



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 2016-2017 Operating Budget Instructions

DATE: July 8, 2016

The Board of Supervisors will consider and act on the University's proposed FY 2016-2017 operating budget at its meeting on September 9, 2016. Vice President Layzell will summarize the significant issues in the budget in a presentation to the Board. The printed FY 2016-2017 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 **no later than Friday, August 12th**. The resubmission of the BOR forms with the FY 2015-2016 actual data and the OPB forms (BR, Sunset, Children's, etc.) will be due on **September 9th** to comply with the Board of Regents' deadline of October 1, 2016.

Operating Budget:

The forms and detailed instructions for completion from the Board of Regents are being provided in an email attached to this memo.

- NEW budget forms - please ensure that you use the NEW budget forms. Electronic forms without the new lines/information added to collect TOPS shortfall information for 2015-2016 will not be accepted.
- The NEW budget forms will be on the Board of Regents website.

For your information, please also find attached the Louisiana Postsecondary Education Comparison of Final FY 2015-2016 Funding to the FY 2016-2017 Appropriation Letter, which details your ending FY 2015-2016 and beginning FY 2016-2017 operating budgets. It should be noted that the Board of Regents will hold its FY 2016-2017 operating budget hearings on **September 21, 2016**.

The Health Care Services Division, and Pennington Biomedical Research Center should submit BOR-1, BOR-2, BOR-3 and BOR-3A for their FY 2016-2017 operating budgets by **Friday, August 12, 2016** and the Division of Administration's budget forms for these units should be submitted to us by **Friday, September 9, 2016**.

FY 2016-2017 Potential 5% Cut

As communicated to you recently, the Division of Administration indicated the possibility of as much as a five percent (5%) mid-year budget reduction that would likely occur in the fall.



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At this time, the Division has not made any specific decisions as to the impact to Higher Education or provided any additional information. However, a worst-case scenario is that 5% of your campus' FY 2016-2017 State General Fund allocation would be reduced to solve the anticipated mid-year budget problem. We will keep you posted as additional information becomes available, but please keep this in mind as you develop your operating budgets for FY 2016-2017.

FY 2016-2017 Priorities:

Please provide by **Friday, August 12, 2016**, a narrative outlining your campus' top budget priorities for FY 2016-2017.

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 2016-2017 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 2016-2017 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 except HSCS and HCSD, the charge this year is 9 basis points based on the campus' actual FY 2014-2015 revenue, which is a decrease from last year's charge of 11 basis points. HSCS and HCSD charges were kept at the same adjusted rates as FY 2015-2016 due to the impact of the hospitals that are transitioning away from those entities.

	Unrestricted	Restricted	Total	Total Campus Charge
LSU-A	\$16,818,678	\$10,343,767	\$27,162,445	\$24,446
LSU-E	\$11,838,180	\$8,793,348	\$20,631,528	\$18,568
LSU-S	\$25,962,021	\$19,327,185	\$45,289,206	\$40,760
HSC-NO	\$137,695,553	\$366,586,529	\$504,282,082	\$453,854
HSC-SHRV	\$60,567,837	\$268,771,438	\$329,339,275	\$212,644
HCSD	\$111,582,727	\$104,358,735	\$215,941,462	\$20,299
AgCenter	\$87,309,045	\$44,970,023	\$132,279,068	\$119,051
PBRC	\$13,147,600	\$44,319,636	\$57,467,236	\$51,721
TOTAL	\$464,921,641	\$867,470,661	\$1,332,392,302	\$941,343



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FY 2016-2017 Internal Auditor Reimbursement

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

Campus	IA Estimated Budget
HSC-NO	\$158,567
HSC-SHRV	\$158,567
HCSD	\$132,139
TOTAL	\$449,273

Annual Tuition and Mandatory Fees:

The Board of Regents is again asking for our schedule of Annual Tuition and Mandatory Fees for FY 2016-2017. The e-mail with the BOR survey and instructions is attached and can also be downloaded at <http://www.regents.la.gov/page/annual-mandatory-attendance-fees>. Please enter your FY 2016-2017 tuition and fee amounts and return to me electronically by **July 27, 2016**.

If you have any questions, please do not hesitate to contact me at jburas@lsu.edu.

Attachments

Cc: President Alexander
Campus CEO's
Vice President Layzell