

**RESPONSE TO  
HOUSE CONCURRENT RESOLUTION NO. 66  
AND ACT 397  
OF THE 2011 REGULAR SESSION  
OF THE LOUISIANA LEGISLATURE**

**LOUISIANA BOARD OF REGENTS  
LOUISIANA WORKFORCE COMMISSION  
LOUISIANA DEPARTMENT OF REVENUE**



**JANUARY 2012**

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## **BACKGROUND & INTRODUCTION**

In September 2010, the United States Government Accountability Office (GAO) issued a report indicating that postsecondary education plays an important role in producing a workforce able to compete in the global economy. Some stakeholders suggested that collecting information on graduates' employment outcomes—whether they are employed in their field of study, for example—will provide better information to help assess the impact of a postsecondary education. The Higher Education Opportunity Act directed GAO to study the information that states have collected on the employment outcomes of postsecondary graduates.

According to a 2010 national study of state education databases, twenty-six (26) states collected employment-related data, such as data on salary and industry, and on individual postsecondary graduates by linking student databases with state labor data. Officials in seven states reported using graduates' employment data for a variety of purposes, including economic development analysis and institutional feedback.

Additionally, some state officials said that they faced challenges in their data collection efforts, including the means by which to appropriately link student and employment data and comply with the Family Educational Rights and Privacy Act (FERPA), a federal act which prohibits disclosing a student's education records without written consent. U.S. Education officials acknowledged that confusion exists among some states and said they are planning to provide further guidance on data sharing.

Louisiana has consistently worked to achieve interagency collaboration and partnership around data sharing. House Concurrent Resolution No. 66 of the 2011 Regular Session of the Louisiana Legislature (HCR 212 of the 2010 Legislative Session) addresses the issue of data

sharing by urging and requesting the Board of Regents, the Department of Revenue (LDR), and the Louisiana Workforce Commission (LWC)

**to continue to work cooperatively relative to the reporting and sharing of certain information and data, including but not limited to information and data related to the success of Louisiana's postsecondary graduates in the workforce, and to submit jointly a written report of progress relative to such cooperation and any recommendations for related legislation to the House Committee on Education and the Senate Committee on Education. (Appendix A.)**

The Regents have a long history of data and information sharing (both at the unit level and aggregate level). Information is utilized to plan, coordinate, and assess postsecondary education initiatives and progress, and with respect to data sharing and related projects, the BOR has historically been engaged in efforts to improve education and advance postsecondary and workforce opportunities for students. Act No. 397 of the 2011 Regular Session of the Louisiana Legislature was enacted relative to the Department of Revenue with respect to the confidentiality of taxpayer records; to authorize the sharing of information relating to certain postsecondary education and employment information; and to provide for related matters. Specifically, it mandated that:

**The sharing or furnishing, in the discretion of the secretary, of a taxpayer's reported postsecondary education and employment information to the Louisiana Board of Regents for purposes of generating data related to the success of Louisiana's postsecondary graduates in the workforce. Any information shared or furnished shall be considered held confidential by the Louisiana Board of Regents to the same extent provided for in Subsection A of this Section. (Appendix B.)**

## **PROCESS**

To address HCR 66 specifically, the Board of Regents, hereinafter referred to as “BOR”, the Louisiana Workforce Commission, hereinafter referred to as “LWC”, and the Louisiana Department of Revenue, hereinafter referred to as “LDR”, met to discuss and concluded that the passage of Act 397 2011 and the previous passage of HCR 212 of 2010 satisfied any new agency

or state policies and/or legal considerations relative to data sharing which should be considered. The partner agencies then established appropriate next steps to address the mandates of HCR 66 and ACT 397.

Over the past several years, the Louisiana Board of Regents has participated in data sharing opportunities with other state agencies to address job readiness, employment and transition patterns of public postsecondary education students. In an initial meeting following the passage of HCR 66, data staffs from the BOR and LWC met to discuss their current data sharing practices and determine timelines by which the BOR would transmit data to the LWC, and the matched data would be returned. Since the inception and implementation of the state's Workforce Scorecard and Occupational Forecasting processes, the BOR has been a data contributor. Annually, the BOR provides enrollment and completer data to LWC for evaluating workforce development programs through the Scorecard and shares data at the program level with LWC for use in the Scorecard. The two agencies reviewed the current data sharing process and Agreement. The purpose of the Agreement is to enable LWC to share confidential information obtained through its administration of Louisiana's unemployment compensation system. The BOR uses the information in performing its official duties related to program evaluation by determining how many Louisiana graduates are working in the state.

## **FINDINGS**

### ***The 2011 Employment Outcomes Report***

Utilizing available BOR and LWC data, the BOR was able to produce an initial baseline report, the 2011 Employment Outcomes Report<sup>1</sup>, to examine the employment outcomes of all completers of Louisiana public postsecondary education institutions, as well as Louisiana

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<sup>1</sup> The Employment Outcomes Report can be downloaded from the BOR Website at: <http://www.regents.doa.louisiana.gov/index.cfm?md=pagebuilder&tmp=home&pid=23&pnid=0&nid=11>

residents and non-residents separately. Based on completer data and available wage data for six months and eighteen months after graduation, the report was designed to study the personal economic value of public higher education in the state of Louisiana and to determine the following:

1. The retention of Louisiana public postsecondary completers in Louisiana's workforce
2. The impact of residency status on retention
3. Completers' earnings six months and eighteen months following graduation
4. The impact of level of education on earnings

Louisiana public institution completers were identified using the Regents' Statewide Completers System. This completer data file was submitted to the Louisiana Workforce Commission.

The list of completers was compared to data at LWC. The highest credential earned was selected for students who earned multiple credentials within the same academic year. When a match was found, quarterly wage information was attached to the completers' records. For the purposes of this report, average salary was calculated by multiplying the wages of the last quarter by four, giving a snapshot of the average annual salary at that point in time.

It is important to note that this analysis does not provide a complete picture of employment since it is based only on those employers in Louisiana that contribute to the UI Wage Records System (UI System). The UI System does not include those individuals who are self-employed, employed outside of Louisiana, employees of the federal government (e.g., military and postal service) or are employed in occupations or entities that do not participate in the UI System. It is important to note that all employment rates in this publication are underreported since they do not include employees who do not appear in the UI System.

Any analysis utilizing UI wage records must recognize the following:

1. The absence of a wage record does not equate to being unemployed;
2. Existence of a wage record indicates that an individual was employed; however it does not show that the individual was employed in the field in which the individual graduated;

3. Since this analysis only includes data following time of graduation, it is uncertain as to whether the employment was a result of the training;
4. The quarterly wages give good information to establish certain thresholds, e.g. living wage or a baseline wage level, to measure change over time; and
5. The wage match for the 2<sup>nd</sup> (six months) and 6<sup>th</sup> quarters (eighteen months) does not necessarily indicate employment with the same employer, nor does it show that the employment was continuous.

The populations were divided into two groups: (1) Louisiana residents and (2) non-Louisiana residents. Completers who re-enrolled were included in the findings of this report. Although including the completers who re-enrolled caused the overall employment rate to increase, employment rates fluctuated differently at each degree level. As expected, including the completers who re-enrolled decreased the overall average calculated salary in the study.

The Employment Outcomes Report analyzed the completers of academic year (AY) 2006-07, AY2007-08, and AY2008-09. Results are broken into several categories including in-state employment rate comparisons by credential type and residency status; employment status by field of study; and calculated average salary for six months and eighteen months after credential completion. Inter-state or national comparisons are provided where additional context for understanding the information is needed. The Employment Outcomes Report represented the first iteration of the comprehensive employment outcomes report and future reports will further the understanding of how our public college and university graduates connect with the Louisiana economy. The BOR and LWC will continue to work collaboratively to advance this work, understanding that the ability to consistently report on the employment of Louisiana's public postsecondary graduates, their earnings and their degrees of study will assist in addressing the lingering questions of workforce alignment. The 2011 Employment Outcomes Report is available on the Regents website.

### ***BOR-LDR Data Sharing Efforts***

In addition to collaboration with the Workforce Commission, the resolution urged collaboration with the Department of Revenue. The Board of Regents and Louisiana Department of Revenue staffs met to investigate potential opportunities through data sharing. During this process, staffs acknowledged that the passage of ACT 397 and the subsequent amendment to the state statute on data sharing settled previous concerns related to legal limitations.

Both the BOR and the LDR have determined that it is in the state's best interest to develop a systematic records matching program that will allow the BOR to assess policy decisions, program efficacy, and socioeconomic outcomes of postsecondary education. In addition, the BOR is interested in utilizing these data for program and institutional accountability reporting. This engagement would enable the BOR to expand the work which led to the Employment Outcomes Report and further assess placement of graduates/students in Louisiana.

While there will be some limitations to the information collected, it will nevertheless enhance the BOR's ability to determine what a graduate is earning as well as the tax contributions of public postsecondary graduates. An example of a limitation in the data would be the inability to isolate and determine an individual wage earner's salary for married couples who file tax returns jointly. The next steps in the BOR-LDR data sharing efforts will include:

1. Identifying the specific questions that need to be answered utilizing BOR and LDR data;
2. Formulating a work plan to data share and seek to answer the questions;
3. Formatting the pending pilot results into a presentation that can be easily understood and clearly targeted;
4. Reconvening collaborating agencies to make an initial presentation of findings and solicit feedback;
5. Refining, as necessary, data file specification and methodologies;



6. Continuing ongoing meetings between BOR and LDR data staffs to discuss results and determine appropriate use, data analysis and whether an amendment to existing state tax forms would prove beneficial; and
7. Triangulating the matched LDR data with the LWC data match to provide a more robust picture of Louisiana graduates and their employment outcomes.

Overall, the BOR, LWC and LDR believe that aligning data will provide an enhanced, more comprehensive data snapshot for making informed state policy decisions.

## **CONCLUSION**

In accordance with HCR 66 and ACT 397, this report has identified the current and ongoing data sharing agreements and efforts between the BOR, LWC and LDR. The three collaborating agencies will continue to review, refine and expand their data sharing practices in order to enhance each agency's ability to use data to evaluate its performance and track Louisiana's graduates into the workforce. In order to achieve this goal, the Board of Regents, the Workforce Commission and the Louisiana Department of Revenue will formalize an ongoing working data and policy workgroup to continue to improve data sharing practices; address data shortcomings; and eventually answer data questions regarding the workforce alignment of Louisiana public postsecondary programs and employment outcomes.

# **APPENDIX A**

HOUSE CONCURRENT RESOLUTION NO. 66  
BY REPRESENTATIVE HARRISON

## APPENDIX A

**ENROLLED**

Regular Session, 2011

HOUSE CONCURRENT RESOLUTION NO. 66

BY REPRESENTATIVE HARRISON

### A CONCURRENT RESOLUTION

To urge and request the Board of Regents, the Department of Revenue, and the Louisiana Workforce Commission to continue to work cooperatively relative to the reporting and sharing of certain information and data, including but not limited to information and data related to the success of Louisiana's postsecondary graduates in the workforce, and to submit jointly a written report of progress relative to such cooperation and any recommendations for related legislation to the House Committee on Education and the Senate Committee on Education not later than sixty days prior to the beginning of the 2012 Regular Session of the Legislature of Louisiana.

WHEREAS, there is concern that some students are graduating from public postsecondary education institutions in Louisiana without the skills or knowledge to successfully enter the workforce; and

WHEREAS, having a professional and highly skilled workforce is critical to the overall success of the state; and

WHEREAS, in response to House Concurrent Resolution No. 212 of the 2010 Regular Sessions of the Legislature of Louisiana, which requested that the Board of Regents, the Department of Revenue and the Louisiana Workforce Commission work cooperatively relative to the reporting and sharing of certain information and data and submit jointly to the legislature a written report of their progress, these entities submitted such a joint report to the legislature in February 2011; and

WHEREAS, ongoing coordination and collaboration on data related to the success of graduates in the workforce would continue to aid public postsecondary institutions in improving their overall effectiveness and efficiency and would be a positive step toward continuing to improve educational and employment outcomes in the state of Louisiana; and

WHEREAS, it is appropriate that the Board of Regents, the Department of Revenue and the Louisiana Workforce Commission continue to work together and submit jointly a report on further progress in this effort.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby urge and request the Board of Regents, the Department of Revenue, and the Louisiana Workforce Commission to continue to work cooperatively relative to the reporting and sharing of certain information and data, including but not limited to information and data related to the success of Louisiana's postsecondary graduates in the workforce, and to submit jointly, in compliance with R.S. 24:771 and 772, a written report of further progress relative to such cooperation and any recommendations for related legislation to the House Committee on Education and the Senate Committee on Education not later than sixty days prior to the beginning of the 2012 Regular Session of the Legislature of Louisiana.

BE IT FURTHER RESOLVED that copies of this Resolution be transmitted to the chairman of the Board of Regents, the commissioner of higher education, the secretary of the Department of Revenue, and the executive director of the Louisiana Workforce Commission.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

# **APPENDIX B**

ACT 397 OF 2011  
BY REPRESENTATIVE HARRISON

APPENDIX B

ENROLLED

Regular Session, 2011

HOUSE BILL NO. 455

**ACT No. 397**

BY REPRESENTATIVE HARRISON

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

AN ACT

To enact R.S. 47:1508(B)(29), relative to the Department of Revenue; to provide with respect to the confidentiality of taxpayer records; to authorize the sharing of information relating to certain postsecondary education and employment information; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:1508(B)(29) is hereby enacted to read as follows:

§1508. Confidential character of tax records

\* \* \*

B.

\* \* \*

(29) The sharing or furnishing, in the discretion of the secretary, of a taxpayer's reported postsecondary education and employment information to the Louisiana Board of Regents for purposes of generating data related to the success of Louisiana's postsecondary graduates in the workforce. Any information shared or furnished shall be considered held confidential by the Louisiana Board of Regents to the same extent provided for in Subsection A of this Section.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_

