



Louisiana State University System

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Office of the President

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July 13, 2007

**TO:** LSU System Chancellors  
**SUBJECT:** 2007-2008 Operating Budget

The Board of Supervisors will consider the 2007-2008 operating budget at the August 16-17, 2007 meeting. Assistant Vice President Antolik will summarize the significant issues in the budget in a presentation to the board. The printed 2007-2008 operating budget will again consist of the budget forms issued by the Board of Regents.

Budget materials will be due in the System Office no later than July 31, 2007, with the mail-out to the Board on August 8, 2007. The Board of Regents forms and instructions are located at the following web site: <http://www.regents.state.la.us/Finance/borforms.htm>. Please follow their instructions very carefully. We have been asked not to make any changes to the forms without approval from Board of Regents staff.

**Chancellor's Narrative**

Each Chancellor must provide a short summary (no more than two pages) of the 2007-2008 budget. Your narrative will explain how you applied available resources to advance the mission of your campus. Special attention should be focused on how you used the funds to bring your campus up to full funding (or how your campus allocated the 3% flexible funds for those campuses at or above full funding). For example, you should explain how you allocated these funds to achieve campus goals and objectives, to make progress towards System Strategic Objectives, to make improvements to your graduation and retention rates, etc.. Finally, any significant internal reallocation of existing funds must be discussed in a separate section of the narrative.

**Auxiliary Enterprises**

Prepare a summary report on each of your auxiliary enterprises that includes total and available cash balances (estimated) as of June 30, 2007, and which shows the planned uses of these balances. For each auxiliary that is in a deficit posture, you must explain the cause of the deficit and submit a specific plan to restore profitability.

Your budget should not include transfers from the auxiliaries whose net effect is to reduce fund balances without my approval.

**Appropriated Line Items**

If your campus received a separate "line item" appropriation in HB 1 or received a distribution from a pool appropriated to the Board of Regents you must complete the enclosed Appropriation Detail Form for each such line item. This form will summarize proposed and, if appropriate, prior year budgets highlighting differences and providing details on the use of funds.

### LSU System Expenses - Campus Charges

Please budget the appropriate charge for your campus from the table below. These funds are used to offset expenses incurred by the LSU System and Board of Supervisors operation. The System charge for Huey P. Long Medical Center will be isolated from the HCSD amount shown below at a later date. Also, as a result of budgetary uncertainties associated with the changing of the System President, these amounts may be amended during the year.

**Louisiana State University System  
Campus Charges for Fiscal Year 2007-2008  
Based on Fiscal Year 2005-2006  
Actual Revenues By Campus (From Analysis C-1 of the Financial Report)**

	Unrestricted	Restricted	Total	Campus Charge
LSU	\$ 367,822,853	\$ 339,901,255	\$ 707,724,108	\$ 1,203,131
LSU-A	14,904,501	7,244,667	22,149,168	37,654
LSU-E	11,938,789	8,366,102	20,304,891	34,518
Hebert Law Ctr.	18,049,505	1,674,776	19,724,281	33,531
LSU-S	24,614,177	17,742,680	42,356,857	72,007
UNO	88,186,747	85,448,680	173,635,427	295,180
HSC-NO	174,182,715	178,591,722	352,774,437	599,717
HSC-SHRV	63,131,487	431,834,621	494,966,108	841,442
E. A. Conway	6,963,709	76,924,528	83,888,237	142,610
HCSD	640,823,973	2,649,570	643,473,543	1,093,905
Agricultural Ctr	90,691,584	33,318,101	124,009,685	210,816
PBRC	11,452,610	39,107,012	50,559,622	85,951
<b>TOTAL</b>	<b>\$ 1,512,762,650</b>	<b>\$ 1,222,803,714</b>	<b>\$ 2,735,566,364</b>	<b>\$ 4,650,463</b>

### LSU System 2007-2008 Salary Guidelines

#### Faculty

This year the State is providing funds for a faculty salary increase. As you are aware language in the preamble to the higher education section of HB 1 requires that one-half of these funds be allocated for an across the board pay increase for all full-time faculty. For your information, the guidelines that I had previously approved are attached.

Each campus must prepare and have approved a plan detailing the guidelines and procedures that will be followed in implementing the faculty salary pay increase. While one-half of the funds for the faculty pay increase will be distributed only to full time faculty based on an across the board basis, the remaining half of your faculty salary increase funds does not have to be distributed using an 'across the board' or 'cost of living' approach, but instead take into consideration factors such as performance, comparable SREB faculty salary averages or other appropriate professional faculty salary benchmarks, market demand by discipline, institutional priorities, and equity issues. If you have not already done so, please send me your plan as soon as possible.

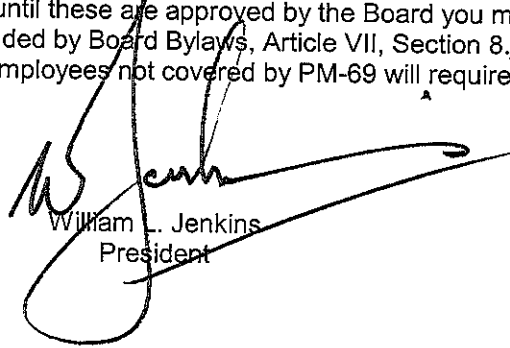
In order to document how the pay plan funds are distributed it will be necessary for your campus to complete the attached pay plan detail and summary worksheets. These worksheets should be submitted with your operating budget.

#### Administrative and Professional Staff

The state has also provided a flat \$1,500 plus benefits for all other employees (it is my understanding that all non-faculty are eligible but funding has been provided only to those who have all or a portion of their salary paid from the operating budget). An Executive Order will be issued in the near

future that will provide additional details. If your campus intends to supplement this amount for administrative and professional staff, a formal plan for doing so must be developed and submitted to me, even if you plan to implement it later in the fiscal year.

Finally, while the System has been developing new procedures for approving salary increases that occur during the year, please note that until these are approved by the Board you must continue to adhere to existing provisions in PM-69 as amended by Board Bylaws, Article VII, Section 8.j. In addition, any salary increases of 15% or greater for employees not covered by PM-69 will require Presidential approval.



William L. Jenkins  
President

cc. System Officers  
Chief Business Officers