



**BUDGET PRIORITIES
LSU HEALTH SCIENCES CENTER IN NEW ORLEANS
2022-23 OPERATING BUDGET**

The Fiscal Year 2022-23 appropriation for the LSU Health Sciences Center in New Orleans Campus (LSUHSC-NO) is \$158.4 million. This represents a net increase of \$3.9 million in comparison to the final appropriation of \$154.5 million for Fiscal Year 2021-22. It should be noted, however, that actual revenue received in FY 2021-22 was only \$152.8 million, a shortage from budget in that year of approximately \$1.7 million. The shortage consisted of budgeted fees and self-generated revenue that did not materialize. The LSUHSC-NO’s FY 2022-23 appropriation was increased in large part due to \$5.5 million increase in general fund: \$599 thousand to provide for increased mandated costs; \$682 thousand for a faculty pay plan; \$1 million to recruit new faculty in the Cancer discipline; \$250 thousand to expand the dental hygiene program into Central Louisiana; \$40 thousand for the Title IX office; an additional \$3.0 million in general fund operating funds as a result of increased formula funding; and an adjustment of \$406 thousand in SELF funds.

LSUHSC-NO Spending Priorities in FY 2022-2023:

Salary Adjustments

Civil Service Market Adjustments:

Pursuant to changes in the civil service rules, annual performance adjustments/Merit increases were abolished effective July 1, 2018 and instead all eligible classified employees receive an annual increase in accordance with the new Market Adjustment Rule (CSR 6.32). Effective July 15th of each fiscal year, eligible classified employees receive a market adjustment. A market adjustment is an adjustment to an employee’s base pay based upon the employee’s position within his/her pay range.

In order to be eligible for a market adjustment, a classified employee must have been employed (at a state entity) six months preceding the disbursement date of July 15th of each year. The following employees shall not be eligible for market adjustments:

- Any classified employee who received an overall performance evaluation of Needs Improvement/Unsuccessful on their last official performance evaluation.
- When Actually Employed (WAE) employees.

Eligible classified employees will receive a base pay increase through a market adjustment annually on July 15th. The Percentage amount granted to an employee will be determined by identifying where their current hourly rate falls within his/her pay range. Eligibility percentages are below:

Hourly Rate at Minimum up to 1 st Quartile	Hourly Rate above 1 st Quartile up to the Midpoint	Hourly Rate above the Midpoint up to the 3 rd Quartile	Hourly Rate above 3 rd Quartile up to the Maximum
4%	3%	2%	2%

The civil service market adjustments for 304 employees come with an annual increase of \$391 thousand including fringe benefits.

Faculty Promotion and Tenure Adjustments:

Effective July 1, 2022, the Health Sciences Center granted tenure to six faculty members and salary increases for faculty who have earned promotions in rank. Increases range between 0% and 14%. These faculty promotions come with an annual increase of \$556 thousand including fringe benefits as follows:

Previous Title	Promoted Title	Number of Positions	FY 23 Annual Inc. w/ RB
Assistant Professor	Associate Professor	3	\$56,501
Assistant Professor	Associate Professor – Tenure Track	1	\$14,300
Assistant Professor-Clinical	Associate Professor-Clinical	17	\$182,520
Assistant Professor-Research	Associate Professor-Research	3	\$30,962
Associate Professor	Professor	4	\$77,508
Associate Professor-Clinical	Professor-Clinical	8	\$145,122
Clinical Assistant Professor	Clinical Associate Professor	8	\$18,448
Instructor-PT	Assistant Professor-Clinical	1	\$10,052
Instructor-Research	Assistant Professor-Research	2	\$20,327
Total LSUHSCNO		47	\$555,740

Equity Increases for Unclassified Faculty and Staff:

The Health Sciences Center Department of Human Resources Management (HRM) undertook a robust review of all unclassified position salaries to ensure both market competitiveness and internal equity using various tools to determine how these positions are valued externally and to evaluate how current employee salaries fit within those external benchmarks.

As a result of this substantial undertaking to assess equity and fairness, HRM's Compensation Division proposed an Equity Analysis as a starting place and allowed each school/division to propose increases to its faculty and staff to begin to address equity issues effective July 1, 2022. The equity increases for 520 employees comes with an annual increase of \$2.8M including fringe benefits.

Merit Increases for Unclassified Faculty and Staff:

The Health Sciences Center also allowed for a merit increase effective July 1, 2022 for eligible faculty and unclassified staff. The Merit increase for 1,391 employees comes with an annual increase of \$5.9M including fringe benefits.

Because leadership is well aware of the State's historical fiscal condition, but also recognizing that our employees are our most important resource, our University has placed an emphasis on creating and enhancing alternative sources of funding to continue to grow:

- LSUHSC-NO continues to seek new and/or expanded relationships with private and not-for-profit health care entities.
- LSUHSC-NO will open the repurposed LSU Interim Hospital for the purpose of enhancing the LSUHSC-NO footprint to include operation of the Center for Advanced Learning and Simulation.

- LSUHSC-NO continues to embark on renovation of its spaces with an emphasis on research laboratory upgrades in order to be competitive in recruiting additional funded investigators. Therefore, we request additional support for recruitment packages.
- LSUHSC-NO continues to explore new and innovative public-private partnerships to maximize revenue and utilize the transferred buildings including parking in support of repurposed buildings, housing for residents, students, and faculty, and clinics in support of Graduate Medical Education.

The University also continues to focus on:

- Advancing a learning environment of excellence
- Enhancing the quality of educational programs
- Growing our reputation as a national leader in biomedical research and cancer research
- Improving access and quality of care to citizens, while promoting disease prevention and health awareness
- Building strong community partner relationships
- Protecting the safety and security of the University with a targeted focus on public health testing and research.