



Louisiana State University System

3810 West Lakeshore Drive
Baton Rouge, Louisiana 70808

Office of the President

225 / 578-2111
225 / 578-5524 fax

July 8, 2008

TO: LSU System Chancellors and Equivalents

SUBJECT: 2008-2009 Operating Budget

The Board of Supervisors will consider the 2008-2009 operating budget at the August 28-29, 2008 meeting. Budget materials will be due in the System Office no later than August 1, 2008, with the mail-out to the Board on August 21, 2008. The Board of Regents has issued a memorandum on the 2008-09 operating budget and detail which forms are to be completed. This memorandum as well as all required forms can be found at the following web site: <http://www.regents.state.la.us/Finance/budreq08-09.htm>.

Chancellor's Response

Each Chancellor must provide a detailed summary of their campus' 2008-2009 budget explaining:

1. How you applied available resources to advance to advance the mission of your campus, improve performance and generate additional revenue.
2. How your campus is proposing to allocate all new funds. For example, you should explain how you allocated funds to make progress towards increasing enrollments, to make improvements to your graduation and retention rates, etc.
3. You should explain how existing resources had to be reallocated to achieve operational improvements or to fund priority items.

Auxiliary Enterprises

Prepare a detailed summary report on each of your auxiliary enterprises that includes:

1. Fund balances (estimated) as of June 30, 2008, and which shows the planned uses and actual encumbrances stated separately.
2. Debt service by each auxiliary component.
3. Please also provide variations between last year's report and actual uses.

If any auxiliary shows a deficit submit a specific action plan designed to restore profitability

Appropriated Line Items

If you campus received a separate "line item" appropriation in HB 1, received significant new funds, or is seeking an increase in tuition and fees you must complete the enclosed Planned Uses of New Funds form for each such item.

LSU System 2008-2009 Salary Guidelines

Faculty

As you are aware, the state has not provided funds for a pay increase for the faculty. If your campus intends to fund a pay increase you must prepare and submit for approval a plan detailing the guidelines and procedures that will be followed in implementing the increase.

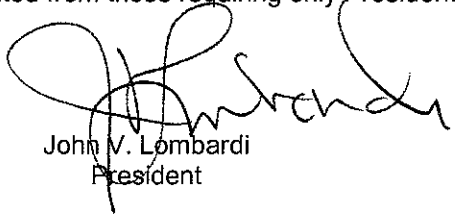
Administrative and Professional Staff

Specific funds for a salary increase for administrative and professional employees have not been appropriated from the state. If your campus intends to devise and fund a salary increase for these employees you must also prepare and submit for approval a plan giving the guidelines and procedures you intend to follow in implementing the increase.

These plans must also be submitted to the office by July 10th even if you intend to implement them at some point later in the fiscal year.

Board Approval

Board Bylaws (Art.VII, Sec. 8 D4) should be consulted for all compensation actions that require Board approval (e.g. for employees whose compensation exceeds \$100,000), and, insofar as practicable, separated from those requiring only Presidential approval.



John V. Lombardi
President

cc. System Officers
Chief Business Officers