




Finance And Administration  
Assistant Vice President for Finance And Administration

TO: Campus Chief Financial Officers

FROM: Jim Buras, CPA   
Assistant Vice President for Finance and Administration

SUBJECT: FY 2018 Operating Budget Instructions

DATE: June 30, 2017

The Board of Supervisors will consider and act on the University's proposed FY 2018 operating budget at its meeting on September 8, 2017. Executive Vice President Layzell will summarize the significant issues in the budget in a presentation to the Board. The printed FY 2018 operating budget will again consist of the budget forms issued by the Board of Regents. All budget materials will be due in electronic format via an email to me at [jburas@lsu.edu](mailto:jburas@lsu.edu) **no later than Friday, August 11<sup>th</sup>**. The resubmission of the BOR forms with the FY 2017 actual data and the OPB forms (BR, Sunset, Children's, etc.) will be due on **September 8<sup>th</sup>** to comply with the Board of Regents' deadline of October 1, 2017.

**FY 2018 Operating Budget:**

The forms and detailed instructions for completion from the Board of Regents are being provided in an email that will be forthcoming under separate cover as soon as it is received.

- **Budget Forms** - please ensure that you use the budget forms on the Board of Regents website.

Also forthcoming under separate cover as soon as it is received is the Louisiana Postsecondary Education Comparison of Final FY 2017 Funding to the FY 2018 Appropriation Letter, which details your ending FY 2017 and beginning FY 2018 operating budgets. It should be noted that the Board of Regents will hold its FY 2018 operating budget hearings in **September 2017**.

The Health Care Services Division, and Pennington Biomedical Research Center should submit BOR-1, BOR-2, BOR-3 and BOR-3A for their FY 2018 operating budgets by **Friday, August 11, 2017** and the Division of Administration's budget forms for these units should be submitted to us by **Friday, September 8, 2017**.

**FY 2018 Potential \$60M Holdback**

The Division of Administration was directed by the Legislature to have State agencies hold back \$60M in anticipation of a mid-year budget shortfall in FY 2018.

At this time, we have not received any direction from the Division as to how this might impact Higher Education, but we are recommending that you hold back 3% of your State General Fund appropriation as a precaution. We will keep you posted as additional information becomes available, but please keep this in mind as you develop your operating budgets for FY 2018.



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**FY 2018 Priorities**

Please provide by **Friday, August 11, 2017**, a narrative outlining your campus' top budget priorities for FY 2018.

**Maximum Support for Athletics**

Although the University does not allow its entities to use state funds to subsidize athletics, the amount of maximum state support for FY 2018 pursuant to the Board of Regents policy will be forthcoming under separate cover as soon as it is received.

**FY 2018 LSU Institution Charge**

The institution should budget the appropriate institution allocation charge from the table below. The charge is calculated using the same general methodology in which it was calculated last year. For all campuses, the charge this year is 9 basis points based on the campus' actual FY 2016 revenue, the same rate charged in FY 2017.

|              | <b>Unrestricted</b>  | <b>Restricted</b>    | <b>Total</b>           | <b>Total<br/>Campus<br/>Charge</b> |
|--------------|----------------------|----------------------|------------------------|------------------------------------|
| LSU-A        | \$18,513,737         | \$10,961,161         | \$29,474,898           | \$26,527                           |
| LSU-E        | \$11,879,138         | \$8,396,686          | \$20,275,824           | \$18,248                           |
| LSU-S        | \$28,438,303         | \$18,509,689         | \$46,947,992           | \$42,253                           |
| HSC-NO       | \$145,688,938        | \$367,045,881        | \$512,734,819          | \$461,461                          |
| HSC-SHRV     | \$113,916,614        | \$279,900,544        | \$393,817,158          | \$354,435                          |
| HCSD         | \$134,891,495        | \$489,697            | \$135,381,192          | \$121,843                          |
| AgCenter     | \$86,189,223         | \$50,178,832         | \$136,368,055          | \$122,731                          |
| PBRC         | \$17,092,685         | \$43,559,821         | \$60,652,506           | \$54,587                           |
| <b>TOTAL</b> | <b>\$556,610,133</b> | <b>\$779,042,311</b> | <b>\$1,335,652,444</b> | <b>\$1,202,085</b>                 |



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**FY 2018 Merit Increase Plans**

Please provide by **Friday, August 11 2017**, a narrative outlining your campus plans for any merit increases for FY 2018 including:

- The average merit increase (e.g., 3%) planned and the estimated total cost *less fringe benefits*;
- The total number of faculty and staff eligible to receive a merit increase and any specific parameters for determining eligibility (e.g., must have been employed at campus for one year or more);
- The planned date for implementation of the merit increase (e.g., August 15<sup>th</sup>); and
- Your specific plans with regard to Civil Service staff merit raises based on the guidance we received from BOR staff and which was forwarded to you earlier today.

**FY 2018 Internal Auditor Reimbursement**

This year, campuses will be charged for the year in the first quarter for the Internal Auditors as follows:

| <b>Campus</b> | <b>IA Estimated Budget</b> |
|---------------|----------------------------|
| HSC-NO        | \$158,567                  |
| HSC-SHRV      | \$158,567                  |
| HCSD          | \$132,139                  |
| <b>TOTAL</b>  | <b>\$449,273</b>           |

**Annual Tuition and Mandatory Fees:**

We anticipate the Board of Regents asking for our schedule of Annual Tuition and Mandatory Fees for FY 2018. The e-mail with the BOR survey and instructions is forthcoming under separate cover as soon as it is received, and can also be downloaded at <http://www.regents.la.gov/page/annual-mandatory-attendance-fees> when available. Please enter your FY 2018 tuition and fee amounts and return to me electronically by **July 27, 2017**.

If you have any questions, please do not hesitate to contact me at [jburas@lsu.edu](mailto:jburas@lsu.edu).

Attachments

Cc: President Alexander  
Campus CEO's  
Executive Vice President Layzell