

James W. Parks II
President and CEO

Tricia A. Dubroc
VP of Student Loans and Administration

Martin Walke
VP of Economic Development



LPFA
LOUISIANA PUBLIC FACILITIES AUTHORITY

BOARD OF TRUSTEES

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Lorin J. Crenshaw
Eric Liew

October 17, 2014



The Honorable James R. Fannin
Chairman
Joint Legislative Committee on the Budget
11th Floor, State Capitol
Baton Rouge, LA 70804

The Honorable Jack Donahue
Vice Chairman
Joint Legislative Committee on the Budget
11th Floor, State Capitol
Baton Rouge, LA 70804

Re: Proposed LPFA Budget for Calendar Year 2015

Dear Chairman Fannin and Vice Chairman Donahue:

It is my pleasure to present you with a copy of our proposed Budget for calendar year 2015. This proposed Budget was approved by LPFA's Board of Trustees at a public meeting held on October 7, 2014. I have also included a copy of the resolution adopted by the Board of Trustees approving the proposed 2015 Budget.

Because of the continued uncertain economic times, we have made very few changes from the budget that was approved for this year (2014). As a reminder, we reduced our 2010 Budget by approximately 20% from the 2009 levels. *The proposed 2015 Budget once again retains these cuts.*

I would like to compare a few of the items from our 2014 Budget to our proposed 2015 Budget.

- As always, the LPFA will operate **solely** on self-generated revenues. *We are not requesting and we have never requested or received any funds from the state for our operations.*
- The total expenditures requested for 2014 have increased slightly and are approximately \$2.72 million.
- Overall revenues have not changed.
- The number of authorized employees has not changed and remains at 17.
- Expenses for salaries and related benefits have increased by \$46,300. This increase reflects a 3.23% increase over the amount budgeted for salaries and related benefits in 2014.

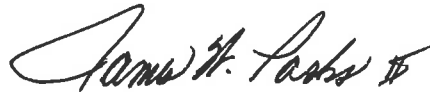
The Honorable James R. Fannin
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- The amount budgeted for Total Operating Expenses has not changed and remains at \$1,023,175.
- The amount budgeted for Professional Services has not changed and remains at \$183,595.
- The amount budgeted for Acquisitions and Major Repairs has not changed and remains at \$29,400.

I have attached information about our recent bond financing and education activities. Our education division continues to sponsor and coordinate Financial Aid Awareness Month and Financial Literacy Month, maintains our web site, asklela.org, that acts as a resource to students and parents during their college research and application process, and has direct contact with thousands of high school students through outreach visits, workshops, presentations, and visits to our college planning resource center.

Please contact me if you have any questions or if you would like for me to meet with you or your staff about our proposed 2015 Budget.

Very truly yours,



James W. Parks II

Enclosures

cc: Members, LPFA Board of Trustees

LPFA: 10/07/14

LOUISIANA PUBLIC FACILITIES AUTHORITY

On the motion of Trustee Cheramie, seconded by Trustee Egan, the following resolution was unanimously adopted:

A resolution approving the Annual Budget of the Louisiana Public Facilities Authority for Calendar Year 2015 and the submitting of the Annual Budget of the Louisiana Public Facilities Authority to the Joint Legislative Committee on the Budget; and providing for other matters with respect thereto.

WHEREAS, the Louisiana Public Facilities Authority (the "Authority") is a public trust and public corporation established by a private corporation for the benefit of the State of Louisiana (the "State") by a certain Indenture of Trust dated August 21, 1974 (the "Indenture of Trust"), under and pursuant to the provisions of the Louisiana Public Trust Act, Louisiana Revised Statutes 9:2341-2347 of 1950, as amended (the "Act"); and

WHEREAS, each year the Authority operates pursuant to a budget; and

WHEREAS, the Board of Trustees of the Authority desires to approve the Annual Budget attached hereto as Exhibit "A" for calendar year 2015; and

WHEREAS, pursuant to Act 915 of the 1999 Regular Session of the Louisiana Legislature ("Act 915"), the Authority is to submit its proposed annual operating budget to the Joint Legislative Committee on the Budget for its review and approval;

WHEREAS, it is now the desire of the Board of Trustees of the Authority to authorize and direct the submitting of the Authority's annual operating budget for 2015 to the Joint Legislative Committee on the Budget in accordance with Act 915;

NOW, THEREFORE, BE IT RESOLVED BY THE TRUSTEES OF THE LOUISIANA PUBLIC FACILITIES AUTHORITY:

SECTION 1. The Trustees, for and on behalf of the Authority, hereby approve the Annual Budget attached hereto as Exhibit "A" for calendar year 2015.

SECTION 2. The Trustees, for and on behalf of the Authority, hereby authorize and direct the Staff of the Authority to submit a copy of the Authority’s annual operating budget for 2015, as approved pursuant to Section 1 hereof, no later than November 1, 2014, to the Joint Legislative Committee on the Budget in accordance with Act 915.

SECTION 3. The Chairman, Vice-Chairman, Secretary-Treasurer and any Assistant Secretary are hereby authorized and directed to do all things necessary to effectuate and implement the purpose and intent of this Resolution.

SECTION 4. This Resolution shall become effective upon its adoption.

<u>Member</u>	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstaining</u>
Dale A. Benoit	<u> X </u>	<u> </u>	<u> </u>	<u> </u>
Guy Campbell III	<u> </u>	<u> </u>	<u> X </u>	<u> </u>
Craig A. Cheramie	<u> X </u>	<u> </u>	<u> </u>	<u> </u>
Lorin Crenshaw	<u> </u>	<u> </u>	<u> X </u>	<u> </u>
Camille A. Cutrone	<u> X </u>	<u> </u>	<u> </u>	<u> </u>
Peter Egan	<u> X </u>	<u> </u>	<u> </u>	<u> </u>
Eric Liew	<u> </u>	<u> </u>	<u> X </u>	<u> </u>

This Resolution was declared adopted on this 7th day of October, 2014.

* * * *

(Other items of business not pertinent to the foregoing resolution may be found in the official minutes of the Board of Trustees of the Authority.)

Upon motion duly made, seconded and unanimously carried, the meeting was adjourned.

CERTIFICATE OF ASSISTANT SECRETARY

I, the undersigned, do hereby certify that I am an Assistant Secretary of the Board of Trustees of the Louisiana Public Facilities Authority (the "Authority"), a public trust duly organized and existing under and by virtue of the laws of the State of Louisiana, and in such capacity I have access to all records of the Authority.

I do hereby further certify that at a meeting of the Trustees of the Authority, duly called, held and convened, according to law, on the 7th day of October, 2014, a quorum being present and voting thereon, the above and foregoing Resolution was unanimously adopted and that said Resolution is a full true and correct copy of said Resolution as it appears on the records of the Authority and that the same has not been revoked or amended and is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and attached the seal of the Authority this 7th day of October, 2014.

LOUISIANA PUBLIC FACILITIES AUTHORITY

SEAL

By:



Assistant Secretary

Activity Information: LPFA

Bonds Issued

<u>Project Category</u>	<u>Actuals</u> <u>FY 2012</u>	<u>Actuals</u> <u>FY 2013</u>	<u>Year to Date</u> <u>FY 2014</u>
Health Care	\$ -		
Hospitals	\$ 216,530,000		
Economic Development	\$ -	\$ 322,480,000	\$ 126,000,000
Student Loans	\$ -		
Universities	\$ 86,325,000	\$ 131,550,000	\$ 36,000,000
School Boards	\$ -		
Communities	\$ -		
Multi-Family Housing	\$ -		
State of Louisiana	\$ 9,900,000	\$ 8,000,000	\$ 167,085,000
Single-Family Housing	\$ -		
TOTAL	\$ 312,755,000	\$ 462,030,000	\$ 329,085,000



Student Loan Program

Louisiana's non-profit Student Loan & Resource for College Planning

The Louisiana Public Facilities Authority ("LPFA") established its student loan program in 1984 to make higher education more accessible and affordable to the people of Louisiana! LPFA operates and markets its student loan program under the name Lela.

Student Loan Program Profile and Savings: Lela's student loan programs have provided loans to more than **400,000** Louisiana students and parents since 1984. Our discounted student loan programs (SuperTop, HELP Teachers, HELP Nurses, GRADsChoose LA) formerly offered have provided over **400,000** loans to over **90,000** students and parents. Lela has been one of the largest providers of student loans in Louisiana and is Louisiana's only non-profit statewide student loan secondary market.

Portfolio: The principal amount of loans outstanding as of **December 2013** was **\$375,370,742.03**. Over **\$2.4 billion** in bonds have been issued to fund loans as well as to purchase loans on a secondary market basis since 1984.

Lela Program Savings for Students and Parents:

(Loans made from inception in 1995 through December 2009)

\$ 157.39 Million	Potential Savings
\$ 64.99 Million	Estimated Savings
\$ 34.20 Million	Minimum Savings

Note: Over **\$23 million in savings** was derived from Lela paying the upfront fees for students. This was direct cash in the student's pocket, meaning that students had over \$23 million more to pay for college expenses.

Outreach Activities:

Financial Aid Outreach, Counseling and Literacy:

Lela also serves as a resource to assist all Louisiana students, parents, and schools with questions on access to financial aid and provides guidance throughout the application process and receipt of funding. We are available to conduct workshops for the community about the numerous types of assistance that are available to help students and parents pay for college.



Financial Aid Awareness Month (FAAM): Lela conducts a statewide campaign each February launched by obtaining a proclamation from the Governor's office. FAAM's purpose is to provide information to the public that an advanced education is possible, funds are available and February is the time to start the application process. The campaign consists of press releases, mailings to guidance counselors, workshops, and a scholarship essay contest. Numerous other scholarships are awarded throughout the month.



asklela.org Lela launched an electronic initiative to position its website as a resource to parents and students during their college research and application process. The www.asklela.org site was launched in the fall of 2009. Through **askLela**, students and parents may access FREE help for their needs in selecting the right college; applying for admissions; accessing scholarships; applying for financial aid; and selecting a future career. In 2014, Lela is focused on assisting students and parents with FAFSA completion and working to coordinate a resource library for interested persons.



Financial Literacy Month: in 2014, Lela launched its fifth annual electronic information campaign, in recognition of Financial Literacy Month. A web page was created targeting high school seniors to provide them with useful tips on managing finances and information for accessing funds for college as well as obtaining financial life skills. This site may be viewed at www.lela.org/financialliteracy.

Scholarship Opportunities for La. Students:

Lela offers high school juniors, seniors and current college students numerous opportunities to obtain a scholarship through Lela on an ongoing basis. Scholarships are awarded a number of ways including through our website and through drawings at certain workshops and events sponsored by Lela. In 2013, Lela awarded over 50 scholarships to Louisiana students.



Quarterly scholarships are awarded from on-line drawings on an ongoing basis. Numerous scholarships are awarded during Financial Aid Awareness Month and Financial Literacy Month campaigns. These scholarships are awarded to winners of contests which challenge entrants to learn more about financial aid, financial literacy, and college.

2014 FAFSA Completion Workshops

Federal Student Aid
AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

PROUD SPONSOR OF
the AMERICAN MIND™

FAFSA™

Free Application for Federal Student Aid

In 2014, Lela began to place a higher emphasis on helping students and parents in Louisiana complete their federal financial aid application. As a result, Lela offers high schools one on one FREE workshops throughout the state during February through May- the period in which a student should apply if they are seeking enrollment in the fall of their senior year. We are partnering with education related non-profit organizations to offer these services as needed.

Not for Profit Direct Loan Servicing Team Participant:

Since January 2012, via a joint teaming arrangement with nine other not for profit organizations in the US, Lela received approval from the Department of Education to service federal direct student loans through Edfinancial Services of America.

As of December 2013, the ten member non-profit team services approximately 893,000 loan accounts totaling \$17.3 billion in federal Direct student loans.

College Planning Guides:

In 2014, Lela published its second College Planning Guide, available FREE to all interested Louisiana high school Junior and senior students. Over 20,000 guides have been distributed thus far. The publication provides information on filling out the FAFSA, what matters on college applications, college preparation timelines for juniors and seniors and useful credit smart tools.

College Planning Center:

Lela has dedicated existing office space to open a College Planning Center and officially opened the center in spring 2014. This center serves as a resource for all Louisiana students and parents to access information and free counseling on career planning, selecting a college, admissions, and accessing financial aid to pay for college. These services will be free to all interested persons. The center will also have computer access for persons to complete their necessary applications and research college options.



**2013 Outreach Activity Report
(as of December 31, 2013)**

	2013	2012	2011	2010
High School Outreach – Information visits	137	170	112	109
High School Organized Workshops, Events and/or Presentations	126	137	104	70
Student Data Profiles Created	11,464	8,775	7,718	4,912
One on One Counseling	147	299	293	N/A
FAFSA Completion	727	40	N/A	N/A
College and General Louisiana Outreach Events	N/A	5	10	5
Direct Contact with Students and Parents	18,223	18,509	19,003	19,746
Personal Follow-Up Communication	9,616	3,527	2,270	N/A
Facebook Fans	4,665	3,063	2,443	1,082
Website – Number of Server Requests	1,824,805	2,037,133	1,807,247	1,497,824

Financial Aid Awareness and Literacy Month Activity				
FAAM Essay Contest Entries	128	65	115	121
FAAM Video Contest Entries	13	N/A	N/A	N/A
FAAM On-line and Workshop Scholarship entries (Feb/March - 60 day campaign)	2,265	1,756	1,300	1,256
FAAM - Number of Web Requests (Feb/March)	399,635	433,325	358,257	342,260
Financial Literacy Awareness Month - Number of Web Requests (April)	217,531	230,335	117,800	130,648

Outreach Awareness- Appreciation Campaign- IPAD				
High School Guidance Counselors 2012 426/289, 2013 326/202	N/A	202	289	N/A
High School Seniors (2012 934/274), (2013 814/245), (2014 deadline 4/30/14)	294	245	274	N/A

Holiday Art Scholarship Contest				
High School Senior Entries	92	60	63	39

Outreach Services and Organizations Supported by Lela in Louisiana (Education):				
Academic Distinction Fund (ADF)				
Beta Club State Convention				
Boys State Convention				
Career Compass of Louisiana				
Cecil J. Picard Educator Excellence Symposium				
College Goal Sunday				
College Planning for College Bound Students				
Communities in Schools (CIS) New Orleans				
Education Finance Council (EFC) Outreach Committee				
Exchange Club of Baton Rouge - Adopt a Teacher Program				
Federal Student Loans (FSA) Student Input Poll				
Financial Aid Access Publications/Resource Materials				
Financial Aid Awareness Month (FAAM) Campaign - February. A statewide awareness campaign including financial aid seminars and workshops, a scholarship essay contest, online scholarship drawings, workshop attendee scholarship drawings, press releases, public service announcements and FAAM online tool kits for Guidance Counselors.				
Financial Aid Awareness Workshops & Parent Nights at High Schools				
Financial Literacy Awareness Campaign - April. A statewide awareness campaign launched in April to provide Louisiana students with information on the value of money and importance of budgeting and saving. This campaign also provides scholarship opportunities.				
George Rodrigue Foundation of the Arts				
Girls State Convention				
Holiday Art Scholarship Contest				
Istrouma High School Development Committee				
JumpStart of Louisiana				
LA Next Scholarship Awards and college planning publication				
LACRAO College & Career Fairs				
LACRAO Guidance Counselor Articulation Workshops				
Louisiana Association of Student Financial Aid Administrators (LASFAA) Conferences -Spring & Fall				
LOSFA Trailblazer camps and Guidance Counselor Workshops				
Louisiana College Planning Calendar - Master calendar for all Louisiana high school and university events.				
Louisiana Youth Seminar (LYS)				
NAACP Scholarship Program				
National Association for College Admission Counseling (NACAC)				
National Association of Student Financial Aid Administrators (NASFAA)				
National College Access Network (NCAN)				
One-on-One Counseling				
Quarterly Facebook and Website Scholarship Awards				
Registration Relief: High School Guidance Counselors				
Scholarship Search Tool				
Senior Guide Checklist				
Southwest Association of Student Financial Aid Administrators (SWASFAA)				
Volunteers in Public Schools: Stuff the Bus				
100 Black Men- Investment Seminar (Dollars and Sense)				