. Charles
East Baton Rouge	St. James
East Carroll	St. John
East Feliciana	St. Landry
Evangeline	St. Martin
Iberville	St. Mary
Jefferson	St. Tammany
Jefferson Davis	Tangipahoa
Lafayette	Vernon
Lafourche	Webster
Lincoln	West Baton Rouge
Livingston	West Carroll
Lincoln	West Feliciana
Livingston	Monroe City - Ouachita
Natchitoches	Bogalusa City - Washington
Orleans	Zachary Community - East Baton Rouge
Ouachita	

Student Exceptionalities



School	Exceptionality	Number of Students
LSD	Deaf and/or Hard of Hearing	108
	Multiple Disabilities	6
	Other Health Impairment	4
LSVI	Blind	40
	Partial Sight	25
	Developmental Delay	3
	Intellectual/Mild	3
	Intellectual/ Moderate	3

Student Health



- 🍏 9 nurses (6 full-time, 3 WAE)
- 🍏 38,064 student health center consults
- 🍏 46 students at LSD with daily meds; 34 with as needed; 16 with both
- 🍏 36 students at LSVI with daily meds; 26 with as needed; 15 with both
- 🍏 81 of 138 LSD students with other diagnosis outside of deaf and hard of hearing
- 🍏 57 of 73 LSVI students with other diagnosis outside of blindness

Teacher Certification

LSVI

- 🍎 1 Principal – fully certified
- 🍎 1 Instructional Coach-fully certified
- 🍎 1 Counselor - fully certified as LPC
- 🍎 Teachers and 1 librarian
2 on PL
1 out of state
- 🍎 6 Paraprofessionals

LSD

- 🍎 1 Principal – fully certified
- 🍎 1 Assistant Principal– fully certified
- 🍎 4 full-time and 2 part-time fully certified Interpreters
- 🍎 21 teachers and 1 librarian
0 uncertified
1 PL
1 out of state
- 🍎 1 ASL Coordinator – fully certified (not under LSD)

Staff Demographics

PROGRAM	# OF NON-DIRECT EMPLOYEES	# OF DIRECT-CARE EMPLOYEES	% OF DIRECT-CARE EMPLOYEES
SHARED SERVICES PROGRAMS	17	150	90%
LSD PROGRAM	1	37	97%
LSVI PROGRAM	3	70	96%
TOTALS	21	257	94%

Declined	Ind/AK	Asian	African American	Hawaiian/Pacific Islander	Caucasian
6	3	5	113	1	153
1.50%	0.25%	3%	38%	0.25%	57%

Gender

207 Female Employees = 75%

70 Male Employees = 25%

Retirement Projections



2019-2020	41
2020-2021	7
2021-2022	3
2022-2023	1
2023-2024	4
2024 - 2025	7

The current FY projection includes employees that whose retirement eligible date has passed or have entered/ended DROP.
These employees can retire at anytime.

Required American Sign Language Proficiency Levels at LSD (position/level)



Director	Advanced Plus	Residential Advisors	Intermediate Plus
Principal	Advanced Plus	Outreach Teacher	Advanced
Assistant Principal	Advanced Plus	Teacher/Technology Sp	Advanced
Coordinator, Outreach	Advanced	Transition and Career Coord	Advanced
Coordinator, ASL Services	Superior	Librarian	Advanced
Interpreter	Superior	Counselor Mental Health	Advanced Plus
IEP Facilitator	Intermediate	Guidance Counselor	Advanced Plus
Teacher	Advanced Plus	Paraeducator	Intermediate Plus
Residential Team Leader	Advanced Plus	Dorm Director	Advanced Plus
Student Development Sp	Advanced	Residential Therapeutic Sp	Advanced

American Sign Language Competency Levels



- 🍏 Administration: 1 / 2 - 50% has exceeded goal
- 🍏 Administrative Assistants: 1 / 2 - 50% has exceeded goal
- 🍏 Teachers: 11 / 21 - 52% have met/exceeded goal
- 🍏 Paraeducators: 7 / 10 - 70% have met /exceeded goal
- 🍏 Counselors: 0 / 2 - 0% have met goal (not yet tested)
- 🍏 Support Staff: 3 / 3 - 100% have met/exceeded goal
- 🍏 4 teachers have not yet taken SLPI
- 🍏 2 counselors have not yet taken SLPI
- 🍏 66% of tested LSD staff have met/exceeded their SLPI proficiency levels

Financial Appeal



- 🍏 Reductions to LSDVI directly impact student services.
- 🍏 The State General Fund budget for LSDVI pays for educational services for some of the neediest students across our state.
- 🍏 The expenses primarily involve teachers, delivery of services, supplies, etc.

Financial Appeal (Continued)



Cutting state funds to LSDVI will also impact the required IDEA state-level maintenance of fiscal effort and could possibly place the State in jeopardy of having these federal funds reduced.



A state cannot reduce the amount of state support for special education and related services below the level of the preceding year because this is a 100% maintenance of effort requirement.



Funds across all state agencies are considered in meeting maintenance of effort, including LSDVI.

Financial Appeal (Continued)



When a state fails to maintain effort, its federal IDEA award is reduced by the exact amount of the dollars by which it failed.



The reduced award in turn impacts the LEAs because they will receive a reduction in funding as a result of the lower grant award.



The required level of support is not recalculated at the reduced amount for the year in which maintenance of effort was failed. It remains at the higher amount. Therefore, the reduction will carry forward to subsequent years.

Superintendent's Closing Remarks



Continuing with our current budget, we will be able to assess and utilize adaptive and reliable delivery platforms to elevate the overall standings of our young scholars.



As a result, we will position and equip our young scholars with the necessary tools and training for future success.



Based on our findings, we will design a new strategic plan that incorporates best practices and achievable benchmarks that will span from early childhood through graduation.



LOUISIANA PUBLIC BROADCASTING

7733 Perkins Road, Baton Rouge, LA 70810 • (225) 767-5660 • www.lpb.org

In 1975, when the Louisiana Educational Television Authority (LETA) signed on as the first station in the Louisiana Public Broadcasting statewide network, LPB played a major role helping teachers and students use technology to enhance and improve educational opportunities for the children of Louisiana. Since then, we have faced many challenges and, on every occasion, we have responded by adapting and innovating to meet the needs of all Louisianans. Our early educational programming expertise is familiar to all who watch Sesame Street, Daniel Tiger, Curious George, and Dinosaur Train, but LPB does so much more. Over the years, we have provided free resources and innovative professional development to educators, prepared students for GED exams, taught college credit classes and offered teacher certification in special education. Our statewide over-the-air broadcast signal reaches all households across Louisiana. Because of LPB's ability to reach so many Louisianans over-the-air, on the web, and in the home, we are uniquely positioned to support educators and families as they embark on a new and unexpected journey to provide distance learning for students by supplying high-quality content accessible to nearly every household in Louisiana.

Distance learning has always been central to our mission. Early on, we used satellite technology in rural parishes to deliver educational media to underserved areas. Now, with the expansion of internet learning, LPB provides content from PBS Learning Media, PBS Kids, and Discovery Education. By legislative act LPB is designated "the state's educational technological resource center," and in today's digital world, this means broadcast, digital and customizable, face-to-face learning.

The current COVID-19 crisis and the closure of schools across the state has brought into sharp focus the vast differences existing in technology and access from district to district, where the digital divide has left more than a quarter of our state without access to computers with internet access. This has focused LPB on our mission and commitment to serve all of the children of Louisiana. Rich resources have been made available online at www.lpb.org/athome and more than 40,000 of you are using them, since we launched this new resource just a few weeks ago.

We have forged a partnership with the Louisiana Department of Education. They have helped us select educational content that we deliver on our main broadcast channel from noon until 5 p.m. during the week - free educational material available for every child who may have limited internet accessibility.

As we look to the future and a "new normal," several legislative and executive leadership teams will be developing plans for the next school year. We all worry about the gaps in learning because of our school closures. At LPB, we are hoping to be a formal partner with the state and school districts as they look at new ways to fill learning gaps and create opportunities for all students. We bring many years of experience and commitment to this effort. As we search the

country looking for best practices, we will draw on lessons learned from our colleagues in public broadcasting and harken back to the very reason we were originally created as an agency designated as a special school or commission within the greater education mission of Louisiana. Our forty-year history has earned us the trust of parents, who during this crisis, have come to value the roles of teachers even more.

Beth Courtney

Executive Director, LETA and President of Louisiana Public Broadcasting



EMERGENCY BROADCAST EDUCATIONAL RESOURCES

Louisiana Public Broadcasting is providing the citizens of Louisiana with critical emergency information and resources during this uncertain time.



LPB is providing the live pool feed for all daily emergency briefings and press conferences from the Louisiana Governor's Department of Homeland Security and Preparedness (GOHSEP) for all television and radio broadcasters, commercial and public, across the state and nation. LPB is carrying the briefings live on our network of six-public television stations Alexandria, Baton Rouge, Lafayette, Lake Charles, Shreveport, Monroe, as well as our public television affiliates in New Orleans, the LPB YouTubeTV channel and LPB's digital platforms.

LPB is producing and broadcasting statewide, in-depth coverage on Louisiana's response to the COVID crisis including hour-long **COVID-19: Louisiana's Response**, with Governor John Bel Edwards and state health, business and education officials, which was simulcast by public radio and commercial broadcasters across Louisiana in March, and on all LPB stations and digital platforms; and **Pulse of a Pandemic: a Louisiana Public Square Special** featuring Governor Edwards, Senator Bill Cassidy, Congressman Garret Graves, economist Loren Scott and other experts and officials, broadcast statewide on public radio and TV stations.



LPB is partnering with the Louisiana Department of Education to deliver educational content to teachers and families around the state, many of whom have limited or no internet access.

LPB Broadcast Programming:

- Weekday programming between 12-5pm; focused on history, science/nature for middle and high schoolers
- LPB/PBSKids programming from 5am-12pm on LPB's main channel and 24/7 on LPB2 PBS KIDS channel
- Broadcast schedule lpb.org/schedule



LPB Digital Resources:

- **Free digital resources** at lpb.org/athome
- Free *Bright by Text* parenting tip messaging service
- LPB *LearningMedia* and *Discovery Education* for educators
- Award-winning PBS Digital Studios

LEARNING RESOURCES



Building an early learning ecosystem for families and educators

BY THE NUMBERS



113,700 Active Users
337,000 Page Views



296,000 Logins
10,860,000 Media Views
in Louisiana



1,125,000 Active Users
30,000,000 Streams
in Louisiana



885 New Accounts
1,044 Active Children
11% Click through
rate to resources

PBS Kids (On LPB-1 from 5am-12pm M-F, on LPB-2 24/7)

PBS KIDS is committed to making a positive impact on the lives of children through award-winning, curriculum-based entertainment, leveraging the full spectrum of media and technology to build knowledge, critical thinking, imagination and curiosity. By involving parents, teachers, caregivers and communities as learning partners, **PBS KIDS** helps to empower children for success in school and in life, as the only children's media recommended by name by the **American Academy of Pediatrics** for measurable impact.

Curriculum Based Program Schedule

LPB is broadcasting educational programs on its main channel each weekday from **5am-5pm** for students with no computer or internet access. **PBS KIDS** award-winning educational children's programming airs from **5am-12pm**, and middle/high school educational programming airs from **12pm-5pm**, and classroom instructional content on LPB's secondary channels.

Online Resources By Grade and Subject

Through lpb.org/athome, teachers and parents can easily find quality educational online resources, **searchable by grade level for each subject**. Subjects include history, math, science, English, arts, and more. Resources include hands-on activities, apps, and videos, that support literacy development and explore science in everyday lives. They nurture curiosity and encourage learners to explore, notice, investigate, make predictions, and ask questions to help them learn about their world.

Bright by Text

Bright by Text is a **free, direct texting services** that provides free tips, information, and local resources to help all parents and caregivers to give every child a bright beginning.

PBS Digital Studios

A network of 20 YouTube channels with 22+ million subscribers, and over 2.2 billion lifetime views, with educational videos like **Crash Course**, **Deep Look**, **Physics Girl** and **It's OK to Be Smart** at <https://www.youtube.com/pbsdigitalstudios>.



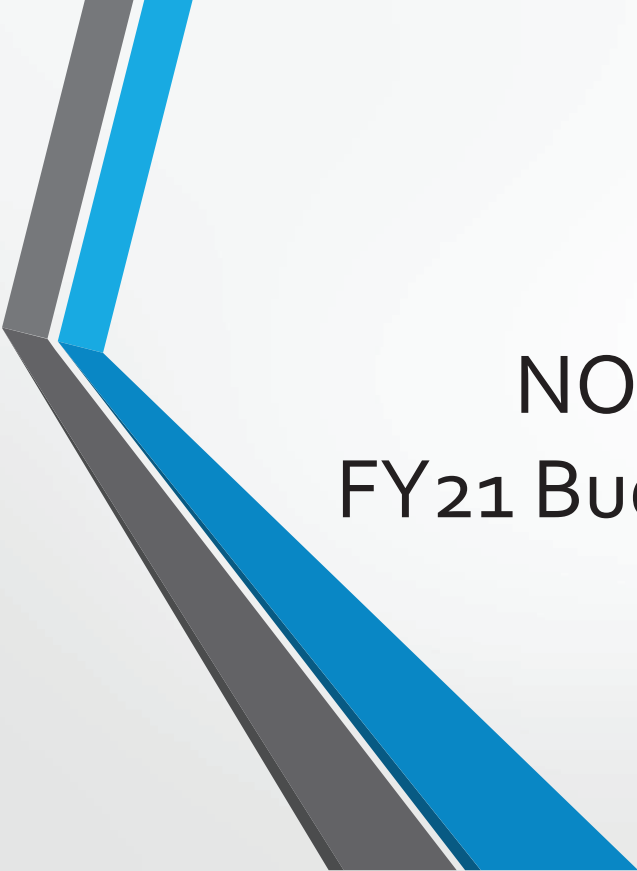


Louisiana School

for Math, Science, and the Arts

Thanks to the committee for the opportunity to present information for their review. At this time LSMSA does not have a formal PowerPoint to present. The information in your opening presentation is a good summary of our overall budget structure and expenditures.

The only point from HB105 that we would like to emphasize is our desire to see our new nurse position fully funded. This is especially necessary as we return in the fall in the post-pandemic environment with an emphasis on health services. We do not anticipate any revenue shortfalls, though ours is contingent upon our enrollment numbers and on the ability for families to pay. There is no way to project those figures at this time. At this point we do not anticipate any extraordinary expenditures related to Covid-19 in either fiscal year.



NOCCA FY21 Budget

20 YEARS AS A STATE
AGENCY



Highlights

- In FY2020 NOCCA served over 1,000 students through its full-day, ½ day, and summer programs. There were almost another 500 students served through workshop experiences.
- Beginning in the 2020-21 School year NOCCA students may receive up to a year of college credit at either the University of New Orleans, Northwestern State of Louisiana University, or Nicholls State University through articulation agreements. This is the first articulation for arts credits in Louisiana and one of a very small number for academic credits.
- The most recent graduation class received over \$23 million dollars in awards. Averaging over \$196,000 per student.
- The academic Studio has received an A Grade from the State of Louisiana since it's inception.

Highlights (cont.)

- This year NOCCA Junior was named to the National Youth Orchestra.
- NOCCA Alumnus who is also the NOCCA Dance Chair was one of 20 organizations nationally to be awarded a NEFA-National Dance Project Production Grant.
- Multiple National Scholastic Awards at the local, regional, and national level in both Creative Writing and Visual Arts.
- 20 year old NOCCA Alum was featured filmmaker at New Orleans Film Festival after winning the Tribeca Film Festival.
- This year NOCCA Senior won the National Award from Downbeat for live studio recording (one of only two students nationally).

Proposed Budget-HB105

MOF	EOB	RECOMMENDED 2021	OVER/UNDER
General Fund	\$6,252,653	\$6,171,039	-\$81,614
IAT	\$2,159,354	\$2,159,354	0
Stat Ded-EEF	\$80,350	\$79,336	-\$1,014
Total MOF	\$8,492,357	\$8,409,729	-\$82,628

Potential Revenue Shortfalls

NOCCA does not anticipate any revenue shortfalls due to the Covid19 crisis.

Sources of Federal Relief Funding

- NOCCA has submitted Covid-19 related costs to OPB for consideration of reimbursement.
- NOCCA is also anticipating some relief funding through the CARES Act as administered by the Louisiana Department of Education.
- NOCCA has not directly applied for any federal funds, but only as a pass through from the state.



Additional Expenditures Related to Covid19

FY 2020

- NOCCA has submitted expenditure summaries to OPB.
- NOCCA is awaiting guidance from DOE for the CARES Act distribution to schools.

FY 2021

- NOCCA anticipates additional expenditures for continued on-line learning.
- NOCCA anticipates additional expenditures for substitute teachers as faculty may become ill and require significant quarantine days.
- NOCCA anticipates additional expenditures for the extended sick leave program for faculty as an increase in illnesses is expected.



Thrive Academy

STATEWIDE BOARDING SCHOOL FOR AT-RISK STUDENTS

About Thrive Academy

- Thrive Academy serves 180 male and female students in grades 6-12 at a boarding school in Baton Rouge.
- Thrive students are typically homeless, have parents with drug and alcohol addition, severe mental illness, are incarcerated or deceased. Many students live in kinship care or complex custody situations. For all students, there is a particular reason why Thrive is the right fit.
- Thrive students live in dormitory suites of 15 students with shared bathroom, dining and laundry facilities.
- Students have traditional classes with 7 varsity sports and over 20 after school clubs.
- Thrive has a trauma informed campus where students receive daily mental health support through individual and group therapy as well as in class behavior supports.



2019 Graduating Class

HB 105

- Recognized revenue from FY20 that was funded – but not in the original appropriation (additional MFP dollars and funds from IDEA and ESSA).
- Recognized additional revenue from Medicaid and EFF (LA Educational Excellence Fund money that we were given following the passage of the constitutional amendment last year).
- 2 additional positions were added (additional nurse and social worker) and are funded by the new revenue sources. The nurse is funded by Medicaid and the social worker is funded through EFF.
- We are very grateful for the budget presented in HB 105 and have no additional requests.

COVID-19

REVENUE AND EXPENSE IMPACT FOR FY 20 AND FY 21

COVID-19 Revenue Impact


FY20

- Lost revenue from Medicaid due to a lack of anticipated billing in March-May. Medicaid funds daily health services on campus including medication distribution and sick visits. If students are not on campus to receive those services, we are unable to receive funds from Medicaid.
- This impact is between \$8,000-\$16,000
- No federal relief funds are anticipated at this time.


FY21

- If schools shut down again at some point in FY21, lost revenue from Medicaid due to a lack of billing.
- This impact is unknown at this time
- No federal relief funds are anticipated at this time.

FY 20 COVID Incurred Expenses

- Hotspots for students without internet access (\$6,000)
 - Additional compensation for staff doing frontline work such as delivering meals and technology (\$4,800)
 - Additional staffing needs including staff computers, printers, chargers, cameras and office supplies (\$14,661)
 - Emergency cleaning and packing of the dorm. Packing and returning of 180 students belongings and deep cleaning and disinfecting the entire campus (\$32,000)
- 

FY 21 COVID Anticipated Expenses

- Wifi for students without internet while quarantined (\$8,000)
 - Computer chargers (\$1,500)
 - Webcams for classrooms (\$8,000)
 - Masks for staff and students (\$5,000)
 - Thermometers (\$7,000)
 - Increased cleaning throughout the year (\$36,000)
- 

Contact Information

Sarah Broome – Executive Director

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225-394-1503



Louisiana Believes

Highlights of the Louisiana Department of Education 2020-2021 Budget



State Activities

- The mission of State Activities is to provide leadership, training, fund-flow control, and compliance evaluation. The goal is to provide information, leadership, and oversight necessary to achieve a quality educational system.
- HB 105 proposed budget:

State General Fund	\$34,410,062
Interagency Transfers	\$20,213,520
Fees & Self-Generated Revenues	\$6,882,076
Statutory Dedications	\$1,023,993
Federal Funds	\$108,030,207
Total	\$170,559,858

State Activities

State Activities is divided into three programs:

- **Administrative Support:** functions that support critical administrative support necessary for executive administration of the Department.
- **District Support:** functions that specifically support the goals of the department including district support networks, student assessment and accountability, student programs, student choice, teacher evaluation and training, curriculum and development, and
- **Auxiliary:** Self-generated funding from the teacher certification process

Louisiana Believes

State Activities

SIGNIFICANT EXPENDITURE CHANGES FROM EOB (Continued on next slide)

\$4M - Personnel Services	
\$1,277,277	21 new authorized T.O. positions and associated funding related to federal grants for literacy, mental health services, STEM credits for teachers, special education leadership, and early childhood.
\$876,876	Net increase from standard adjustments to Salaries, Other Comp., and Related Benefits.
(\$792,026)	Removal of 11 authorized T.O. and 2 non-T.O. FTE positions from the North and South network teams, which are school district liaisons and provide supports to the field.
\$2,615,000	Realigning expenditure authority by decreasing Professional Services for Other Compensation.

Louisiana Believes

State Activities

SIGNIFICANT EXPENDITURE CHANGES FROM EOB (Continued)

(\$6.7 M) - Professional Services Net Decrease	
(\$9,615,000)	Realigning authority related to \$2.6M in Personnel expenditures and \$7M in Other Charges IAT for the Department's contract with Data Recognition Corporation, now administered by the OTS.
\$2,931,789	Expenses related to 6 new federal grant programs.
\$15.8 M - Other Charges/IAT	
\$13,265,318	Increase in authority from the realignment related to the Data Recognition Corporation contract.
\$1,730,692	Increase in services provided by the Office of Technology Services.
\$629,954	Expenses related to the 6 new federal grant programs.

Louisiana Believes

State Activities

(\$792K) – Personnel Services

Removal of 11 authorized T.O. and 2 non-T.O. FTE positions and associated funding from the North and South network teams which served as school district liaisons.

- The most significant challenge of the proposed 2020-21 budget is the elimination of the positions and funding associated with the Network teams.
- This team of highly trained educators provide field support on a daily basis to every school district across the state.
- During the COVID-19 pandemic, network teams have become even more critical and in-demand.
- These staff are essential in the coming fiscal year to support school systems as they build more robust distance learning models to ensure all students have access to educational services.

Louisiana Believes

Subgrantee Assistance

- The mission of Subgrantee Assistance is to provide flow-through funds to local educational agencies (LEAs) and other entities for the development of programs that enhance learning.
- HB 105 proposed budget:

State General Fund	\$125,054,208
Interagency Transfers	\$40,495,657
Fees & Self-Generated Revenues	\$9,150,661
Statutory Dedication	\$15,088,909
Federal Funds	\$1,214,170,107
Total	\$1,403,959,542

Louisiana Believes

Subgrantee Assistance

Subgrantee Assistance has two programs through which funding is administered to school systems:

- **Non-Federal Support Program** includes programs funded with state general funds including Cecil J. Picard LA-4 Early Childhood Program, Professional Improvements Program (PIP), Education Excellence Fund (EEF), Student Scholarships for Educational Excellence Program (SSEEP), and Private Pre-Kindergarten
- **Federal Support Program** includes federally funded programs including School Food Service, ESSA Title I, Part A, Special Education IDEA Part B, Child Care Development Fund, Louisiana Striving Readers Program, 21st Century Community Learning Centers, Title II Improving Teacher Quality, and Teacher Incentive Fund

Louisiana Believes

Subgrantee Assistance

SIGNIFICANT EXPENDITURE CHANGES FROM EOB

\$23.6M – State General Fund
Net increase to fund new Early Childhood Services from birth to 3 years old
(\$3.2M) – Statutory Dedications
Reduction from the Education Excellence Fund to align with REC projections.
\$94.6M – Federal Funds
Increase of \$29.6M in budget authority for new Federal grants from the U.S. Department of Education and \$65M in increased authority to account for reimbursements to school systems.

Louisiana Believes

Recovery School District (RSD)

- The mission of the Recovery School District (RSD) is to fulfill the core governmental functions necessary to achieve excellence and equity in a decentralized system of schools.
- HB 105 proposed budget:

State General Fund	\$40,309
Interagency Transfers	\$124,924,098
Fees & Self-Generated Revenues	\$34,394,111
Federal Funds	\$250,000
Total	\$159,608,518

Louisiana Believes

Recovery School District (RSD)

Recovery School District has two programs:

- **RSD Instruction Program** includes the educational services provided to schools under the jurisdiction of the agency, currently including one in Caddo and one in Baton Rouge.
- **RSD Construction Program** provides supervision and funding for a multi-year Orleans Parish Reconstruction Master Plan for the renovation or building of school facilities.

Louisiana Believes

Minimum Foundation Program

Louisiana Constitution Article VIII, Section 13 provides that the State Board of Elementary and Secondary Education (SBESE) shall annually develop and adopt a formula which shall be used to:

- Determine the cost of a minimum foundation program of education in the State.
- Equitably distribute State funds to local school systems and schools.

Louisiana Believes

Minimum Foundation Program

- HB 105 proposed budget:

State General Fund	\$3,649,471,785
Interagency Transfers	\$0
Statutory Dedications	\$269,385,000
Federal Funds	\$0
Total	\$3,918,856,785

Louisiana Believes

Minimum Foundation Program

SIGNIFICANT EXPENDITURE CHANGES FROM EOB

\$25.4M – Means of Finance Swap
Reduction in statutory dedications from the Lottery Proceeds Fund and the Support Education in Louisiana First (SELF) Fund and an increase in SGF.
\$26.6M – State General Fund
Increase due to special education weight factors in Level 1, property/sales tax revenues in Level 2, and Community Development Fund in Level 4.
\$39M – State General Fund
Increase of 1.375% in the base per pupil funding amount from \$4,015 to \$4,070 in Level 1.

Louisiana Believes

Minimum Foundation Program

- The formula for the upcoming fiscal year must be submitted by SBESE to the Legislature no later than March 15th.
- The Legislature considers the formula submitted by SBESE during the Legislative Session.
 - If it meets with their approval, the formula is adopted.
 - The Legislature may also return the formula to SBESE with no action or recommendations for revisions.
- SBESE then has the option to revise and resubmit or take no action.
- Louisiana law provides that if a new formula is not adopted, then the existing formula remains in effect.

Louisiana Believes

Minimum Foundation Program

The Board of Elementary and Secondary Education (BESE) adopted the FY 2020-21 MFP formula on March 11, 2020. The proposed formula includes the following adjustments:

- An increase to the Base Per Pupil Amount of 2.75%, from \$4,015 to \$4,125.
- Includes a provision in Level 4 that directs school systems with an average teacher salary less than the Southern Regional Education Board (SREB) average to use half of their increase for teacher pay raises.
- HB 105 currently includes an appropriation of \$3.919 billion, which funds 98.7% of the costs required by the proposed formula.

Louisiana Believes

Non-Public Assistance

Nonpublic Educational Assistance provides funds to benefit BESE approved nonpublic schools including four programs:

- **Required Services** are reimbursements to non-public schools for costs incurred from compliance with constitutionally mandated and other statutorily required services.
- **School Lunch Salary Supplements** are salary supplements for lunchroom employees at eligible non-public schools.
- **Textbooks** provides state funds for the purchase of books and other materials of instruction for eligible non-public schools.
- **Textbooks Administration** provides state funds for administrative costs incurred by public schools to order and distribute books and instructional materials to non-public schools.

Louisiana Believes

Non-Public Assistance

- HB 105 proposed budget figures

State General Fund	\$20,694,779
Interagency Transfers	\$0
Fees & Self-Generated Revenues	\$0
Federal Funds	\$0
Total	\$20,694,779

- Significant revenue changes from EOB
 - **(\$476K)** SGF Reduction in Required Services cost reimbursements related to completion and maintenance of school records.

Louisiana Believes

Special School District (SSD)

- SSD provides special education and related services to children with exceptionalities enrolled in state-operated programs, including mental health facilities and juvenile correctional facilities.
- Louisiana School for the Deaf and Visually Impaired is also under the direction and guidance of SSD.
- HB 105 proposed budget:

State General Fund	\$5,041,331
Interagency Transfers	\$4,563,159
Fees & Self-Generated Revenues	\$826,159
Federal Funds	\$0
Total	\$10,430,649

Louisiana Believes

Special School District (SSD)

SIGNIFICANT EXPENDITURE CHANGES FROM EOB

\$1.3M - Personnel Services	
\$1,271,870	Increase of 14 authorized T.O. positions and associated funding related the transfer of the LSEC from Special Schools and Commissions to the Louisiana Department of Health per Act 411 of 2019 RS. These teaching positions will remain with the SSD.
(\$123,745)	Net decrease from statewide adjustments to the salary base, group insurance, retirement rate, classified increase, and projected attrition savings.
\$109,572	Shifting expenditures from the Operating Services and Supplies categories to Personnel Services.
(\$91K) – Operating Services and (\$18K) Supplies	
Reducing expenditure authority from these categories and shifting it to Personnel Services	
\$50K - Other Charges/IAT	
Net increase from statewide adjustments for the Office of Technology Services, Risk Management, and Statewide Procurement.	

Louisiana Believes

Emergency Coronavirus Relief Support

The LDOE has received federal allocations to address issues related to the coronavirus emergency:

- **Elementary and Secondary School Education Relief Fund (\$286.9 million)** allocated to support activities such as emergency response, preparedness and coordination; facility sanitation; educational technology purchases, including hardware, software, and connectivity; mental health supports; summer learning; and other allowable expenditures under programs such as ESEA, IDEA, and Perkins. Requires equitable services to non-public schools.
- **Child Care & Development Block Grant (\$67 million)** allocated to provide continued payments and assistance to child care providers in the event of decreased enrollment or closures related to coronavirus, to ensure they are able to remain open and/or reopen.

Louisiana Believes

Contact

Beth Scioneaux

Acting State Superintendent

Catherine Pozniak

Assistant Superintendent

Louisiana Believes

LSU Healthcare Services Division / Lallie Kemp Regional Medical Center

FY21 HB105 Budget Review Agency Response

LSU Health Care Services Division
Lallie Kemp Regional Medical Center



Lallie Kemp Regional Medical Center

- Critical Access Hospital
- Provides full set of acute and ambulatory services to Tangipahoa parish and the surrounding region, including emergency, inpatient, intensive care, outpatient, surgical and ancillary services
- Provides access to all patients independent of their ability to pay or type of insurance – Medicaid, Medicare, commercial, uncompensated care and self-pay
- Provides patient-centered medical home for primary care, with ~ **35,000** primary care, disease management and specialty visits/year in more than 11 specialties, and provides preventive health screening for breast and colon cancer with > **2,550** mammograms and > **600** colonoscopies/year
- Provides care and treatment to patients with cancer – performing ~ **1,700** cancer care visits / year and > **300** cancer patients currently receiving chemotherapy

LSU Health Care Services Division
Lallie Kemp Regional Medical Center



Lallie Kemp Regional Medical Center

- Manages a federal discount prescription drug program that provides medications at reduced cost to
 - Department of Corrections ~ **5,000** prescriptions / year at a savings to DOC/State of ~ **\$6M/year**
 - Any patient receiving care at LAK ~ **17,800** prescriptions / year (90-days for \$8) at a savings to LAK patients of ~ **\$7.5M/year**
- Provides access to more **42,000** medical diagnostic studies (i.e. laboratory, radiology, cardiology) and therapy visits/year
- Provides on-site and telemedicine medical services to DOC and parish jail offenders (~ 2,000 encounters/year)
- Has successfully decreased ED utilization and inpatient admissions in consecutive years while maintaining or increasing outpatient visits and ancillary services. This was accomplished by a:
 - High priority primary care clinic redesign and improvement project
 - Focus on employing the Institute of Healthcare Improvement's Quadruple Aim – improve quality, patient satisfaction, employee satisfaction while managing cost
 - Focus on measuring care quality, and patient and employee satisfaction to improve care and processes to improve health, wellness and reduce complications of chronic disease
- Has an estimated economic impact to the region of > **\$80M / year**

LSU Health Care Services Division
Lallie Kemp Regional Medical Center



State Obligations Resulting from the Privatization of the Former Public Hospitals

LSU HCSD has been tasked with managing this state's obligations resulting from the privatization of the former state hospitals. While the budget includes \$20.3M that primarily covers the cost of health insurance of retirees and risk management, it does not cover many other liabilities and management costs (including personnel and overhead) provided by HCSD and related to the state's legacy business obligations resulting from privatization of former state hospitals. Thus HCSD is ~ **\$4.2M short in SGF** to cover the cost of managing the state's legacy obligations resulting from privatization of the former hospitals.

Type of activities performed by HCSD for these legacy operations include:

- Receive, manage and monitor partner facility lease payments and transfer of those payments to the state treasury
- Monitor the state's property assets of ~ \$238M at the partner hospitals
- Provide financial management and payment of state legacy obligations associated with the former hospitals (retiree's insurance, ORM payments, legal fees, record storage fees, management and reconciliation of outstanding patient accounts)
- Maintain and manage 25,000 former employee records, records requests, retirement eligibilities and reconciliations, benefits / retirement insurance coordination

LSU Health Care Services Division
Lallie Kemp Regional Medical Center



State Obligations Resulting from the Privatization of the Former Public Hospitals

- Maintain over 200,00 paper medical records, 21,000 non-digital radiology images, and all of EKLs pathology slides, and fulfil more than 25 records requests per week
- Manage compliance audits and reviews, physician credentialing requests, and ongoing litigations related to the former hospitals
- Manage cost reports and cost report audits and settlements – There are ~ 84 open cost reports related to the former hospitals that just for Medicare have a book value of ~\$102M. We've handled ~ 25 cost report settlement appeals for Medicare and many audits of multiple types since the privatization (\$6M settlements in FY 19)
- Maintain and manage the IT infrastructure of electronic systems and data related to former LSU HCSD hospitals, including maintaining historical patient records required to meet state and federal record retention laws
- Provide facility and emergency project management – Approximately \$1.45M in PWs remain in reconciliation review with FEMA, OIG and GOHSEP. A \$7.5M commitment from DOA to cover HCSD's Katrina operating expenses. Two hurricanes (Katrina, Rita) remain to be audited by the OIG before they can be closed-out by FEMA.

LSU Health Care Services Division
Lallie Kemp Regional Medical Center



Additional Considerations to FY21 Budget

- **The following are priority items**
 - **\$705, 050** - Hospital equipment replacement included in the Lallie Kemp FY 20 budget request . This equipment is aged and is either reaching end of life or has already reached end of life, which makes repairing the equipment difficult. This is medical equipment needed for the treatment of the patients at Lallie Kemp.
 - \$972,581 - Capital Improvement needs at Lallie Kemp:
 - \$881,861 Underground Plumbing and Sewer line replacement - terracotta pipes are failing on a regular basis)
 - \$90,720 Parking Lot Resurfacing - This will require engineering assistance due to grading and the need for sub-surface drainage
 - **\$4,174,920** - Funding of state obligations associated with the six former LSU hospitals.

LSU Health Care Services Division
Lallie Kemp Regional Medical Center



COVID-19 at Lallie Kemp Medical Center

- Lallie Kemp has provided
 - COVID-19 screening of more than 1500 visitors per week and provided testing to more than 250 potential cases identified by screening
 - Emergency, inpatient and outpatient care to the citizens of Tangipahoa parish infected by COVID-19
 - Expanded telemedicine encounters to more than 2000 patients needing routine (non-COVID) primary and specialty care services when unable to be seen in person
 - Proactive telephone contact to its vulnerable patients (elderly and those with chronic disease) to assess medical and mental health needs and ensure they have needed supply of prescription medications
 - Opened a COVID-19 secure walk-up outpatient pharmacy

All numbers related to COVID-19 are based on activity through April 27, 2020

LSU Health Care Services Division
Lallie Kemp Regional Medical Center



FY20 Budget Impact of COVID-19

- FY20 Revenue loss
 - Based on current reduction of services we are anticipating a 35% reduction in revenue per month
 - Current estimate through April 30 is a loss of \$1.33M
 - At continued rate of reduction the loss through June 30 = \$3.13M
- FY20 costs associated with mitigation and response to COVID-19
 - PPE, testing supplies, disinfection / cleaning, and refitting of physical plant through April 30 = \$41,800
 - At continued rate estimated cost of mitigation and response through June 30 = \$85,000

All numbers related to COVID-19 are based on activity through April 27, 2020

LSU Health Care Services Division
Lallie Kemp Regional Medical Center



FY21 Budget Impact of COVID-19

- FY21 Revenue loss due to COVID-19 based on 85% resumption of normal volumes/services by December 31 and 100% by March 31 = \$2.1M
- FY21 ongoing cost associated with COVID-19 mitigation and response (based on 6 months at \$25,000/mo) = \$150,000

All numbers related to COVID-19 are based on activity through April 27, 2020

Federal Programs Providing Supplemental COVID-19 Funding

- HCSD will pursue any and all sources of relief funding such as through the CARES Act, FEMA and Federal grants as they become available
- *Lallie Kemp has received from CARES Provider Relief Fund and deposited in the hospital's operations account*
 - \$359,741.21 on April 10, 2020
 - \$196,833.14 on April 24, 2020

Schedule 20 – Other Requirements

DISTRICT ATTORNEYS AND ASSISTANT DISTRICT ATTORNEYS

Agency Overview

This budget unit provides state funding for 42 District Attorneys, 579 Assistant District Attorneys, and 64 crime victim assistance coordinators statewide. State statute provides an annual salary of \$52,500 per district attorney, \$47,500 per assistant district attorney and \$30,000 per crime victim assistance coordinator.

FY21 Budget as originally contemplated in HB 105

For FY21, this budget unit is proposed an appropriation of \$34,083,781, of which \$28,633,781 is State General Fund (SGF). The following major adjustments are included:

- \$1,637,111 increase in funding in accordance with Act 315 of the 2019 Regular Legislative Session to increase the annual salary of district attorneys from \$50,000 to \$52,500 and to increase the annual salary of assistant district attorneys from \$45,000 to \$47,500, an increase of \$2,500 for every district attorney and assistant district attorney.

Potential revenue shortfall due to COVID-19 crisis

The FY20 appropriation for this budget unit is 83% State General Fund which is determined by REC and there is no known or expected impact on the Statutory Dedicated Pari-Mutuel Live Racing Facility Control Fund or Video Draw Poker Device Fund at this time. The FY21 appropriation for this budget unit is 84% State General Fund which is determined by REC and there is no known or expected impact on the Statutory Dedicated Pari-Mutuel Live Racing Facility Control Fund or Video Draw Poker Device Fund at this time.

Source of federal relief funding and potential use of funds

This budget unit is not anticipated to receive relief funding at this time.

Additional expenditure needs due to COVID-19 crisis

No additional expenditure needs due to the COVID-19 crisis are anticipated at this time.

GOVERNOR'S CONFERENCES AND INTERSTATE COMPACTS

Agency Overview

Through this budget unit, the state pays annual membership dues to national organizations of which the state is a participating member. Dues are paid to the following associations: National Association of State Budget Officers, National Governor's Association, Education Commission of the States, Delta Regional Authority, and the International Organisation De La Francophonie.

FY21 Budget as originally contemplated in HB 105

For FY21, this budget unit is proposed an appropriation of \$458,028, of which 100% is State General Fund. There are no major adjustments included in the FY21 Operating Budget.

Potential revenue shortfall due to COVID-19 crisis

The FY20 appropriation for this budget unit is 100% State General Fund, which is determined by the REC. The FY21 recommended appropriation for this budget unit is 100% State General Fund, which is determined by the REC.

Source of federal relief funding and potential use of funds

This budget unit is not anticipated to receive relief funding at this time.

Additional expenditure needs due to COVID-19 crisis

No additional expenditure needs due to the COVID-19 crisis are anticipated at this time.

DOA - DEBT SERVICE AND MAINTENANCE

Agency Overview

The budget unit is appropriated funds in order to make payments for bond indebtedness, operating and maintenance on state buildings maintained by the Louisiana Office Facilities Corporation. The Louisiana Office Facilities Corporation is a nonprofit corporation, which finances the acquisition or construction of public facilities for lease to the state through the issuance of revenue bonds.

This budget unit is also responsible for debt service payments related to Cooperative Endeavor Agreements (CEA) between the State of Louisiana / Division of Administration, the city of New Orleans, the Sewerage and Water Board of New Orleans, Federal City Alliance, and the Louisiana Public Facilities Authority. In accordance with the terms of the CEA, the State, through the Commissioner of Administration, shall include in the Executive Budget a request for the appropriation of funds necessary to pay the debt service requirements resulting from the issuance of Louisiana Public Facilities Authority revenue bonds. These bonds were issued for the purpose of repairing the public infrastructure damaged by the Hurricanes.

FY21 Budget as originally contemplated in HB 105

For FY21 this budget unit is proposed an appropriation of \$121,174,491, of which \$52,837,697 is State General Fund (SGF). The following major adjustments are included:

- \$30,000,000 increase in IAT authority to implement the Installment Purchase Market (IPM) program which allows the Division of Administration to enter into a third-party

financing agreement with participating financial institutions in order to provide an external mechanism for executive branch agencies to finance the cost of equipment.

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Potential revenue shortfall due to COVID-19 crisis

At this time, there is no anticipated Revenue shortfall.

Source of federal relief funding and potential use of funds

This budget unit is not anticipated to receive relief funding at this time.

Additional expenditure needs due to COVID-19 crisis

No additional expenditure needs due to the COVID-19 crisis are anticipated at this time.

Louisiana Department of Agriculture and Forestry

Here is what we have spent and/or anticipate on spending due to the COVID-19 incident during FY20:

Potentially reimbursable by FEMA:

Overtime - \$166,150

Op Services - \$167,400

Supplies - \$11,400

Non-reimbursable by FEMA (as of now):

IT Equip - \$30,000

Construction/Maintenance - \$10,000

IT Equipment includes costs associated with purchasing laptops and other equipment in order for employees to work from home.

Construction/Maintenance includes the installation of safety equipment such as plexiglass dividers and sneeze guards, re-working existing space to reduce exposure of employees to the public and each other.

We also anticipate receiving and disbursing approximately \$500,000 in additional TEFAP funds during FY20. This will be done in our pass-through budget (Schedule 941). The remaining \$14.5 million in funds received from the Families First Act and the Cares Acts will be disbursed in FY21 (again through 941).

We have not identified any other federal funds that we would be eligible for from any of the stimulus acts passed to date.

We do anticipate a reduction in revenue collections in both our Statutory Dedications and our Fees and Self-Generated categories. Our conservative estimate is a 5-10% reduction, but much of that will depend on the economy and the extent of its retraction (how much and how long it lasts).

Judiciary

Funds discussed below include only the courts funded within the Judicial Funding Bill, including the Supreme Court, the Courts of Appeal and specialty court programs.

Budgetary Concerns

The responses below are an attempt to put some information in your hands now to meet your time deadlines. The gathering of this information will continue, and I will update this information as I receive additional responses from entities outside the Supreme Court.

We are currently in the process of gathering this information. Since the judicial budget for FY 2019 – 2020 is \$8,509,326 below the FY 2015 – 2016 original budget of \$179,603,192, the COVID-19 expenditures and revenue reductions listed below will increase the current year projected deficit.

Examples of the expenditures incurred in order to work remotely and prepare the offices for a safe, soft reopening include:

- Sanitation Services
- Sanitation Dispensers and Wipes
- Personal Protective Equipment (Gloves and Masks)
- Sneeze Guards
- Plexiglas separators
- Signage
- Computer and Telecommunication Related Equipment and software
- Forehead Temperature Scanners

This is not intended to be an exhaustive list, and although I have some specific cost data, this information is still being gathered from some courts / state programs. Based on conversations with many managers, these expenditures will continue to increase into the foreseeable future as courts and state programs begin to gradually reopen and identify additional needs. So far I have identified approximately \$476,000 of expenditures specifically related to COVID-19. This number does not include the expenditures of a couple of smaller courts and the expenditures of the state programs (75 Drug and Specialty Courts, 18 CASA programs, and 45 FINS programs) administered by the Louisiana Supreme Court. I will update my response as additional information is received. Also, this number does not include any expenditures for paid leave for public employees to comply with compliance with COVID-19 public health precautions.

Since this response is for funds that are included in the judicial appropriation bill, it does not address COVID-19 related expenditures for District, City, and Parish courts.

Revenue

The main issue causing revenue reductions at the courts is a decrease in court filings and the overall suspension of various fees due to negative consequences brought on by COVID-19. There is a direct correlation between court filings and court's fee funds. Also, based on conversations with some of the Court Appointed Special Advocates (CASA) programs, numerous fund raisers have been cancelled, and the programs are expecting large reductions in charitable contributions. Additionally, Drug Courts have stopped charging for drug testing because many of the participants have lost their job due to the current economic shutdown. So far I have identified revenue reductions for March and April 2020 of approximately \$500,000. This number does not include the revenue reductions of a circuit court and a couple of smaller courts nor does it include the revenue reductions of the state programs (75 Drug and Specialty Courts, 18 CASA programs, and 45 FINS programs) administered by the Louisiana Supreme Court. I will update my response as additional information is received.

Since this response is for funds that are included in the judicial appropriation bill, it does not address revenue reductions for District, City, and Parish courts.

The court is not aware of any federal funds specifically for their use.