



Letters: LSU's O'Keefe backs Amendment 10

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An important constitutional amendment related to higher education will appear on the ballot in the statewide referendum on Sept. 30.

This proposed amendment — Amendment No. 10 — has a direct impact on all colleges and universities in Louisiana, public and private.

If it passes, the amendment would allow the state's colleges and universities to invest more of their endowed funds in equity, or publicly traded stocks and other such financial instruments, subject to guidelines in the state constitution. The law currently prohibits colleges and universities from investing the state funds provided to endowments. This amendment would provide the flexibility to invest up to 35 percent of these funds in equity.

The passage of this amendment would permit the state's colleges and universities to earn more from these endowed investments.

For example, at LSU, the passage of this amendment would allow our university to earn up to an additional \$1.4 million per year. These additional investment earnings would directly support our students and faculty.

According to the Public Affairs Research Council, 16 of 20 states surveyed allow for the investment of public dollars in equity. And the National Association of College and University Board Officers found that 60 percent of such funds are invested in equities as a national average. In short, this is a standard practice across the country, and other states are yielding the benefit.

The "Forever LSU" campaign is all about building LSU's endowment. We can put these funds to work by investing them prudently, but more aggressively.

By doing so, this supplements the public resources appropriated by the state to much greater benefit. The colleges and universities in Louisiana are constantly improving, and that takes additional funds. It would be better to use the funds we have more wisely. Amendment 10 would give us all the means to do that.

Sean O'Keefe
LSU chancellor
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