



Louisiana State University System

3810 West Lakeshore Drive
Baton Rouge, Louisiana 70808

Finance and Administration

225 / 578-8878
225 / 578-5524 fax

TO: LSU System Chancellors/Executive Directors

FROM: Wendy C. Simoneaux,
Associate Vice President for Finance and Administration

SUBJECT: 2014-2015 Operating Budget

DATE: July 8, 2014

The Board of Supervisors will consider the 2014-2015 operating budget at its meeting of September 12, 2014. Vice President Layzell will summarize the significant issues in the budget in a presentation to the board. The printed 2014-2015 operating budget will again consist of the budget forms issued by the Board of Regents. All budget materials will be due in the System Office via an email to Jim Buras at jburas@lsu.edu with a copy to Wendy Simoneaux at wendys@lsu.edu **no later than Friday, August 15th**. The resubmission of the BOR forms with the FY 12-13 actual data and the OPB forms (BR, Sunset, Children's, etc.) will be due on **September 12th** to comply with the Board of Regents' deadline of October 1, 2014.

Operating Budget:

A link to the forms, detailed instructions for completion, and the memorandum for the "formula institutions" from the Board of Regents is attached.

For your information, please find attached the Louisiana Postsecondary Education Comparison of Final 2013-14 Funding to the FY 2014-15 Appropriation Letter, which details your ending 13-14 and beginning 14-15 operating budget. At this time, the WISE funds are still at the Board of Regents and will not be included in your budget submissions. It should be noted that the Board of Regents will hold its operating budget hearings on **September 24th**.

The Health Care Services Division, the System Office and Pennington should submit BOR-1, BOR-2, BOR-3 and BOR-3A for its operations by **Friday, August 15th** and the Division of Administration's budget forms for these units should be submitted to us by **September 19th**.

Workforce and Innovation for a Stronger Economy (WISE) Program:

Although the institutional distribution of the \$40 million approved for the WISE Program recently signed into law by Governor Jindal has not yet been finalized by the WISE Council, please provide by **Friday, August 15th**, a brief narrative of what initiative(s) your campus has in mind for these funds.

FY 2014-2015 Priorities:

Since this is the first year in the past 6 years that campuses have been able to maintain their general fund at the prior year base level and also maintain their incremental tuition revenue, please provide by **Friday, August 15th**, a narrative outlining your institution's top budget priorities for FY 2014-2015.



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Maximum Support for Athletics:

Although the LSU System does not allow the use of state funds to subsidize athletics, the amount of maximum state support for FY 2014-2015 pursuant to the Board of Regents policy will be forthcoming under separate cover as soon as it is received from the Board of Regents.

FY 2014-2015 LSU System Institution Charge:

The institution should budget the appropriate institution allocation charge from the table below. The charge is calculated in the same manner in which it was calculated last year. The charge is 11 basis points based on the institutions actual 2012-2013 revenue.

	Unrestricted	Restricted	Total	Total Campus Charge
LSU	\$433,797,878	\$446,296,267	\$880,094,145	\$968,104
LSU-A	\$14,866,053	\$8,535,271	\$23,401,324	\$25,741
LSU-E	\$11,232,593	\$9,441,401	\$20,673,994	\$22,741
Hebert Law Ctr.	\$22,250,866	\$1,032,398	\$23,283,264	\$25,612
LSU-S	\$24,434,705	\$18,595,219	\$43,029,924	\$47,333
HSC-NO	\$160,254,335	\$329,159,900	\$489,414,235	\$538,356
HSC-SHRV	\$63,239,139	\$200,660,575	\$263,899,714	\$290,290
HCSD	\$29,731,422	\$953,180	\$30,684,602	\$33,753
Agricultural Ctr	\$90,204,490	\$44,848,888	\$135,053,378	\$148,559
PBRC	\$13,279,623	\$49,806,418	\$63,086,041	\$69,395
TOTAL	\$863,291,104	\$1,109,329,517	\$1,972,620,621	\$2,298,062

FY 2014-2015 Internal Auditor Reimbursement:

Again this year, you will be charged on a quarterly basis for the Internal Auditors based on the percentage of time spent on your institution. However, the estimated budget based on the FY 2014-2015 audit plan for your campus is as follows:

	IA Estimated Budget
LSU & Related	\$565,485
LSU First	\$24,063
HSC-NO	\$216,569
HSC-SHRV	\$216,569
HCSD	\$180,474
TOTAL	\$1,203,160



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FY 2014-2015 LSU System Salary Reporting and Guidelines:

Depending on the individual campus' ability to fund, the President/Chancellor has authorized a merit-based pay plan for faculty and professional staff averaging 3%. The increases must be based principally upon job performance. Please provide to me by **August 15th**, the details of your plan which also must comply with the approvals set forth in PM-69. In addition, if your campus is not able to provide the classified employees with their full merit increase by the October 1st deadline, you must receive an approved layoff avoidance plan from the Department of Civil Service.

Budget Adjustments for LSU System Office and Paul M. Hebert Law Center:

For FY 2015-2016, we will be working on consolidating the System Office budget and the Paul M. Hebert Law Center budget with the A&M campus budget. The System Office will have to reflect the change in its Division of Administration Budget Request forms and the A&M campus will have to add the budgets of the System Office and the Paul M. Law Center to its new and expanded request once that is requested by the Division.

Annual Tuition and Mandatory Fees:

The Board of Regents is again asking for our schedule of Annual Tuition and Mandatory Fees for FY 2014-2015. I am attaching the file that we compiled from LSU campuses earlier this year and am asking that you verify by **July 18th** that your information is correct.

If you have any specific questions, please do not hesitate to contact Wendy Simoneaux at wendys@lsu.edu or Jim Buras at jburas@lsu.edu.

Cc: President/Chancellor Alexander
Vice President Layzell
Campus CFOs