

Louisiana State University



2015–2016 Semi-annual Financial Report

For period ending December 31, 2015

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CAMPUS CORRESPONDENCE

To: F. King Alexander
President and Chancellor

Date: January 27, 2016

From: Daniel T. Layzell
Vice President for Finance and Administration/CFO

Subject: Semi-Annual FY 2015-2016 Financial Report

The first semi-annual financial report for FY 2015-16 shows that LSU is on track to complete the fiscal year within its approved operating budget. The University's enrollment continues to increase each year with a current enrollment of 31,527 which is a 2% increase over last fall.

The Joint Legislative Budget Committee enacted a budget reduction based on the Revenue Estimating Conference general fund projection. A BA-7 reducing LSU's state general funds by \$582,803 was processed and approved on August 31, 2015 is reflected in this report.

The staff and I will be happy to answer any questions concerning the data in the report.

| Unrestricted Operations | | Actual Amount for each semi-annual period in 2015-2016 | | |
|--|--------------------|---|------------------------------|------------------------------|
| | | Adjusted Operating Budget | 1st & 2nd Quarter | 3rd & 4th Quarter |
| Revenues | | | | |
| General Fund | 62,155,806 | 26,141,085 | 0 | 26,141,085 |
| Statutory Dedications | 66,241,750 | 43,921,966 | 0 | 43,921,966 |
| Interim Emergency Board | 0 | 0 | 0 | 0 |
| Interagency Transfers | 7,311,408 | 3,646,493 | 0 | 3,646,493 |
| Interagency Transfers - Federal Stimulus | 0 | 0 | 0 | 0 |
| Self Generated Revenues | 392,646,716 | 331,749,357 | 0 | 331,749,357 |
| Federal Funds | 0 | 0 | 0 | 0 |
| Total Revenues | 528,355,680 | 405,458,901 | 0 | 405,458,901 |
| Expenditures by Object: | | | | |
| Salaries | | 118,097,882 | 0 | 118,097,882 |
| Other Compensation | | 14,206,666 | 0 | 14,206,666 |
| Related Benefits | | 43,470,921 | 0 | 43,470,921 |
| Personal Services | | 175,775,469 | 0 | 175,775,469 |
| Travel | | 1,466,402 | 0 | 1,466,402 |
| Operating Services | | 10,419,393 | 0 | 10,419,393 |
| Supplies | | 7,261,027 | 0 | 7,261,027 |
| Operating Expenses | | 19,146,822 | 0 | 19,146,822 |
| Professional Services | | 2,336,517 | 0 | 2,336,517 |
| Other Charges | | 58,631,039 | 0 | 58,631,039 |
| Debt Services | | 0 | 0 | 0 |
| Interagency Transfers | | 8,000,859 | 0 | 8,000,859 |
| Other Charges | | 68,968,415 | 0 | 68,968,415 |
| General Acquisitions | | 2,010,345 | 0 | 2,010,345 |
| Library Acquisitions | | 960,192 | 0 | 960,192 |
| Major Repairs | | 89,281 | 0 | 89,281 |
| Acquisitions and Major Repairs | | 3,059,818 | 0 | 3,059,818 |
| Total Expenditures | | 266,950,525 | 0 | 266,950,525 |
| Expenditures by Function: | | | | |
| Instruction | | 92,736,304 | 0 | 92,736,304 |
| Research | | 26,233,542 | 0 | 26,233,542 |
| Public Service | | 2,013,116 | 0 | 2,013,116 |
| Academic Support (Includes Library) | | 36,024,687 | 0 | 36,024,687 |
| Academic Expenditures | | 157,007,649 | 0 | 157,007,649 |
| Student Services | | 7,774,093 | 0 | 7,774,093 |
| Institutional Support | | 16,318,274 | 0 | 16,318,274 |
| Scholarships/Fellowships | | 58,356,018 | 0 | 58,356,018 |
| Plant Operations/Maintenance | | 27,322,810 | 0 | 27,322,810 |
| Hospital | | 0 | 0 | 0 |
| Transfers out of agency | | 171,682 | 0 | 171,682 |
| Athletics | | 0 | 0 | 0 |
| Other | | 0 | 0 | 0 |
| Non-Academic Expenditures | | 109,942,876 | 0 | 109,942,876 |
| Total Expenditures | | 266,950,525 | 0 | 266,950,525 |

| | Beginning Acct/Fund Balance | 1st & 2nd Quarter Fund Balance | 3rd & 4th Quarter Fund Balance |
|--|--|---|---|
| State Appropriations | 0 | 0 | 0 |
| Restricted Fees | 15,752,437 | 27,296,552 | 27,296,552 |
| Sales and Services of Educational Activities | 12,013,985 | 11,789,879 | 11,789,879 |
| Auxiliaries | 26,000,896 | 55,037,004 | 55,037,004 |
| Endowment Income | 16,311,833 | 16,191,405 | 16,191,405 |
| Grants and Contracts | 3,841,346 | 5,792,189 | 5,792,189 |
| Indirect Cost Recovered | 48,827,506 | 44,424,995 | 44,424,995 |
| Gifts | 4,847,950 | 5,084,878 | 5,084,878 |
| Federal Funds | 0 | 0 | 0 |
| Hospitals | 0 | 0 | 0 |
| All Other Sources | 65,515,071 | 62,764,613 | 62,764,613 |
| TOTAL | 193,111,021 | 228,381,515 | 228,381,515 |

Overview and Analysis of Campus Operations

The self-generated revenues for the first and second quarter include tuition and fees collected for the summer, fall, and a portion of the spring term. A budget adjustment reducing the State General Fund by \$582,803 was processed as a result of a decrease in the general fund projection by the Revenue Estimating Conference.

Semi -Annual Overview of Restricted Operations

Campus: **Louisiana State University A&M**

| Show Expenditures As Positive | Actual Amount for each Semi-Annual Period in FY 2015-2016 | | | | | | |
|---------------------------------------|---|--------------------|----------------------------|--------------------|-------------------|----------------------------|--------------------|
| | Acct/Fund Balance | 1st & 2nd Quarter | | | 3rd & 4th Quarter | | |
| | | Revenues | Expenses, Transfers, & ICR | Fund Balance | Revenues | Expenses, Transfers, & ICR | Fund Balance |
| Revenues | | | | | | | |
| Restricted State Appropriations | 0 | 0 | 0 | 0 | 0 | | 0 |
| Restricted Fees | 15,752,437 | 24,883,589 | 13,339,473 | 27,296,552 | 0 | | 27,296,552 |
| Sales & Svcs of Educ. Activ's | 12,013,985 | 11,460,955 | 11,685,061 | 11,789,879 | 0 | | 11,789,879 |
| Auxiliaries (List) | | | | | | | 0 |
| 1 - Athletic Department | 2,161,936 | 59,239,635 | 63,682,499 | (2,280,928) | 0 | | (2,280,928) |
| 2 - Golf Course | 1,073,231 | 493,070 | 338,133 | 1,228,167 | 0 | | 1,228,167 |
| 3 - Residential Life | 5,281,267 | 35,590,234 | 16,538,019 | 24,333,483 | 0 | | 24,333,483 |
| 4 - Lab School Cafeteria | 455,405 | 373,684 | 218,622 | 610,467 | 0 | | 610,467 |
| 5 - Copier Mgmt & Mailing Services | 2,934,131 | 1,001,124 | 571,126 | 3,364,129 | 0 | | 3,364,129 |
| 6 - University Stores | 724,848 | 3,229,419 | 3,044,816 | 909,450 | 0 | | 909,450 |
| 7 - Parking, Traffic & Transportation | 4,748,886 | 9,752,732 | 6,143,139 | 8,358,479 | 0 | | 8,358,479 |
| 8 - Student Health | 2,330,413 | 8,533,542 | 4,909,344 | 5,954,611 | 0 | | 5,954,611 |
| 9 - Student Media | 613,505 | 1,011,487 | 744,892 | 880,100 | 0 | | 880,100 |
| 10 - University Auxillary Services | 2,127,071 | 2,036,262 | 1,161,663 | 3,001,670 | 0 | | 3,001,670 |
| 11 - Union | 3,550,204 | 8,172,315 | 3,045,142 | 8,677,377 | 0 | | 8,677,377 |
| 12 | | | | | | | |
| 13 | | | | | | | |
| 14 | | | | | | | |
| 15 | | | | | | | |
| Endowment Income | 16,311,833 | 1,042,661 | 1,163,089 | 16,191,405 | 0 | | 16,191,405 |
| Grants and Contracts | | | | | | | |
| Federal | (495,617) | 44,283,149 | 46,945,204 | (3,157,672) | 0 | | (3,157,672) |
| State and Local | 3,525,567 | 21,063,097 | 19,885,185 | 4,703,479 | 0 | | 4,703,479 |
| Private | 811,396 | 13,372,966 | 9,937,980 | 4,246,381 | 0 | | 4,246,381 |
| Indirect Cost Recovered | 48,827,506 | 4,071,051 | 8,473,562 | 44,424,995 | 0 | | 44,424,995 |
| Gifts | 4,847,950 | 9,202,695 | 8,965,767 | 5,084,878 | 0 | | 5,084,878 |
| Federal Funds | | 0 | | 0 | 0 | | 0 |
| Hospitals | | | | | | | |
| Hospital - Commercial/Self-Pay | | 0 | | 0 | 0 | | 0 |
| Physician Practice Plans | | 0 | | 0 | 0 | | 0 |
| Medicare | | 0 | | 0 | 0 | | 0 |
| Medicaid | | 0 | | 0 | 0 | | 0 |
| Uncompensated Care Costs | | 0 | | 0 | 0 | | 0 |
| Sponsored Grants and Contracts | | 0 | | 0 | 0 | | 0 |
| Sales and Services Other | | 0 | | 0 | 0 | | 0 |
| All Other Sources | 65,515,071 | 60,056,570 | 62,807,028 | 62,764,613 | 0 | | 62,764,613 |
| TOTAL | 193,111,021 | 318,870,238 | 283,599,745 | 228,381,515 | 0 | 0 | 228,381,515 |

Report on Restricted Operations

Federal Grants: The University must incur the expenses and seek reimbursement. Revenue is recognized after the expenses are incurred.

State Grants: Board of Regents grants provide a large part of the funding in advance, which provides positive cash flow for state projects.

Indirect Cost Recovered: The fund balance is comprised of funds that are earmarked to be used as start-up funds for new faculty members, matching funds for grants, high cost maintenance expenses for research equipment or lab renovations, and other unexpected costs. The start up costs can range from \$100,000 for a researcher in Humanities and Social Sciences to \$500,000 for researchers in Engineering to amounts in excess of \$3 million for an internationally renowned researcher in the College of Science.

Louisiana State University of Alexandria
Semi-Annual Financial Report Narrative

Overview and Analysis of Campus Operations:

Campus operations are occurring as anticipated. The unrestricted and restricted operating budgets were budgeted at steady-state enrollment. The significant enrollment management endeavors that were implemented in prior fiscal years to increase enrollment and student retention have proven successful. Summer and Fall enrollment was higher than anticipated. Spring enrollment is also anticipated to increase. Efforts continue to monitor revenue and expenditures as to stabilize the financial situation and ensure compliance with SACSCOC monitoring.

Report on Restricted Operations:

Restricted operations are as anticipated. New procedures of conservative and proper expenditures put in place during FY 15 by the new administration have proven successful. Individual department deficits have been reduced to three departments, Child Care Center, Campus Card Operation, and Federal Grants & Contracts. Campus Card Operations and Federal Grants & Contracts historically run in a deficit due to the timing of the revenue posted. Campus Card Operations revenue is not posted until the fourth quarter. Federal Grants & Contracts deficit is due to the timing of the drawdowns from the Department of Education. A review of Child Care Operations is in progress to increase enrollment and reduce expenditures.

**Appendix A
Semi-Annual Revenues and Expenditures Executive Summary**

| Unrestricted Operations | | Actual Amount for each semi-annual period in 2015-2016 | | |
|--|----------------------------------|---|------------------------------|-------------------------|
| | Adjusted Operating Budget | 1st & 2nd Quarter | 3rd & 4th Quarter | Cumulative Total |
| Revenues | | | | |
| General Fund | 2,788,190 | 1,172,640 | 0 | 1,172,640 |
| Statutory Dedications | 2,603,312 | 1,922,419 | 0 | 1,922,419 |
| Interim Emergency Board | 0 | 0 | 0 | 0 |
| Interagency Transfers | 0 | 0 | 0 | 0 |
| Interagency Transfers - Federal Stimulus | 0 | 0 | 0 | 0 |
| Self Generated Revenues | 11,927,127 | 12,254,106 | 0 | 12,254,106 |
| Federal Funds | 0 | 0 | 0 | 0 |
| Total Revenues | 17,318,629 | 15,349,166 | 0 | 15,349,166 |
| Expenditures by Object: | | | | |
| Salaries | | 4,120,944 | 0 | 4,120,944 |
| Other Compensation | | 98,245 | 0 | 98,245 |
| Related Benefits | | 1,947,589 | 0 | 1,947,589 |
| Personal Services | | 6,166,778 | 0 | 6,166,778 |
| Travel | | 32,872 | 0 | 32,872 |
| Operating Services | | 1,133,758 | 0 | 1,133,758 |
| Supplies | | 357,369 | 0 | 357,369 |
| Operating Expenses | | 1,523,999 | 0 | 1,523,999 |
| Professional Services | | 112,713 | 0 | 112,713 |
| Other Charges | | 748,990 | 0 | 748,990 |
| Debt Services | | 0 | 0 | 0 |
| Interagency Transfers | | 0 | 0 | 0 |
| Other Charges | | 861,703 | 0 | 861,703 |
| General Acquisitions | | 2,495 | 0 | 2,495 |
| Library Acquisitions | | 9,107 | 0 | 9,107 |
| Major Repairs | | 0 | 0 | 0 |
| Acquisitions and Major Repairs | | 11,602 | 0 | 11,602 |
| Total Expenditures | | 8,564,082 | 0 | 8,575,685 |
| Expenditures by Function: | | | | |
| Instruction | | 3,889,141 | 0 | 3,889,141 |
| Research | | 0 | 0 | 0 |
| Public Service | | 0 | 0 | 0 |
| Academic Support (Includes Library) | | 635,588 | 0 | 635,588 |
| Academic Expenditures | | 4,524,729 | 0 | 4,524,729 |
| Student Services | | 586,078 | 0 | 586,078 |
| Institutional Support | | 1,197,778 | 0 | 1,197,778 |
| Scholarships/Fellowships | | 720,805 | 0 | 720,805 |
| Plant Operations/Maintenance | | 1,534,692 | 0 | 1,534,692 |
| Hospital | | 0 | 0 | 0 |
| Transfers out of agency | | 0 | 0 | 0 |
| Athletics | | 0 | 0 | 0 |
| Other | | 0 | 0 | 0 |
| Non-Academic Expenditures | | 4,039,353 | 0 | 4,039,353 |
| Total Expenditures | | 8,564,082 | 0 | 8,564,082 |

| | Beginning Acct/Fund Balance | 1st & 2nd Quarter Fund Balance | 3rd & 4th Quarter Fund Balance |
|--|--|---|---|
| State Appropriations | 0 | 0 | 0 |
| Restricted Fees | 511,723 | 1,101,620 | 1,101,620 |
| Sales and Services of Educational Activities | 394,495 | 396,204 | 396,204 |
| Auxiliaries | 572,129 | 1,259,273 | 1,259,273 |
| Endowment Income | 256,433 | 256,433 | 256,433 |
| Grants and Contracts | 22,518 | 211,649 | 211,649 |
| Indirect Cost Recovered | 11,135 | 11,962 | 11,962 |
| Gifts | 43,174 | 80,488 | 80,488 |
| Federal Funds | 0 | 0 | 0 |
| Hospitals | 0 | 0 | 0 |
| All Other Sources | 46,636 | 46,058 | 46,058 |
| TOTAL | 1,858,243 | 3,363,687 | 3,363,687 |

Overview and Analysis of Campus Operations

Campus operations are occurring as anticipated. The unrestricted and restricted operating budgets were budgeted at steady-state enrollment. The significant enrollment management endeavors that were implemented in prior fiscal years to increase enrollment and student retention have proven successful. Summer and Fall enrollment was higher than anticipated. Spring enrollment is also anticipated to increase. Efforts continue to monitor revenue and expenditures as to stabilize the financial situation and ensure compliance with SACSCOC monitoring.

Semi -Annual Overview of Restricted Operations

Campus: **LSU Alexandria**

| Show Expenditures As Positive | Actual Amount for each Semi-Annual Period in FY 2015-2016 | | | | | | |
|---------------------------------|---|-------------------|----------------------------|------------------|-------------------|----------------------------|------------------|
| | Acct/Fund Balance | 1st & 2nd Quarter | | | 3rd & 4th Quarter | | |
| | | Revenues | Expenses, Transfers, & ICR | Fund Balance | Revenues | Expenses, Transfers, & ICR | Fund Balance |
| Revenues | | | | | | | |
| Restricted State Appropriations | | 0 | | 0 | 0 | | 0 |
| Restricted Fees | 511,723 | 988,175 | 398,278 | 1,101,620 | 0 | | 1,101,620 |
| Sales & Svcs of Educ. Activ's | 394,495 | 71,755 | 70,046 | 396,204 | 0 | | 396,204 |
| Auxiliaries (List) | | | | | | | 0 |
| 1 - Athletic Department | (230,666) | 717,824 | 398,554 | 88,603 | 0 | | 88,603 |
| 2 - Bookstore | 434,269 | 82,261 | 536 | 515,994 | 0 | | 515,994 |
| 3 - Child Care Center | (45,948) | 103,718 | 103,874 | (46,104) | 0 | | (46,104) |
| 4 - Campus Housing | (52,552) | 126,309 | 72,505 | 1,253 | 0 | | 1,253 |
| 5 - Campus Card Operations | 11,810 | 648 | 16,862 | (4,404) | 0 | | (4,404) |
| 6 - Duplications & Copy | 137,640 | 62,222 | 82,188 | 117,673 | 0 | | 117,673 |
| 7 - Golf Course | 129,875 | 39,365 | 53,958 | 115,283 | 0 | | 115,283 |
| 8 - Museum | 72,552 | 100,000 | 164,993 | 7,559 | 0 | | 7,559 |
| 9 - Newspaper | 79,239 | 4,087 | 0 | 83,326 | 0 | | 83,326 |
| 10 - Parking, Street & Safety | 121,372 | 117,069 | 700 | 237,741 | 0 | | 237,741 |
| 11 - Union | (109,410) | 418,945 | 201,359 | 108,176 | 0 | | 108,176 |
| 12 - Yearbook | 23,946 | 10,226 | 0 | 34,172 | 0 | | 34,172 |
| 13 | | 0 | | 0 | 0 | | 0 |
| 14 | | 0 | | 0 | 0 | | 0 |
| 15 | | 0 | | 0 | 0 | | 0 |
| Endowment Income | 256,433 | 21,040 | 21,040 | 256,433 | 0 | | 256,433 |
| Grants and Contracts | | | | | | | |
| Federal | (2,961) | 2,700,494 | 2,746,346 | (48,813) | 0 | | (48,813) |
| State and Local | 6,630 | 406,566 | 234,758 | 178,438 | 0 | | 178,438 |
| Private | 18,849 | 124,099 | 60,924 | 82,024 | 0 | | 82,024 |
| Indirect Cost Recovered | 11,135 | 826 | 0 | 11,962 | 0 | | 11,962 |
| Gifts | 43,174 | 296,588 | 259,273 | 80,488 | 0 | | 80,488 |
| Federal Funds | | 0 | | 0 | 0 | | 0 |
| Hospitals | | | | | | | |
| Hospital - Commercial/Self-Pay | | 0 | | 0 | 0 | | 0 |
| Physician Practice Plans | | 0 | | 0 | 0 | | 0 |
| Medicare | | 0 | | 0 | 0 | | 0 |
| Medicaid | | 0 | | 0 | 0 | | 0 |
| Uncompensated Care Costs | | 0 | | 0 | 0 | | 0 |
| Sponsored Grants and Contracts | | 0 | | 0 | 0 | | 0 |
| Sales and Services Other | | 0 | | 0 | 0 | | 0 |
| All Other Sources | 46,636 | 800 | 1,379 | 46,058 | 0 | | 46,058 |
| TOTAL | 1,858,243 | 6,393,018 | 4,887,574 | 3,363,687 | 0 | 0 | 3,363,687 |

Report on Restricted Operations

Restricted operations are as anticipated. New procedures of conservative and proper expenditures put in place during FY 15 by the new administration have proven successful. Individual department deficits have been reduced to three departments, Child Care Center, Campus Card Operation, and Federal Grants & Contracts. Campus Card Operations and Federal Grants & Contracts historically run in a deficit due to the timing of the revenue posted. Campus Card Operations revenue is not posted until the fourth quarter. Federal Grants & Contracts deficit is due to the timing of the drawdowns from the Department of Education. A review of Child Care Operations is in progress to increase enrollment and reduce expenditures.



Semi-Annual Budget Summary Narrative

For the Period Ended December 31, 2015

Budget

During the first half of Fiscal Year 16, only one BA-7 was made to incorporate a budget reduction due to changes in the Revenue Estimating Conferences anticipated revenues for FY 2016. No other significant budget adjustments were made.

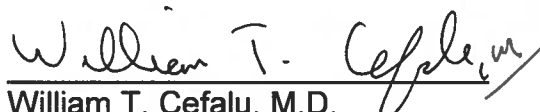
Revenues

Unrestricted Revenues were received as anticipated. Restricted revenues in the form of gifts, grants and contracts are also at expected levels. State Contracts are predominately for the OGB projects. All other collections are within expected levels.

The PBRC Stores Auxiliary revenues are lower than anticipated for the first half of the fiscal year most likely due to a general decline in sales. The negative balance does not reflect sales made in the second quarter that will post in the third quarter. We will continue to closely monitor the Stores operations and adjust accordingly.

Expenditures

Unrestricted expenditures are at anticipated levels. Restricted funds expenditures are within expected parameters. There are no unexpected or material variances in relation to the budget. Overall, expenditure budgets are in line with expected expenditures through the second half of the fiscal year.



William T. Cefalu, M.D.
Executive Director

| Unrestricted Operations | | Actual Amount for each semi-annual period in 2015-2016 | | |
|--|---------------------------|--|-------------------|------------------|
| | Adjusted Operating Budget | 1st & 2nd Quarter | 3rd & 4th Quarter | Cumulative Total |
| Revenues | | | | |
| General Fund | 8,818,756 | 3,703,820 | 0 | 3,703,820 |
| Statutory Dedications | 7,431,621 | 5,776,245 | 0 | 5,776,245 |
| Interim Emergency Board | 0 | 0 | 0 | 0 |
| Interagency Transfers | 0 | 0 | 0 | 0 |
| Interagency Transfers - Federal Stimulus | 0 | 0 | 0 | 0 |
| Self Generated Revenues | 845,561 | 80,916 | 0 | 80,916 |
| Federal Funds | 0 | 0 | 0 | 0 |
| Total Revenues | 17,095,938 | 9,560,981 | 0 | 9,560,981 |
| Expenditures by Object: | | | | |
| Salaries | | 5,536,528 | 0 | 5,536,528 |
| Other Compensation | | 66,656 | 0 | 66,656 |
| Related Benefits | | 1,754,020 | 0 | 1,754,020 |
| Personal Services | | 7,357,204 | 0 | 7,357,204 |
| Travel | | 13,219 | 0 | 13,219 |
| Operating Services | | 276,209 | 0 | 276,209 |
| Supplies | | 331,470 | 0 | 331,470 |
| Operating Expenses | | 620,898 | 0 | 620,898 |
| Professional Services | | 17,021 | 0 | 17,021 |
| Other Charges | | 9,417 | 0 | 9,417 |
| Debt Services | | 0 | 0 | 0 |
| Interagency Transfers | | 0 | 0 | 0 |
| Other Charges | | 26,438 | 0 | 26,438 |
| General Acquisitions | | 13,827 | 0 | 13,827 |
| Library Acquisitions | | 0 | 0 | 0 |
| Major Repairs | | 0 | 0 | 0 |
| Acquisitions and Major Repairs | | 13,827 | 0 | 13,827 |
| Total Expenditures | | 8,018,367 | 0 | 8,032,194 |
| Expenditures by Function: | | | | |
| Instruction | | 0 | 0 | 0 |
| Research | | 1,722,129 | 0 | 1,722,129 |
| Public Service | | 94,169 | 0 | 94,169 |
| Academic Support (Includes Library) | | 2,348,201 | 0 | 2,348,201 |
| Academic Expenditures | | 4,164,499 | 0 | 4,164,499 |
| Student Services | | 0 | 0 | 0 |
| Institutional Support | | 1,732,245 | 0 | 1,732,245 |
| Scholarships/Fellowships | | 0 | 0 | 0 |
| Plant Operations/Maintenance | | 2,117,504 | 0 | 2,117,504 |
| Hospital | | 0 | 0 | 0 |
| Transfers out of agency | | 4,119 | 0 | 4,119 |
| Athletics | | 0 | 0 | 0 |
| Other | | 0 | 0 | 0 |
| Non-Academic Expenditures | | 3,853,868 | 0 | 3,853,868 |
| Total Expenditures | | 8,018,367 | 0 | 8,018,367 |

| | Beginning Acct/Fund Balance | 1st & 2nd Quarter Fund Balance | 3rd & 4th Quarter Fund Balance |
|--|--|---|---|
| State Appropriations | 0 | 0 | 0 |
| Restricted Fees | 0 | 0 | 0 |
| Sales and Services of Educational Activities | 29,869 | 51,115 | 51,115 |
| Auxiliaries | 0 | (48,701) | (48,701) |
| Endowment Income | 0 | 0 | 0 |
| Grants and Contracts | 2,113,442 | 7,684,946 | 7,684,946 |
| Indirect Cost Recovered | 907,651 | 1,356,349 | 1,356,349 |
| Gifts | 533,275 | 492,420 | 492,420 |
| Federal Funds | 0 | 0 | 0 |
| Hospitals | 0 | 0 | 0 |
| All Other Sources | (263,984) | (293,031) | (293,031) |
| TOTAL | 3,320,253 | 9,243,098 | 9,243,098 |

Overview and Analysis of Campus Operations

| |
|--|
| |
|--|

Semi -Annual Overview of Restricted Operations

Campus: **Pennington Biomedical Research Center**

| Show Expenditures As Positive | Actual Amount for each Semi-Annual Period in FY 2015-2016 | | | | | | |
|---------------------------------|---|-------------------|----------------------------|------------------|-------------------|----------------------------|------------------|
| | Acct/Fund Balance | 1st & 2nd Quarter | | | 3rd & 4th Quarter | | |
| | | Revenues | Expenses, Transfers, & ICR | Fund Balance | Revenues | Expenses, Transfers, & ICR | Fund Balance |
| Revenues | | | | | | | |
| Restricted State Appropriations | | 0 | | 0 | 0 | | 0 |
| Restricted Fees | | 0 | | 0 | 0 | | 0 |
| Sales & Svcs of Educ. Activ's | 29,869 | 65,300 | 44,054 | 51,115 | 0 | | 51,115 |
| Auxiliaries (List) | | | | | | | 0 |
| Pennington Stores | 0 | 480,110 | 528,811 | (48,701) | 0 | | (48,701) |
| 2 | | 0 | | 0 | 0 | | 0 |
| 3 | | 0 | | 0 | 0 | | 0 |
| 4 | | 0 | | 0 | 0 | | 0 |
| 5 | | 0 | | 0 | 0 | | 0 |
| 6 | | 0 | | 0 | 0 | | 0 |
| 7 | | 0 | | 0 | 0 | | 0 |
| 8 | | 0 | | 0 | 0 | | 0 |
| 9 | | 0 | | 0 | 0 | | 0 |
| 10 | | 0 | | 0 | 0 | | 0 |
| 11 | | 0 | | 0 | 0 | | 0 |
| 12 | | 0 | | 0 | 0 | | 0 |
| 13 | | 0 | | 0 | 0 | | 0 |
| 14 | | 0 | | 0 | 0 | | 0 |
| 15 | | 0 | | 0 | 0 | | 0 |
| Endowment Income | | 0 | | 0 | 0 | | 0 |
| Grants and Contracts | | | | | | | |
| Federal | 18,487 | 13,701,843 | 8,728,694 | 4,991,636 | 0 | | 4,991,636 |
| State and Local | 7,205 | 3,014,009 | 2,065,347 | 955,867 | 0 | | 955,867 |
| Private | 2,087,750 | 2,056,070 | 2,406,377 | 1,737,443 | 0 | | 1,737,443 |
| Indirect Cost Recovered | 907,651 | 3,173,032 | 2,724,334 | 1,356,349 | 0 | | 1,356,349 |
| Gifts | 533,275 | 1,534,813 | 1,575,668 | 492,420 | 0 | | 492,420 |
| Federal Funds | | 0 | | 0 | 0 | | 0 |
| Hospitals | | | | | | | |
| Hospital - Commercial/Self-Pay | | 0 | | 0 | 0 | | 0 |
| Physician Practice Plans | | 0 | | 0 | 0 | | 0 |
| Medicare | | 0 | | 0 | 0 | | 0 |
| Medicaid | | 0 | | 0 | 0 | | 0 |
| Uncompensated Care Costs | | 0 | | 0 | 0 | | 0 |
| Sponsored Grants and Contracts | | 0 | | 0 | 0 | | 0 |
| Sales and Services Other | | | | 0 | 0 | | 0 |
| All Other Sources | (263,984) | 90,893 | 119,940 | (293,031) | 0 | | (293,031) |
| TOTAL | 3,320,253 | 24,116,070 | 18,193,225 | 9,243,098 | 0 | 0 | 9,243,098 |

Report on Restricted Operations

REVENUES
 The PBRC Stores Auxiliary revenues are lower than anticipated for the first half of the fiscal year most likely due to a general decline in sales. The negative balance does not reflect sales made in the second quarter that will post in the third quarter.



TO: President F. King Alexander
FROM: Kimberly A. Russell
DATE: January 28, 2016
SUBJECT: Semi-Annual Financial Report

Overview and Analysis of Campus Operations

LSU Eunice continues to experience significant financial constraints through the quarter ending December 31, 2015. Total self-generated revenue is up slightly over last fall but still lags behind the FY2016 annual budget. The university is on track for an increase in both headcount and semester credit hours for the spring of 2016.

LSUE is poised to increase its enrollment in the next several quarters through the expansion of dual credit courses, the development of new programs in nursing and health sciences and the addition of 2 + 2 collaborations with LSU, LSUA and LSUS.

Restricted Operations:

Revenue generated from auxiliary enterprises and/or restricted fees such as the bookstore and student union are reflective of LSUE's decline in enrollment. We anticipate an increase in restricted revenues in the spring of 2016 due to the increase in Student Credit Hours. Expenses remain relatively flat due to the conservative spending efforts of the campus. LSUE Athletics continues to generate revenue through independent fundraising. Expenses remained relatively flat with just three NJCAAathletic teams. The university will explore the feasibility of adding additional sports to generate revenue and to enhance and expand student life on campus.

Appendix A
Semi-Annual Revenues and Expenditures Executive Summary

| Unrestricted Operations | | Actual Amount for each semi-annual period in 2015-2016 | | |
|--|---------------------------|--|-------------------|------------------|
| | Adjusted Operating Budget | 1st & 2nd Quarter | 3rd & 4th Quarter | Cumulative Total |
| Revenues | | | | |
| General Fund | 2,488,106 | 1,046,430 | 0 | 1,046,430 |
| Statutory Dedications | 2,333,942 | 1,719,613 | 0 | 1,719,613 |
| Interim Emergency Board | 0 | 0 | 0 | 0 |
| Interagency Transfers | 0 | 0 | 0 | 0 |
| Interagency Transfers - Federal Stimulus | 0 | 0 | 0 | 0 |
| Self Generated Revenues | 7,528,383 | 6,394,673 | 0 | 6,394,673 |
| Federal Funds | 0 | 0 | 0 | 0 |
| Total Revenues | 12,350,431 | 9,160,716 | 0 | 9,160,716 |
| Expenditures by Object: | | | | |
| Salaries | | 3,059,116 | 0 | 3,059,116 |
| Other Compensation | | 29,578 | 0 | 29,578 |
| Related Benefits | | 1,552,275 | 0 | 1,552,275 |
| Personal Services | | 4,640,969 | 0 | 4,640,969 |
| Travel | | 24,003 | 0 | 24,003 |
| Operating Services | | 851,954 | 0 | 851,954 |
| Supplies | | 361,671 | 0 | 361,671 |
| Operating Expenses | | 1,237,628 | 0 | 1,237,628 |
| Professional Services | | 17,243 | 0 | 17,243 |
| Other Charges | | 268,142 | 0 | 268,142 |
| Debt Services | | 0 | 0 | 0 |
| Interagency Transfers | | 0 | 0 | 0 |
| Other Charges | | 285,385 | 0 | 285,385 |
| General Acquisitions | | 19,460 | 0 | 19,460 |
| Library Acquisitions | | 270 | 0 | 270 |
| Major Repairs | | 42,700 | 0 | 42,700 |
| Acquisitions and Major Repairs | | 62,430 | 0 | 62,430 |
| Total Expenditures | | 6,226,412 | 0 | 6,288,842 |
| Expenditures by Function: | | | | |
| Instruction | | 2,853,815 | 0 | 2,853,815 |
| Research | | 0 | 0 | 0 |
| Public Service | | 0 | 0 | 0 |
| Academic Support (Includes Library) | | 314,656 | 0 | 314,656 |
| Academic Expenditures | | 3,168,471 | 0 | 3,168,471 |
| Student Services | | 532,946 | 0 | 532,946 |
| Institutional Support | | 1,065,596 | 0 | 1,065,596 |
| Scholarships/Fellowships | | 235,169 | 0 | 235,169 |
| Plant Operations/Maintenance | | 1,224,230 | 0 | 1,224,230 |
| Hospital | | 0 | 0 | 0 |
| Transfers out of agency | | 0 | 0 | 0 |
| Athletics | | 0 | 0 | 0 |
| Other | | 0 | 0 | 0 |
| Non-Academic Expenditures | | 3,057,941 | 0 | 3,057,941 |
| Total Expenditures | | 6,226,412 | 0 | 6,226,412 |

**LSU Eunice
Restricted Operations**

Semi-Annual Revenues and Expenditures Executive Summary

| | Beginning Acct/Fund Balance | 1st & 2nd Quarter Fund Balance | 3rd & 4th Quarter Fund Balance |
|--|--|---|---|
| State Appropriations | 0 | 0 | 0 |
| Restricted Fees | 292,301 | 727,868 | 727,868 |
| Sales and Services of Educational Activities | 0 | 0 | 0 |
| Auxiliaries | 1,903,672 | 1,628,904 | 1,628,904 |
| Endowment Income | 92,466 | 94,046 | 94,046 |
| Grants and Contracts | 47,771 | 333,102 | 333,102 |
| Indirect Cost Recovered | 188,225 | 195,209 | 195,209 |
| Gifts | 20,688 | 58,657 | 58,657 |
| Federal Funds | 0 | 0 | 0 |
| Hospitals | 5,174 | 5,174 | 5,174 |
| All Other Sources | 0 | 0 | 0 |
| TOTAL | 2,550,297 | 3,042,960 | 3,042,960 |

Overview and Analysis of Campus Operations

Semi -Annual Overview of Restricted Operations

Campus: **LSU Eunice**

| Show Expenditures As Positive | Actual Amount for each Semi-Annual Period in FY 2015-2016 | | | | | | |
|---------------------------------|---|-------------------|----------------------------|------------------|-------------------|----------------------------|------------------|
| | Acct/Fund Balance | 1st & 2nd Quarter | | | 3rd & 4th Quarter | | |
| | | Revenues | Expenses, Transfers, & ICR | Fund Balance | Revenues | Expenses, Transfers, & ICR | Fund Balance |
| Revenues | | | | | | | |
| Restricted State Appropriations | | 0 | | 0 | 0 | | 0 |
| Restricted Fees | 292,301 | 603,216 | 167,649 | 727,868 | 0 | | 727,868 |
| Sales & Svcs of Educ. Activ's | | 0 | | 0 | 0 | | 0 |
| Auxiliaries (List) | | | | | | | 0 |
| 1 - Athletics | (290,518) | 393,291 | 209,395 | (106,622) | 0 | | (106,622) |
| 2 - Bookstore | 1,540,756 | 838,207 | 1,383,030 | 995,933 | 0 | | 995,933 |
| 3 - Student Media | 76,331 | 6,251 | 7,983 | 74,599 | 0 | | 74,599 |
| 4 - Union | 577,103 | 144,555 | 56,664 | 664,994 | 0 | | 664,994 |
| 5 | | 0 | | 0 | 0 | | 0 |
| 6 | | 0 | | 0 | 0 | | 0 |
| 7 | | 0 | | 0 | 0 | | 0 |
| 8 | | 0 | | 0 | 0 | | 0 |
| 9 | | 0 | | 0 | 0 | | 0 |
| 10 | | 0 | | 0 | 0 | | 0 |
| 11 | | 0 | | 0 | 0 | | 0 |
| 12 | | 0 | | 0 | 0 | | 0 |
| 13 | | 0 | | 0 | 0 | | 0 |
| 14 | | 0 | | 0 | 0 | | 0 |
| 15 | | 0 | | 0 | 0 | | 0 |
| Endowment Income | 92,466 | 5,777 | 4,197 | 94,046 | 0 | | 94,046 |
| Grants and Contracts | | | | | | | |
| Federal | (2,067) | 2,346,165 | 2,361,038 | (16,940) | 0 | | (16,940) |
| State and Local | 2,596 | 476,533 | 136,331 | 342,798 | 0 | | 342,798 |
| Private | 47,242 | 4,680 | 44,678 | 7,244 | 0 | | 7,244 |
| Indirect Cost Recovered | 188,225 | 6,984 | | 195,209 | 0 | | 195,209 |
| Gifts | 20,688 | 171,747 | 133,778 | 58,657 | 0 | | 58,657 |
| Federal Funds | | 0 | | 0 | 0 | | 0 |
| Hospitals | | | | | | | |
| Hospital - Commercial/Self-Pay | | 0 | | 0 | 0 | | 0 |
| Physician Practice Plans | | 0 | | 0 | 0 | | 0 |
| Medicare | | 0 | | 0 | 0 | | 0 |
| Medicaid | | 0 | | 0 | 0 | | 0 |
| Uncompensated Care Costs | | 0 | | 0 | 0 | | 0 |
| Sponsored Grants and Contracts | | 0 | | 0 | 0 | | 0 |
| Sales and Services Other | 5,174 | 0 | | 5,174 | 0 | | 5,174 |
| All Other Sources | | 0 | | 0 | 0 | | 0 |
| TOTAL | 2,550,297 | 4,997,406 | 4,504,743 | 3,042,960 | 0 | 0 | 3,042,960 |

Report on Restricted Operations

Auxiliaries-Athletics: Increased efforts have been made to decrease athletic expenditures. Fundraising by athletics will help to reduce the amount of expenditures for 2015-16 lessening the negative fund balance.

Grant and Contracts-Federal: Since the federal awards are on a cost reimbursable basis, the amount is drawn later and will be recovered in the next quarter.



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Governmental Relations
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and Diversity
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Intellectual Property
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(225) 578-6030

Date: January 28, 2016

To: F. King Alexander, President and Chancellor
LSU System

From: William Richardson, Vice President for Agriculture
LSU Agricultural Center

RE: Second Quarter Budget Report for FY 2015-2016

Budget challenges continue to be a major issue for the AgCenter. As always, we note that because the AgCenter is a nonstudent campus, increases in tuition and student fees are not available as a revenue source. The GRAD Act does not provide relief for the AgCenter in terms of funding. In this fiscal year, the AgCenter is relying even more heavily on the use of self-generated revenue, funds that are not necessarily recurring, and true one-time funds to support its core programs. These funds lack stability, but several million dollars of these funds will not recur in FY2016-17 meaning the AgCenter will have to reduce operations accordingly.

Despite the use of these funds, the AgCenter continues to have in place a hiring freeze and 40 positions were vacated through the retirement incentive that was offered in the fall. It is estimated that over 100 FTE's will be eliminated during FY16-17. Obviously this ongoing loss of staff has a major impact on the ability of AgCenter departments, stations, and parish offices to deliver the necessary extension and research programs. The issue also impacts the teaching programs of the College of Agriculture since there must be sufficient faculty in the various technical areas in each discipline to teach the essential components of degree programs at the undergraduate and graduate levels. The problem is compounded by the fact that much lower faculty numbers mean reduced grant dollars. While grant funds per faculty member remain stable or increase, there is a decline in overall grant funding because of fewer faculty numbers.

We are beginning to see serious concerns about the AgCenter's partnership with local governments. Local government typically provides office space and equipment for parish offices, along with 15-20% of funding for salaries and benefits. This is done through MOU's. As the AgCenter is forced to eliminate parish positions; however, local governments question whether the AgCenter is holding up its end of the MOU.

The AgCenter continues to look at organizational changes through consolidation and elimination of units. The administrative reorganization that resulted in a model with four program leaders and the later reorganization that created the position of Vice President for Agriculture and Dean of the College of Agriculture both created greater efficiencies and streamlined decision-making. This has allowed for cohesive management of agriculture as a whole. Still, without the necessary resources, programs suffer regardless of the effectiveness of the administrative model.

There was no merit raise given in FY15-16 and there hasn't been any identification of funds for a salary increase plan for FY16-17. This must become a priority. Other states that have

recovered from the difficult economic years of 2008-11 and that are investing more heavily in higher education, are attempting to recruit AgCenter faculty. This comes on top of the retirement incentive plan, which was a fiscal requirements, but caused the loss of a great deal of institutional knowledge and expertise.

Providing higher education with funding to provide appropriate merit increases and to meet mandated increases (e.g. retirement benefits) would be invaluable. Greater stability in the AgCenter's funding in the form of an increase in permanent funding is essential. Programmatically, the AgCenter is strong. Faculty and staff continue to be committed to the AgCenter's mission and have a strong, positive impact on the State. However, the need to address lack of funding cannot continue to be ignored or delayed.

Your continued support and visibility at AgCenter offices and events is welcome and appreciated. The AgCenter intends to make every effort to maintain our most critical programs, to remain true to our core mission of improving the lives of Louisiana citizens and to provide the most we can for every dollar invested in the LSU AgCenter.

Sincerely,



William B. Richardson
Vice President for Agriculture
and Dean of the College of Agriculture

**Appendix A
Semi-Annual Revenues and Expenditures Executive Summary**

| Unrestricted Operations | | Actual Amount for each semi-annual period in 2015-2016 | | |
|--|----------------------------------|---|------------------------------|-------------------------|
| | Adjusted Operating Budget | 1st & 2nd Quarter | 3rd & 4th Quarter | Cumulative Total |
| Revenues | | | | |
| General Fund | 35,896,171 | 15,094,420 | 0 | 15,094,420 |
| Statutory Dedications | 35,185,647 | 25,168,179 | 0 | 25,168,179 |
| Interim Emergency Board | 0 | 0 | 0 | 0 |
| Interagency Transfers | 0 | 0 | 0 | 0 |
| Interagency Transfers - Federal Stimulus | 0 | 0 | 0 | 0 |
| Self Generated Revenues | 6,807,967 | 2,441,835 | 0 | 2,441,835 |
| Federal Funds | 13,018,275 | 4,442,705 | 0 | 4,442,705 |
| Total Revenues | 90,908,060 | 47,147,140 | 0 | 47,147,140 |
| Expenditures by Object: | | | | |
| Salaries | | 23,433,730 | 0 | 23,433,730 |
| Other Compensation | | 1,602,428 | 0 | 1,602,428 |
| Related Benefits | | 14,401,911 | 0 | 14,401,911 |
| Personal Services | | 39,438,069 | 0 | 39,438,069 |
| Travel | | 546,736 | 0 | 546,736 |
| Operating Services | | 3,814,022 | 0 | 3,814,022 |
| Supplies | | 1,804,667 | 0 | 1,804,667 |
| Operating Expenses | | 6,165,424 | 0 | 6,165,424 |
| Professional Services | | 133,081 | 0 | 133,081 |
| Other Charges | | 74,713 | 0 | 74,713 |
| Debt Services | | 0 | 0 | 0 |
| Interagency Transfers | | 0 | 0 | 0 |
| Other Charges | | 207,795 | 0 | 207,795 |
| General Acquisitions | | 262,815 | 0 | 262,815 |
| Library Acquisitions | | 21,706 | 0 | 21,706 |
| Major Repairs | | 0 | 0 | 0 |
| Acquisitions and Major Repairs | | 284,521 | 0 | 284,521 |
| Total Expenditures | | 46,095,808 | 0 | 46,095,808 |
| Expenditures by Function: | | | | |
| Instruction | | 0 | 0 | 0 |
| Research | | 21,015,478 | 0 | 21,015,478 |
| Public Service | | 16,130,339 | 0 | 16,130,339 |
| Academic Support (Includes Library) | | 1,765,361 | 0 | 1,765,361 |
| Academic Expenditures | | 38,911,178 | 0 | 38,911,178 |
| Student Services | | 0 | 0 | 0 |
| Institutional Support | | 5,135,053 | 0 | 5,135,053 |
| Scholarships/Fellowships | | 0 | 0 | 0 |
| Plant Operations/Maintenance | | 2,049,577 | 0 | 2,049,577 |
| Hospital | | 0 | 0 | 0 |
| Transfers out of agency | | 0 | 0 | 0 |
| Athletics | | 0 | 0 | 0 |
| Other | | 0 | 0 | 0 |
| Non-Academic Expenditures | | 7,184,630 | 0 | 7,184,630 |
| Total Expenditures | | 46,095,808 | 0 | 46,095,808 |

| | Beginning Acct/Fund Balance | 1st & 2nd Quarter Fund Balance | 3rd & 4th Quarter Fund Balance |
|--|--|---|---|
| State Appropriations | 0 | 0 | 0 |
| Restricted Fees | 0 | 0 | 0 |
| Sales and Services of Educational Activities | 1,907,480 | 1,946,294 | 1,946,294 |
| Auxiliaries | 0 | 0 | 0 |
| Endowment Income | 367,064 | 359,674 | 359,674 |
| Grants and Contracts | (174,759) | 5,227,265 | 5,227,265 |
| Indirect Cost Recovered | 6,282,483 | 6,084,035 | 6,084,035 |
| Gifts | 6,061,965 | 6,490,539 | 6,490,539 |
| Federal Funds | 0 | 0 | 0 |
| Hospitals | 0 | 0 | 0 |
| All Other Sources | 4,452,657 | 5,981,545 | 5,981,545 |
| TOTAL | 18,896,890 | 26,089,352 | 26,089,352 |

Overview and Analysis of Campus Operations

We continue to evaluate all our operations to make most efficient use of resources. Without a doubt, our ability to deliver the level and range of research and educational programs needed has been affected by continuous budget reductions, increasing mandated costs and spending/hiring freezes. The cumulative amount of the budget reductions are staggering. We have streamlined programs, reorganized, made major staff reductions and implemented other cost savings measure to maximize resources. We are focused on making sure that scarce resources are allocated to our most critical programs, to meet core mission of improving the lives of Louisiana citizens and to provide the most we can for every dollar invested in the LSU AgCenter. With all of these efforts, our core programs are still in jeopardy.

No operational funds from academic areas were moved to non-academic units. Non-academic funds were moved to academic units to support graduate assistantships and the healthy communities initiative.

Semi -Annual Overview of Restricted Operations

Campus: LSU AgCenter

| Show Expenditures As Positive | Actual Amount for each Semi-Annual Period in FY 2015-2016 | | | | | | |
|---------------------------------|---|-------------------|----------------------------|-------------------|-------------------|----------------------------|-------------------|
| | Acct/Fund Balance | 1st & 2nd Quarter | | | 3rd & 4th Quarter | | |
| | | Revenues | Expenses, Transfers, & ICR | Fund Balance | Revenues | Expenses, Transfers, & ICR | Fund Balance |
| Revenues | | | | | | | |
| Restricted State Appropriations | | 0 | | 0 | 0 | | 0 |
| Restricted Fees | | 0 | | 0 | 0 | | 0 |
| Sales & Svcs of Educ. Activ's | 1,907,480 | 784,372 | 745,558 | 1,946,294 | 0 | | 1,946,294 |
| Auxiliaries (List) | | | | | | | 0 |
| 1 | | 0 | | 0 | 0 | | 0 |
| 2 | | 0 | | 0 | 0 | | 0 |
| 3 | | 0 | | 0 | 0 | | 0 |
| 4 | | 0 | | 0 | 0 | | 0 |
| 5 | | 0 | | 0 | 0 | | 0 |
| 6 | | 0 | | 0 | 0 | | 0 |
| 7 | | 0 | | 0 | 0 | | 0 |
| 8 | | 0 | | 0 | 0 | | 0 |
| 9 | | 0 | | 0 | 0 | | 0 |
| 10 | | 0 | | 0 | 0 | | 0 |
| 11 | | 0 | | 0 | 0 | | 0 |
| 12 | | 0 | | 0 | 0 | | 0 |
| 13 | | 0 | | 0 | 0 | | 0 |
| 14 | | 0 | | 0 | 0 | | 0 |
| 15 | | 0 | | 0 | 0 | | 0 |
| Endowment Income | 367,064 | 30,223 | 37,612 | 359,674 | 0 | | 359,674 |
| Grants and Contracts | | | | | | | |
| Federal | (43,571) | 2,806,156 | 3,642,263 | (879,678) | 0 | | (879,678) |
| State and Local | (1,381,069) | 11,606,903 | 7,352,128 | 2,873,705 | 0 | | 2,873,705 |
| Private | 1,249,881 | 4,568,210 | 2,584,853 | 3,233,238 | 0 | | 3,233,238 |
| Indirect Cost Recovered | 6,282,483 | 1,316,428 | 1,514,877 | 6,084,035 | 0 | | 6,084,035 |
| Gifts | 6,061,965 | 1,609,926 | 1,181,353 | 6,490,539 | 0 | | 6,490,539 |
| Federal Funds | | 0 | | 0 | 0 | | 0 |
| Hospitals | | | | | | | |
| Hospital - Commercial/Self-Pay | | 0 | | 0 | 0 | | 0 |
| Physician Practice Plans | | 0 | | 0 | 0 | | 0 |
| Medicare | | 0 | | 0 | 0 | | 0 |
| Medicaid | | 0 | | 0 | 0 | | 0 |
| Uncompensated Care Costs | | 0 | | 0 | 0 | | 0 |
| Sponsored Grants and Contracts | | 0 | | 0 | 0 | | 0 |
| Sales and Services Other | | 0 | | 0 | 0 | | 0 |
| All Other Sources | 4,452,657 | 6,111,891 | 4,583,003 | 5,981,545 | 0 | | 5,981,545 |
| TOTAL | 18,896,890 | 28,834,110 | 21,641,648 | 26,089,352 | 0 | 0 | 26,089,352 |

Report on Restricted Operations

Revenues and expenditures associated with our restricted operations have progressed as planned.

LSU Health Sciences Center New Orleans
Executive Summary
FY 2015-2016 Semi-Annual Report

The Fiscal Year 2015-2016 appropriation for the LSU Health Sciences Center in New Orleans Campus is \$150,339,000. Once again, no funding was allocated to meet the costs of unfunded mandates for employer contributions to retirement, health insurance and risk management premiums. The cumulative impact since FY 2008-09 is over \$18 million for all sources of funds.

We are very concerned about the current year budget shortfall and the likelihood of reductions in State General Funds to higher education after the Revenue Estimating Conference meets next month. We continue to monitor and evaluate actions to manage funding reductions.

Mechanisms for Coping with Threats

Revenue Generation

- LSUHSC-NO continues to seek new and/or expanded relationships with private and not-for-profit health care entities.
- LSUHSC-NO expects to leverage investments we are making in cardiovascular and genomic research to bring in additional sponsored research dollars.

Cost Containment

- Salary increases, with faculty promotions in rank being the notable exception, are not generally being granted.
- New hires are limited to critical needs, particularly in the areas of direct patient care and sponsored research, where external funding from grants and contracts is available.
- We continue to limit expenditures for travel, professional services and acquisitions as much as possible.

Unrestricted Operations

Discuss significant revenues collected and expenses incurred variances in relation to the budget.

- Revenues
 - Statutory Dedications Revenue- Are derived from tobacco taxes dedicated to the Louisiana Cancer Consortium for research and smoking cessation, the Higher Education Initiatives Fund and the SELF fund for past faculty pay plans. Through December 31, 2015, over 50% of our appropriations have been collected.

- Self-Generated Revenue- There are three major components to this means of financing: student tuition and fees; Sales and Services of Educational Departments (primarily the Dental Student and Resident Clinics); and other sources.
 - Most of the student tuition and fee revenues are front-loaded from tuition and fees collected for the late summer 2015 semester, fall 2015 semester and for M.D. and D.D.S. students who are assessed tuition and fees on an annual basis.
- Expenditures
 - Expenditures are 22% higher than the same period last fiscal year but are on budget target for the mid-year mark.
 - Research Expenditures and Public Service Expenditures (Other Charges) - A significant portion of expenditures budgeted in these two functions are for pass-through payments to the Cancer Consortium for research and smoking cessation. The amount of collections and pass-through payments year to date are higher than the same period last fiscal year therefore reflecting a corresponding increase of over 50% in expenditures. This also impacts the expenditure category of Other Charges, where these pass through expenditures are classified.
 - Interagency Transfers and Institutional Support – insurance payments are made to the Office of Risk Management in the first half of the year resulting in a higher than norm mid-year percentage of budget.

Restricted Operations

Discuss significant revenues collected and expenses incurred variances in relation to the budget.

- Current balances by source are adequate for cash flow and operations.
- Restricted revenues are on par with the same time period last year while expenditures are up 3.1% over last year.
- The quarterly report excludes projects we maintain on behalf of the HCSD and FEMA/ORM related activity for project worksheets and contents replacement.
- Historically, there has been a significant lag between expenditures and revenues until the fourth quarter of the fiscal year. This is due to a number of factors:
 - For cost reimbursable grants and contracts, which are the majority of our sponsored project universe, there is a lag of one month between expenditures and revenues. For example, billing for grant and contract revenues in relation to December expenditures are not posted until January. Catch up is not made until the final accounting period of June.
 - As was the case with unrestricted tuition and fees, restricted student fees are front -loaded. It comprises fees collected for the late

summer 2015 semester, fall 2015 semester and for M.D. and D.D.S. students who are assessed tuition and fees on an annual basis.

- During the second half of the year, we will be generating additional sales and services revenue from our dental clinics.
- Some revenue sources are not posted until later in the fiscal year, such as interest earnings.
- The overall Auxiliaries operation has a positive fund balance, but it is 13.1% lower than the same time period last year. We continue to take corrective actions to limit losses in our bookstore and cafeteria operations:
 - Corrective actions to limit losses in the bookstores include consolidating management to implement a consistent approach to control operating performance.
 - Corrective actions to limit losses in the cafeteria include some cost cutting measures such as reducing inventory costs along with anticipated increases in revenues as a result of selective price increases.

Appendix A
LSU Health Sciences Center - New Orleans Semi-Annual Revenues and Expenditures Executive Summary

| Unrestricted Operations | Actual Amount for each semi-annual period in 2015-2016 | | | |
|--|--|-------------------|-------------------|-------------------|
| | Adjusted Operating Budget | 1st & 2nd Quarter | 3rd & 4th Quarter | Cumulative Total |
| Revenues | | | | |
| General Fund | 39,455,355 | 16,590,055 | 0 | 16,590,055 |
| Statutory Dedications | 54,094,540 | 31,819,950 | 0 | 31,819,950 |
| Interim Emergency Board | 0 | 0 | 0 | 0 |
| Interagency Transfers | 0 | 0 | 0 | 0 |
| Interagency Transfers - Federal Stimulus | 0 | 0 | 0 | 0 |
| Self Generated Revenues | 56,789,105 | 32,241,267 | 0 | 32,241,267 |
| Federal Funds | 0 | 0 | 0 | 0 |
| Total Revenues | 150,339,000 | 80,651,272 | 0 | 80,651,272 |
| Expenditures by Object: | | | | |
| Salaries | 69,164,903 | 32,823,817 | 0 | 32,823,817 |
| Other Compensation | 1,135,217 | 1,486,186 | 0 | 1,486,186 |
| Related Benefits | 28,034,223 | 13,925,958 | 0 | 13,925,958 |
| Personal Services | 98,334,343 | 48,235,961 | 0 | 48,235,961 |
| Travel | 241,476 | 101,911 | 0 | 101,911 |
| Operating Services | 11,950,305 | 7,364,247 | 0 | 7,364,247 |
| Supplies | 5,321,740 | 2,353,216 | 0 | 2,353,216 |
| Operating Expenses | 17,513,521 | 9,819,375 | 0 | 9,819,375 |
| Professional Services | 1,498,476 | 409,558 | 0 | 409,558 |
| Other Charges | 23,743,864 | 5,312,288 | 0 | 5,312,288 |
| Debt Services | 124,180 | 0 | 0 | 0 |
| Interagency Transfers | 6,896,062 | 5,902,860 | 0 | 5,902,860 |
| Other Charges | 32,262,582 | 11,624,705 | 0 | 11,624,705 |
| General Acquisitions | 356,059 | 411,957 | 0 | 411,957 |
| Library Acquisitions | 1,872,495 | 1,757,749 | 0 | 1,757,749 |
| Major Repairs | 0 | 0 | 0 | 0 |
| Acquisitions and Major Repairs | 2,228,554 | 158,151 | 0 | 158,151 |
| Total Expenditures | 150,339,000 | 72,007,897 | 0 | 72,007,897 |
| Expenditures by Function: | | | | |
| Instruction | 69,588,509 | 30,269,535 | 0 | 30,269,535 |
| Research | 18,260,497 | 5,551,987 | 0 | 5,551,987 |
| Public Service | 6,859,082 | 1,399,228 | 0 | 1,399,228 |
| Academic Support (Includes Library) | 11,417,655 | 7,069,449 | 0 | 7,069,449 |
| Academic Expenditures | 106,125,743 | 44,290,198 | 0 | 44,290,198 |
| Student Services | 3,500,553 | 1,709,639 | 0 | 1,709,639 |
| Institutional Support | 15,821,948 | 11,441,218 | 0 | 11,441,218 |
| Scholarships/Fellowships | 4,015,662 | 1,791,318 | 0 | 1,791,318 |
| Plant Operations/Maintenance | 20,750,914 | 12,773,073 | 0 | 12,773,073 |
| Hospital | | | 0 | 0 |
| Transfers out of agency | 124,180 | 2,451 | 0 | 2,451 |
| Athletics | | 0 | 0 | 0 |
| Other | | 0 | 0 | 0 |
| Non-Academic Expenditures | 44,213,257 | 27,717,699 | 0 | 27,717,699 |
| Total Expenditures | 150,339,000 | 72,007,897 | 0 | 72,007,897 |

LSU Health Sciences Center - New Orleans Semi-Annual Revenues and Expenditures Executive Summary
Restricted Operations

| | Beginning Acct/Fund Balance | 1st & 2nd Quarter Fund Balance | 3rd & 4th Quarter Fund Balance |
|--|------------------------------------|---|---|
| State Appropriations | 0 | 0 | 0 |
| Restricted Fees | 3,226,498 | 3,613,474 | 3,613,474 |
| Sales and Services of Educational Activities | (3,854,931) | (6,356,303) | (6,356,303) |
| Auxiliaries | 3,038,802 | 4,587,209 | 4,587,209 |
| Endowment Income | 1,214,823 | 1,026,363 | 1,026,363 |
| Grants and Contracts | 89,467,712 | 57,681,479 | 57,681,479 |
| Indirect Cost Recovered | 12,386,689 | 10,047,280 | 10,047,280 |
| Gifts | 721,001 | 645,456 | 645,456 |
| Federal Funds | 0 | 0 | 0 |
| Hospitals | 14,846,233 | 15,098,260 | 15,098,260 |
| All Other Sources | 3,031,433 | 2,302,960 | 2,302,960 |
| TOTAL | 124,078,261 | 88,646,179 | 88,646,179 |

Overview and Analysis of Campus Operations

The Fiscal Year 2015-2016 appropriation for the LSU Health Sciences Center in New Orleans Campus is \$150,339,000. Once again, no funding was allocated to meet the costs of unfunded mandates for employer contributions to retirement, health insurance and risk management premiums. The cumulative impact since FY 2008-09 is over \$18 million for all sources of funds.

We are very concerned about the current year budget shortfall and the likelihood of reductions in State General Funds to higher education after the Revenue Estimating Conference meets next month. We continue to monitor and evaluate actions to manage funding reductions.

Mechanisms for Coping with Threats

Revenue Generation

- LSUHSC-NO continues to seek new and/or expanded relationships with private and not-for-profit health care entities.
- LSUHSC-NO expects to leverage investments we are making in cardiovascular and genomic research to bring in additional sponsored research dollars.

Cost Containment

- Salary increases, with faculty promotions in rank being the notable exception, are not generally being granted.
- New hires are limited to critical needs, particularly in the areas of direct patient care and sponsored research, where external funding from grants and contracts is available.
- We continue to limit expenditures for travel, professional services and acquisitions as much as possible.

Unrestricted Operations

- Revenues
 - Statutory Dedications Revenue- Are derived from tobacco taxes dedicated to the Louisiana Cancer Consortium for research and smoking cessation, the Higher Education Initiatives Fund and the SELF fund for past faculty pay plans. Through December 31, 2015, over 50% of our appropriations have been collected.
 - Self-Generated Revenue- There are three major components to this means of financing: student tuition and fees; Sales and Services of Educational Departments (primarily the Dental Student and Resident Clinics); and other sources.
 - Most of the student tuition and fee revenues are front-loaded from tuition and fees collected for the late summer 2015 semester, fall 2015 semester and for M.D. and D.D.S. students who are assessed tuition and fees on an annual basis.
- Expenditures
 - Expenditures are 22% higher than the same period last fiscal year but are on budget target for the mid-year mark.
 - Research Expenditures and Public Service Expenditures (Other Charges) - A significant portion of expenditures budgeted in these two functions are for pass-through payments to the Cancer Consortium for research and smoking cessation. The amount of collections and pass-through payments year to date are higher than the same period last fiscal year therefore reflecting a corresponding increase of over 50% in expenditures. This also impacts the expenditure category of Other Charges, where these pass through expenditures are classified.
 - Interagency Transfers and Institutional Support – insurance payments are made to the Office of Risk Management in the first half of the year resulting in a higher than norm mid-year percentage of budget.

Semi -Annual Overview of Restricted Operations

Campus: **LSU Health Sciences Center - New Orleans**

| Show Expenditures As Positive | Actual Amount for each Semi-Annual Period in FY 2015-2016 | | | | | | |
|---------------------------------|---|--------------------|----------------------------|-------------------|-------------------|----------------------------|-------------------|
| | Acct/Fund Balance | 1st & 2nd Quarter | | | 3rd & 4th Quarter | | |
| | | Revenues | Expenses, Transfers, & ICR | Fund Balance | Revenues | Expenses, Transfers, & ICR | Fund Balance |
| Revenues | | | | | | | |
| Restricted State Appropriations | 0 | 0 | | 0 | 0 | | 0 |
| Restricted Fees | 3,226,498 | 1,253,192 | 866,216 | 3,613,474 | 0 | | 3,613,474 |
| Sales & Svcs of Educ. Activ's | (3,854,931) | (78,033) | 2,423,339 | (6,356,303) | 0 | | (6,356,303) |
| Auxiliaries (List) | | | | | | | 0 |
| 1 Bookstore | (2,180,189) | 3,245,510 | 2,726,436 | (1,661,115) | 0 | | (1,661,115) |
| 2 Cafeteria | (354,947) | 524,879 | 665,746 | (495,815) | 0 | | (495,815) |
| 3 Student Housing | 1,096,090 | 1,042,564 | 569,629 | 1,569,026 | 0 | | 1,569,026 |
| 4 Parking | 3,476,092 | 700,771 | 439,145 | 3,737,719 | 0 | | 3,737,719 |
| 5 HSC Stores | 1,001,756 | 1,402,167 | 966,529 | 1,437,394 | 0 | | 1,437,394 |
| 6 | 0 | 0 | | 0 | 0 | | 0 |
| 7 | 0 | 0 | | 0 | 0 | | 0 |
| 8 | 0 | 0 | | 0 | 0 | | 0 |
| 9 | 0 | 0 | | 0 | 0 | | 0 |
| 10 | 0 | 0 | | 0 | 0 | | 0 |
| 11 | 0 | 0 | | 0 | 0 | | 0 |
| 12 | 0 | 0 | | 0 | 0 | | 0 |
| 13 | 0 | 0 | | 0 | 0 | | 0 |
| 14 | 0 | 0 | | 0 | 0 | | 0 |
| 15 | 0 | 0 | | 0 | 0 | | 0 |
| Endowment Income | 1,214,823 | 431,522 | 619,982 | 1,026,363 | 0 | | 1,026,363 |
| Grants and Contracts | | | | | | | |
| Federal | 749,273 | 12,105,074 | 16,227,904 | (3,373,557) | 0 | | (3,373,557) |
| State and Local | 14,038,471 | 3,238,851 | 5,380,947 | 11,896,375 | 0 | | 11,896,375 |
| Private | 74,679,969 | 91,977,112 | 117,498,420 | 49,158,661 | 0 | | 49,158,661 |
| Indirect Cost Recovered | 12,386,689 | 9,098,655 | 11,438,064 | 10,047,280 | 0 | | 10,047,280 |
| Gifts | 721,001 | 528,537 | 604,082 | 645,456 | 0 | | 645,456 |
| Federal Funds | 0 | 0 | | 0 | 0 | | 0 |
| Hospitals | | | | | | | |
| Hospital - Commercial/Self-Pay | 0 | 0 | | 0 | 0 | | 0 |
| Physician Practice Plans | 14,846,233 | 3,669,477 | 3,417,450 | 15,098,260 | 0 | | 15,098,260 |
| Medicare | 0 | 0 | | 0 | 0 | | 0 |
| Medicaid | 0 | 0 | | 0 | 0 | | 0 |
| Uncompensated Care Costs | 0 | 0 | | 0 | 0 | | 0 |
| Sponsored Grants and Contracts | 0 | 0 | | 0 | 0 | | 0 |
| Sales and Services Other | 0 | 0 | | 0 | 0 | | 0 |
| All Other Sources | 3,031,433 | 428,007 | 1,156,480 | 2,302,960 | 0 | | 2,302,960 |
| TOTAL | 124,078,261 | 129,568,286 | 165,000,368 | 88,646,179 | 0 | 0 | 88,646,179 |

Report on Restricted Operations

- Current balances by source are adequate for cash flow and operations.
- Restricted revenues are on par with the same time period last year while expenditures are up 3.1% over last year.
- The quarterly report excludes projects we maintain on behalf of the HCSD and FEMA/ORM related activity for project worksheets and contents replacement.
- Historically, there has been a significant lag between expenditures and revenues until the fourth quarter of the fiscal year. This is due to a number of factors:
 - For cost reimbursable grants and contracts, which are the majority of our sponsored project universe, there is a lag of one month between expenditures and revenues. For example, billing for grant and contract revenues in relation to December expenditures are not posted until January. Catch up is not made until the final accounting period of June.
 - As was the case with unrestricted tuition and fees, restricted student fees are front -loaded. It comprises fees collected for the late summer 2015 semester, fall 2015 semester and for M.D. and D.D.S. students who are assessed tuition and fees on an annual basis.
 - During the second half of the year, we will be generating additional sales and services revenue from our dental clinics.
 - Some revenue sources are not posted until later in the fiscal year, such as interest earnings.
- The overall Auxiliaries operation has a positive fund balance, but it is 13.1% lower than the same time period last year. We continue to take corrective actions to limit losses in our bookstore and cafeteria operations:
 - Corrective actions to limit losses in the bookstores include consolidating management to implement a consistent approach to control operating performance.
 - Corrective actions to limit losses in the cafeteria include some cost cutting measures such as reducing inventory costs along with anticipated increases in revenues as a result of selective price increases.

**LSU Health Sciences Center - Shreveport
Bi-Annual Financial Reporting Narrative
FY 2015-2016 as of December 31, 2015**

LSU Health Shreveport

The original academic FY 2015-2016 operating budget appropriation of \$117,782,487 has been adjusted in State General Funds Direct for in the amount of \$338,231. The remaining spending authority of \$117,444,256 is now subject to higher education budget reductions of approximately \$20M to state general funds and statutory dedicated funds. In addition, healthcare is facing a budget reduction which impacts the private-public partnerships, of which LSU Health Shreveport is a participant.

Unrestricted Revenues and Expenditures:

Operating Budget revenue includes state general funds direct, statutory dedications (tobacco tax, self-fund, and higher education initiative), and self-generated (tuition and fees) funding. The Operating Budget expenditures include costs associated with the operation of the three schools, as well as costs associated with the transition of three hospitals (retiree benefits and other mandated costs).

Restricted Revenues and Expenditures:

The restricted sales and services revenues and expenditures primarily include the professional practice plan, auxiliary services, and grants & contracts. The revenues from the BRFHH, LLC agreements are being recorded in the private grants and contracts revenue category. The expenditures incurred to generate this revenue are not transferred to the specific contract cost center until payments from the partner are received and processed.

The other hospital sales and services revenue and expenditures reflect the BRFHH, LLC lease payments to the State which are processed through LSUHSC-S. The payments are recorded and then transferred to the State Treasury.

**LSU Health Sciences Center - Shreveport
Bi-Annual Financial Reporting Narrative
FY 2015-2016 as of December 31, 2015**

E.A. Conway Medical Center in Monroe

E.A. Conway Medical Center in Monroe transferred from state management to private management effective October 1, 2013.

Revenues and Expenditures:

The residual operational expenditures associated with the October 1, 2013 hospital transition (retiree benefits and other mandated costs) are reflected under LSUHSC-S.

Huey P. Long Medical Center in Pineville

Huey P. Long Medical Center in Pineville discontinued patient care services on June 30, 2014.

Revenues and Expenditures:

The residual operational expenditures associated with the hospital closure to include employee salaries and benefits, retiree benefits, and other mandated costs, building maintenance, etc. are reflected under LSUHSC-S.

| Unrestricted Operations | | Actual Amount for each semi-annual period in 2015-16 | | |
|--|---------------------------|--|-------------------|-------------------|
| | Adjusted Operating Budget | 1st & 2nd Quarter | 3rd & 4th Quarter | Cumulative Total |
| Revenues | | | | |
| General Fund | 47,486,476 | 19,926,960 | 0 | 19,926,960 |
| Statutory Dedications | 48,848,701 | 33,699,141 | 0 | 33,699,141 |
| Interim Emergency Board | 0 | 0 | 0 | 0 |
| Interagency Transfers | 0 | 0 | 0 | 0 |
| Interagency Transfers - Federal Stimulus | 0 | 0 | 0 | 0 |
| Self Generated Revenues | 21,109,079 | 18,826,844 | 0 | 18,826,844 |
| Federal Funds | 0 | 0 | 0 | 0 |
| Total Revenues | 117,444,256 | 72,452,945 | 0 | 72,452,945 |
| Expenditures by Object: | | | | |
| Salaries | 46,783,380 | 22,138,373 | 0 | 22,138,373 |
| Other Compensation | 1,316,274 | 1,243,541 | 0 | 1,243,541 |
| Related Benefits | 31,902,145 | 15,202,633 | 0 | 15,202,633 |
| Personal Services | 80,001,799 | 38,584,547 | 0 | 38,584,547 |
| Travel | 168,538 | 58,029 | 0 | 58,029 |
| Operating Services | 20,092,240 | 8,897,015 | 0 | 8,897,015 |
| Supplies | 2,180,257 | 673,686 | 0 | 673,686 |
| Operating Expenses | 22,441,035 | 9,628,730 | 0 | 9,628,730 |
| Professional Services | 2,769,893 | 1,657,501 | 0 | 1,657,501 |
| Other Charges | 2,397,310 | 953,863 | 0 | 953,863 |
| Debt Services | 0 | 0 | 0 | 0 |
| Interagency Transfers | 8,074,733 | 2,454,931 | 0 | 2,454,931 |
| Other Charges | 13,241,936 | 5,066,295 | 0 | 5,066,295 |
| General Acquisitions | 1,749,486 | 186,769 | 0 | 186,769 |
| Library Acquisitions | 10,000 | 105 | 0 | 105 |
| Major Repairs | 0 | 0 | 0 | 0 |
| Acquisitions and Major Repairs | 1,759,486 | 186,874 | 0 | 186,874 |
| Total Expenditures | 117,444,256 | 53,466,446 | 0 | 53,466,446 |
| Expenditures by Function: | | | | |
| Instruction | 36,539,672 | 18,236,660 | 0 | 18,236,660 |
| Research | 23,250,723 | 9,977,662 | 0 | 9,977,662 |
| Public Service | 1,472,671 | 715,271 | 0 | 715,271 |
| Academic Support (Includes Library) | 9,339,042 | 4,648,229 | 0 | 4,648,229 |
| Academic Expenditures | 70,602,108 | 33,577,822 | 0 | 33,577,822 |
| Student Services | 1,703,343 | 804,028 | 0 | 804,028 |
| Institutional Support | 32,307,033 | 13,157,994 | 0 | 13,157,994 |
| Scholarships/Fellowships | 1,874,226 | 1,110,312 | 0 | 1,110,312 |
| Plant Operations/Maintenance | 5,043,521 | 2,099,356 | 0 | 2,099,356 |
| Hospital | 5,649,025 | 2,466,934 | 0 | 2,466,934 |
| Transfers out of agency | 0 | 0 | 0 | 0 |
| Athletics | 0 | 0 | 0 | 0 |
| Other | 265,000 | 250,000 | 0 | 250,000 |
| Non-Academic Expenditures | 46,842,148 | 19,888,624 | 0 | 19,888,624 |
| Total Expenditures | 117,444,256 | 53,466,446 | 0 | 53,466,446 |

| | Beginning Acct/Fund Balance | 1st & 2nd Quarter Fund Balance | 3rd & 4th Quarter Fund Balance |
|--|-----------------------------|--------------------------------|--------------------------------|
| State Appropriations | 0 | 0 | 0 |
| Restricted Fees | 1,073,440 | 1,220,531 | 0 |
| Sales and Services of Educational Activities | (9,968,148) | (35,542,722) | 0 |
| Auxiliaries | 12,668,430 | 13,200,974 | 0 |
| Endowment Income | 14,635,152 | 14,569,110 | 0 |
| Grants and Contracts | 50,130,354 | 59,054,845 | 0 |
| Indirect Cost Recovered | 8,160,516 | 7,209,150 | 0 |
| Gifts | (1,608) | (10,110) | 0 |
| Federal Funds | 0 | 0 | 0 |
| Hospitals | (39,499,128) | (41,740,932) | 0 |
| All Other Sources | 1,005,353 | 997,591 | 0 |
| TOTAL | 38,204,361 | 18,958,437 | 0 |

Overview and Analysis of Campus Operations

1st and 2nd quarter fund balance: 1. As of December 31, 2015 EACMC fund balance of (\$7,622,715) and HPLMC fund balance of (\$3,384,262) were added to Hospitals category 2. Private grants and contracts -- includes revenue from the public/private transitio; however all expenses have not been transferred from the unrestricted operations, auxiliary services, or sales and services. 3. Hospital sales and services other -- reflects the public/private partnership state lease payment transferred to the state treasury. 4. Sales and Services of Educ Activities -- revenue does not include 6 months of third party billing collections.. services began July 1, 2015 and LSUHSCS is still evaluating the reports before completing monthly accounting transactions; therefore, the fund balance is not reflective of all earnings in the first 6 months of the fiscal year. 5. See narrative for additional information.

3rd and 4th quarter fund balance:

Semi -Annual Overview of Restricted Operations

Campus: **LSU Health Sciences Center Shreveport**

| Show Expenditures As Positive | Actual Amount for each Semi-Annual Period in FY 2015-2016 | | | | | | |
|---------------------------------------|---|-------------------|----------------------------|-------------------|-------------------|----------------------------|--------------|
| | Acct/Fund Balance | 1st & 2nd Quarter | | | 3rd & 4th Quarter | | |
| | | Revenues | Expenses, Transfers, & ICR | Fund Balance | Revenues | Expenses, Transfers, & ICR | Fund Balance |
| Revenues | | | | | | | |
| Restricted State Appropriations | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Restricted Fees | 1,073,440 | 257,226 | 110,135 | 1,220,531 | 0 | 0 | 0 |
| Sales & Svcs of Educ. Activ's | (9,968,148) | 16,920,918 | 42,495,492 | (35,542,722) | 0 | 0 | 0 |
| Auxiliaries | | | | | | | |
| Bookstores | 2,314,862 | 444,344 | 436,437 | 2,322,769 | 0 | 0 | 0 |
| Cafeterias | 3,770,902 | 106,185 | 95,083 | 3,782,004 | 0 | 0 | 0 |
| Computer Networking | 611,354 | 177,193 | 32,267 | 756,280 | 0 | 0 | 0 |
| General Service Store | (670,035) | 501,652 | 499,358 | (667,741) | 0 | 0 | 0 |
| Gift Shop | 22,863 | 29 | 0 | 22,892 | 0 | 0 | 0 |
| Linwood Properties | 1,012,323 | 1,008 | 0 | 1,013,331 | 0 | 0 | 0 |
| Microsystems | (294,812) | 336,400 | 282,920 | (241,332) | 0 | 0 | 0 |
| Parking | 460,342 | 178,721 | 246,876 | 392,187 | 0 | 0 | 0 |
| Printing | 940,790 | 152,913 | 112,946 | 980,757 | 0 | 0 | 0 |
| Rental Property | 741,282 | 71,119 | 31,300 | 781,101 | 0 | 0 | 0 |
| Student Union | 676,888 | 101,091 | 5,319 | 772,660 | 0 | 0 | 0 |
| Telcommunications | 3,081,671 | 1,050,912 | 846,517 | 3,286,066 | 0 | 0 | 0 |
| Endowment Income | 14,635,152 | 954,215 | 1,020,257 | 14,569,110 | 0 | 0 | 0 |
| Grants and Contracts | | | | | | | |
| Federal | (352,487) | 4,112,378 | 4,580,544 | (820,653) | 0 | 0 | 0 |
| State and Local | (3,761,054) | 2,550,882 | 2,418,931 | (3,629,103) | 0 | 0 | 0 |
| Private | 54,243,895 | 49,668,249 | 40,407,543 | 63,504,601 | 0 | 0 | 0 |
| Indirect Cost Recovered | 8,160,516 | 1,114,113 | 2,065,479 | 7,209,150 | 0 | 0 | 0 |
| Gifts | (1,608) | 0 | 8,502 | (10,110) | 0 | 0 | 0 |
| Federal Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hospitals | | | | | | | |
| Hospital - Commercial/Self-Pay | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Physician Practice Plans | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Medicare | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Medicaid | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Uncompensated Care Costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sponsored Grants and Contracts | 2,844,020 | 0 | 0 | 2,844,020 | 0 | 0 | 0 |
| Sales and Services Physicians & CRNAs | 4,311,379 | (17,455) | 0 | 4,293,924 | 0 | 0 | 0 |
| Pharmacy | 5,087,109 | 0 | 0 | 5,087,109 | 0 | 0 | 0 |
| Sales and Services Other | (51,741,636) | 10,370,727 | 12,595,076 | (53,965,985) | 0 | 0 | 0 |
| All Other Sources | 1,005,353 | 2,083 | 9,845 | 997,591 | 0 | 0 | 0 |
| TOTAL | 38,204,361 | 89,054,903 | 108,300,827 | 18,958,437 | 0 | 0 | 0 |

Report on Restricted Operations

1st and 2nd quarter fund balance: 1. As of December 31, 2015 EACMC fund balance of (\$7,622,715) and HPLMC fund balance of (\$3,384,262) were added to Hospitals category 2. Private grants and contracts -- includes revenue from the public/private transitio; however all expenses have not been transferred from the unrestricted operations, auxiliary services, or sales and services. 3. Hospital sales and services other -- reflects the public/private partnership state lease payment transferred to the state treasury. 4. Sales and Services of Educ Activities -- revenue does not include 6 months of third party billing collections.. services began July 1, 2015 and LSUHSCS is still evaluating the reports before completing monthly accounting transactions; therefore, the fund balance is not reflective of all earnings in the first 6 months of the fiscal year. 5. See narrative for additional information.

3rd and 4th quarter fund balance:

Appendix A
Semi-Annual Revenues and Expenditures Executive Summary

| Unrestricted Operations | Actual Amount for each semi-annual period in 2015-16 | | | |
|--|---|------------------------------|------------------------------|-------------------------|
| | Adjusted Operating Budget | 1st & 2nd Quarter | 3rd & 4th Quarter | Cumulative Total |
| Revenues | | | | |
| General Fund | 0 | 0 | 0 | 0 |
| Statutory Dedications | 0 | 0 | 0 | 0 |
| Interim Emergency Board | 0 | 0 | 0 | 0 |
| Interagency Transfers | 0 | 0 | 0 | 0 |
| Interagency Transfers - Federal Stimulus | 0 | 0 | 0 | 0 |
| Self Generated Revenues | 0 | 0 | 0 | 0 |
| Federal Funds | 0 | 0 | 0 | 0 |
| Total Revenues | 0 | 0 | 0 | 0 |
| Expenditures by Object: | | | | |
| Salaries | 0 | 0 | 0 | 0 |
| Other Compensation | 0 | 0 | 0 | 0 |
| Related Benefits | 0 | 0 | 0 | 0 |
| Personal Services | 0 | 0 | 0 | 0 |
| Travel | 0 | 0 | 0 | 0 |
| Operating Services | 0 | 0 | 0 | 0 |
| Supplies | 0 | 0 | 0 | 0 |
| Operating Expenses | 0 | 0 | 0 | 0 |
| Professional Services | 0 | 0 | 0 | 0 |
| Other Charges | 0 | 0 | 0 | 0 |
| Debt Services | 0 | 0 | 0 | 0 |
| Interagency Transfers | 0 | 0 | 0 | 0 |
| Other Charges | 0 | 0 | 0 | 0 |
| General Acquisitions | 0 | 0 | 0 | 0 |
| Library Acquisitions | 0 | 0 | 0 | 0 |
| Major Repairs | 0 | 0 | 0 | 0 |
| Acquisitions and Major Repairs | 0 | 0 | 0 | 0 |
| Total Expenditures | 0 | 0 | 0 | 0 |
| Expenditures by Function: | | | | |
| Instruction | 0 | 0 | 0 | 0 |
| Research | 0 | 0 | 0 | 0 |
| Public Service | 0 | 0 | 0 | 0 |
| Academic Support (Includes Library) | 0 | 0 | 0 | 0 |
| Academic Expenditures | 0 | 0 | 0 | 0 |
| Student Services | 0 | 0 | 0 | 0 |
| Institutional Support | 0 | 0 | 0 | 0 |
| Scholarships/Fellowships | 0 | 0 | 0 | 0 |
| Plant Operations/Maintenance | 0 | 0 | 0 | 0 |
| Hospital | 0 | 0 | 0 | 0 |
| Transfers out of agency | 0 | 0 | 0 | 0 |
| Athletics | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 |
| Non-Academic Expenditures | 0 | 0 | 0 | 0 |
| Total Expenditures | 0 | 0 | 0 | 0 |

**E. A. Conway
Restricted Operations**

Semi-Annual Revenues and Expenditures Executive Summary

| | Beginning Acct/Fund Balance | 1st & 2nd Quarter Fund Balance | 3rd & 4th Quarter Fund Balance |
|--|--|---|---|
| State Appropriations | 0 | 0 | 0 |
| Restricted Fees | 0 | 0 | 0 |
| Sales and Services of Educational Activities | 0 | 0 | 0 |
| Auxiliaries | 0 | 0 | 0 |
| Endowment Income | 0 | 0 | 0 |
| Grants and Contracts | 0 | 0 | 0 |
| Indirect Cost Recovered | 0 | 0 | 0 |
| Gifts | 0 | 0 | 0 |
| Federal Funds | 0 | 0 | 0 |
| Hospitals | (7,511,406) | (7,622,715) | 0 |
| All Other Sources | 0 | 0 | 0 |
| TOTAL | (7,511,406) | (7,622,715) | 0 |

Overview and Analysis of Campus Operations

The restricted fund balance is affected by the balance sheet activity (i.e. accounts receivable, liabilities, etc.). Until the balance sheet activity is finalized at EA Conway Medical Center, the restricted fund balance will fluctuate depending on the activity that is posted.

Semi -Annual Overview of Restricted Operations

Campus: **E. A. Conway**

| Show Expenditures As Positive | Actual Amount for each Semi-Annual Period in FY 2015-2016 | | | | | | |
|---------------------------------------|---|-------------------|----------------------------|--------------------|-------------------|----------------------------|--------------|
| | Acct/Fund Balance | 1st & 2nd Quarter | | | 3rd & 4th Quarter | | |
| | | Revenues | Expenses, Transfers, & ICR | Fund Balance | Revenues | Expenses, Transfers, & ICR | Fund Balance |
| Revenues | | | | | | | |
| Restricted State Appropriations | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Restricted Fees | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sales & Svcs of Educ. Activ's | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Auxiliaries | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Endowment Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grants and Contracts | | | | | | | |
| Federal | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| State and Local | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Private | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Indirect Cost Recovered | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gifts | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Federal Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hospitals | | | | | | | |
| Hospital - Commercial/Self-Pay | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Physician Practice Plans | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Medicare | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Medicaid | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Uncompensated Care Costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sponsored Grants and Contracts | (18,448) | 0 | 0 | (18,448) | 0 | 0 | 0 |
| Sales and Services Physicians & CRNAs | 2,212,228 | (17,124) | 0 | 2,195,104 | 0 | 0 | 0 |
| Sales and Services Other | (9,705,186) | (91,691) | 2,494 | (9,799,371) | 0 | 0 | 0 |
| All Other Sources | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | (7,511,406) | (108,815) | 2,494 | (7,622,715) | 0 | 0 | 0 |

Report on Restricted Operations

The restricted fund balance is affected by the balance sheet activity (i.e. accounts receivable, liabilities, etc.). Until the balance sheet activity is finalized at EA Conway Medical Center, the restricted fund balance will fluctuate depending on the activity that is posted.

Appendix A
Semi-Annual Revenues and Expenditures Executive Summary

| Unrestricted Operations | Actual Amount for each semi-annual period in 2015-16 | | | |
|--|---|------------------------------|------------------------------|-------------------------|
| | Adjusted Operating Budget | 1st & 2nd Quarter | 3rd & 4th Quarter | Cumulative Total |
| Revenues | | | | |
| General Fund | 0 | 0 | 0 | 0 |
| Statutory Dedications | 0 | 0 | 0 | 0 |
| Interim Emergency Board | 0 | 0 | 0 | 0 |
| Interagency Transfers | 0 | 0 | 0 | 0 |
| Interagency Transfers - Federal Stimulus | 0 | 0 | 0 | 0 |
| Self Generated Revenues | 0 | 0 | 0 | 0 |
| Federal Funds | 0 | 0 | 0 | 0 |
| Total Revenues | 0 | 0 | 0 | 0 |
| Expenditures by Object: | | | | |
| Salaries | 0 | 0 | 0 | 0 |
| Other Compensation | 0 | 0 | 0 | 0 |
| Related Benefits | 0 | 0 | 0 | 0 |
| Personal Services | 0 | 0 | 0 | 0 |
| Travel | 0 | 0 | 0 | 0 |
| Operating Services | 0 | 0 | 0 | 0 |
| Supplies | 0 | 0 | 0 | 0 |
| Operating Expenses | 0 | 0 | 0 | 0 |
| Professional Services | 0 | 0 | 0 | 0 |
| Other Charges | 0 | 0 | 0 | 0 |
| Debt Services | 0 | 0 | 0 | 0 |
| Interagency Transfers | 0 | 0 | 0 | 0 |
| Other Charges | 0 | 0 | 0 | 0 |
| General Acquisitions | 0 | 0 | 0 | 0 |
| Library Acquisitions | 0 | 0 | 0 | 0 |
| Major Repairs | 0 | 0 | 0 | 0 |
| Acquisitions and Major Repairs | 0 | 0 | 0 | 0 |
| Total Expenditures | 0 | 0 | 0 | 0 |
| Expenditures by Function: | | | | |
| Instruction | 0 | 0 | 0 | 0 |
| Research | 0 | 0 | 0 | 0 |
| Public Service | 0 | 0 | 0 | 0 |
| Academic Support (Includes Library) | 0 | 0 | 0 | 0 |
| Academic Expenditures | 0 | 0 | 0 | 0 |
| Student Services | 0 | 0 | 0 | 0 |
| Institutional Support | 0 | 0 | 0 | 0 |
| Scholarships/Fellowships | 0 | 0 | 0 | 0 |
| Plant Operations/Maintenance | 0 | 0 | 0 | 0 |
| Hospital | 0 | 0 | 0 | 0 |
| Transfers out of agency | 0 | 0 | 0 | 0 |
| Athletics | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 |
| Non-Academic Expenditures | 0 | 0 | 0 | 0 |
| Total Expenditures | 0 | 0 | 0 | 0 |

**Huey P. Long
Restricted Operations**

Semi-Annual Revenues and Expenditures Executive Summary

| | Beginning Acct/Fund Balance | 1st & 2nd Quarter Fund Balance | 3rd & 4th Quarter Fund Balance |
|--|--|---|---|
| State Appropriations | 0 | 0 | 0 |
| Restricted Fees | 0 | 0 | 0 |
| Sales and Services of Educational Activities | 0 | 0 | 0 |
| Auxiliaries | 0 | 0 | 0 |
| Endowment Income | 0 | 0 | 0 |
| Grants and Contracts | 0 | 0 | 0 |
| Indirect Cost Recovered | 0 | 0 | 0 |
| Gifts | 0 | 0 | 0 |
| Federal Funds | 0 | 0 | 0 |
| Hospitals | (2,846,030) | (3,384,262) | 0 |
| All Other Sources | 0 | 0 | 0 |
| TOTAL | (2,846,030) | (3,384,262) | 0 |

Overview and Analysis of Campus Operations

The restricted fund balance is affected by the balance sheet activity (i.e. accounts receivable, liabilities, etc.) and any additional costs associated with closing the facility. Until this activity is complete at Huey P Long Medical Center, the restricted fund balance will fluctuate depending on the activity that is posted.

Semi -Annual Overview of Restricted Operations

Campus: **Huey P. Long**

| Show Expenditures As Positive | Actual Amount for each Semi-Annual Period in FY 2015-2016 | | | | | | |
|---------------------------------------|---|-------------------|----------------------------|--------------------|-------------------|----------------------------|--------------|
| | Acct/Fund Balance | 1st & 2nd Quarter | | | 3rd & 4th Quarter | | |
| | | Revenues | Expenses, Transfers, & ICR | Fund Balance | Revenues | Expenses, Transfers, & ICR | Fund Balance |
| Revenues | | | | | | | |
| Restricted State Appropriations | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Restricted Fees | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sales & Svcs of Educ. Activ's | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Auxiliaries | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Endowment Income | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grants and Contracts | | | | | | | |
| Federal | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| State and Local | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Private | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Indirect Cost Recovered | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gifts | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Federal Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hospitals | | | | | | | |
| Hospital - Commercial/Self-Pay | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Physician Practice Plans | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Medicare | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Medicaid | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Uncompensated Care Costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sponsored Grants and Contracts | 2,083,530 | 0 | 0 | 2,083,530 | 0 | 0 | 0 |
| Sales and Services Physicians & CRNAs | 2,099,151 | (331) | 0 | 2,098,820 | 0 | 0 | 0 |
| Pharmacy | 5,087,109 | 0 | 0 | 5,087,109 | 0 | 0 | 0 |
| Sales and Services Other | (12,115,820) | (123) | 537,778 | (12,653,721) | 0 | 0 | 0 |
| All Other Sources | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | (2,846,030) | (454) | 537,778 | (3,384,262) | 0 | 0 | 0 |

Report on Restricted Operations

The restricted fund balance is affected by the balance sheet activity (i.e. accounts receivable, liabilities, etc.) and any additional costs associated with closing the facility. Until this activity is complete at Huey P Long Medical Center, the restricted fund balance will fluctuate depending on the activity that is posted.

Dr. F. King Alexander
President
Louisiana State University
3810 West Lakeshore Drive
Baton Rouge, La 70808

Subject: Fiscal Year 2015-16
Second Quarter Financial Report

Dear Dr. Alexander:

We are pleased to share the news with you that LSU Shreveport's enrollment is GROWING! We anticipate that our enrollment for spring semester will be around 100 students greater than in 2015. But what's more important is the mix of our student body.

| | Spring 2014 | Spring 2015 | Spring 2016 |
|-----------------------|-------------|-------------|-------------|
| Total LSUS Enrollment | 3,810 | 4,100 | 4,200 |
| Less: Dual Enrollment | 728 | 591 | 300 |
| Net Total Enrollment | 3,082 | 3,509 | 3,900 |

We have de-emphasized the Dual Enrollment portion of our student body, while the number of high school students helped to maintain our enrollment to around 4,000 students; it didn't help in regards to our bottom line as these students only paid \$150 per class.

Our on-line graduate programs continue to grow, and enrollment is soaring as these programs now constitute around 37-40% of our enrollment. Our most important goal is to increase our on-campus undergraduate programs, as we really need to improve that part of our enrollment.

Our team is working hard and doing all kinds of innovative things or bringing in new ideas to our campus to increase our on-campus enrollment.

1. We have launched a new International Student Recruitment center on campus, and have brought in a former International Student Recruiter that worked at Arkansas State University Magnolia, where she was responsible for increasing their international student population to over 400 students. We currently have around 100 international students, but we envision this number to grow substantially in the not too distant future.

2. We are working hard to establish our new Student Success Center in a temporary location in our Business Education building this spring. We will hire a Director for this program real soon, get this program started, and get our students involved. The permanent home for the Student Success Center will be in the Library, and we are working to make the necessary changes/modifications in that facility so we can open it sometime late in FY16-17.

3. We have established an "English as a Second Language" program this spring in cooperation with The Learning Company. We're looking for this program to help us in the recruitment and retention of international students.
4. We're emphasizing the recruitment of students from other states (Texas, Arkansas and Oklahoma) and counties that represent the "Ark-La-Tex" metropolitan area. Our aim is to award "scholarships" to these students to assist them in offsetting our high non-resident fee.
5. We are working to re-establish our Men's and Women's Intercollegiate Soccer programs for fall 2016. This will help us with two of our goals, to increase our undergraduate enrollment as well as increasing our enrollment and recruitment of international students.
6. We are working on the possibility of establishing a Women's Intercollegiate Softball program, probably for either FY 16-17 or 17-18. There is a tremendous amount of enthusiasm for this sport in our local community. It is a Win-Win-Win opportunity for LSUS, we will get an increase in enrollment, increase the number of intercollegiate sports, and it will bring another program to campus that will get parents, and other community leaders excited and involved with what is going on at LSUS.
7. We are re-establishing our connection with the Education Office at Barksdale Air Force Base. We are working very hard to establish our programs on base, and to attract Military personnel to attend classes on our campus. There are some student financial issues that put LSU Shreveport at a disadvantage and basically states that we're not "Military Friendly" when we're compared to educational offerings provided by LaTech and NSU, but we're in the process of sending a request to you in regards to this issue. If our request is approved, Military Personnel will not have to be disadvantaged financially if they attend LSU Shreveport on Base or on campus.

One of the things that is a major concern for this campus is the possibility of losing Academic Partnerships for recruiting our students for our on-line graduate programs. Our on-line programs constitutes a third of our overall enrollment, and the contract with Academic Partnership will expire in January 2017. Should Academic Partnership lose that contract in the next RFP, the continued growth of our on-line graduate enrollment could end and begin to falter and begin dropping significantly beginning with the fall 2016 semester. The issue at hand is that it might take the new company a year or two to catch up with the enrollment that we currently enjoy.

We are very concerned about the budget contingency planning exercise that we just completed. While we expect that Governor Edwards and the state's legislative leaders will be successful in forging a viable solution to the current grave budget deficit, the very possibility of an additional significant budget cut can impact enrollment and our ability to hire and retain best qualified faculty and staff.

Respectfully Submitted

Larry Clark

Larry Clark
Chancellor

| Unrestricted Operations | | Actual Amount for each semi-annual period in 2015-2016 | | |
|--|---------------------------|--|-------------------|-------------------|
| | Adjusted Operating Budget | 1st & 2nd Quarter | 3rd & 4th Quarter | Cumulative Total |
| Revenues | | | | |
| General Fund | 3,799,038 | 1,597,775 | 0 | 1,597,775 |
| Statutory Dedications | 3,826,389 | 2,725,037 | 0 | 2,725,037 |
| Interim Emergency Board | 0 | 0 | 0 | 0 |
| Interagency Transfers | 0 | 0 | 0 | 0 |
| Interagency Transfers - Federal Stimulus | 0 | 0 | 0 | 0 |
| Self Generated Revenues | 24,412,397 | 18,150,044 | 0 | 18,150,044 |
| Federal Funds | 0 | 0 | 0 | 0 |
| Total Revenues | 32,037,824 | 22,472,856 | 0 | 22,472,856 |
| Expenditures by Object: | | | | |
| Salaries | | 7,321,692 | 0 | 7,321,692 |
| Other Compensation | | 184,162 | 0 | 184,162 |
| Related Benefits | | 3,055,726 | 0 | 3,055,726 |
| Personal Services | | 10,561,580 | 0 | 10,561,580 |
| Travel | | 34,818 | 0 | 34,818 |
| Operating Services | | 1,223,514 | 0 | 1,223,514 |
| Supplies | | 365,919 | 0 | 365,919 |
| Operating Expenses | | 1,624,251 | 0 | 1,624,251 |
| Professional Services | | 86,158 | 0 | 86,158 |
| Other Charges | | 2,250,920 | 0 | 2,250,920 |
| Debt Services | | 0 | 0 | 0 |
| Interagency Transfers | | 444,413 | 0 | 444,413 |
| Other Charges | | 2,781,491 | 0 | 2,781,491 |
| General Acquisitions | | 98,629 | 0 | 98,629 |
| Library Acquisitions | | 15,511 | 0 | 15,511 |
| Major Repairs | | 0 | 0 | 0 |
| Acquisitions and Major Repairs | | 114,140 | 0 | 114,140 |
| Total Expenditures | | 15,081,462 | 0 | 15,081,462 |
| Expenditures by Function: | | | | |
| Instruction | | 6,681,122 | 0 | 6,681,122 |
| Research | | 3,036 | 0 | 3,036 |
| Public Service | | 0 | 0 | 0 |
| Academic Support (Includes Library) | | 1,283,263 | 0 | 1,283,263 |
| Academic Expenditures | | 7,967,421 | 0 | 7,967,421 |
| Student Services | | 944,005 | 0 | 944,005 |
| Institutional Support | | 2,487,536 | 0 | 2,487,536 |
| Scholarships/Fellowships | | 2,251,126 | 0 | 2,251,126 |
| Plant Operations/Maintenance | | 1,431,374 | 0 | 1,431,374 |
| Hospital | | 0 | 0 | 0 |
| Transfers out of agency | | 0 | 0 | 0 |
| Athletics | | 0 | 0 | 0 |
| Other | | 0 | 0 | 0 |
| Non-Academic Expenditures | | 7,114,041 | 0 | 7,114,041 |
| Total Expenditures | | 15,081,462 | 0 | 15,081,462 |

| | Beginning Acct/Fund Balance | 1st & 2nd Quarter Fund Balance | 3rd & 4th Quarter Fund Balance |
|--|--|---|---|
| State Appropriations | 0 | 0 | 0 |
| Restricted Fees | 1,417,191 | 2,253,719 | 2,253,719 |
| Sales and Services of Educational Activities | 0 | 0 | 0 |
| Auxiliaries | 793,973 | 214,611 | 214,611 |
| Endowment Income | 0 | (9,970) | (9,970) |
| Grants and Contracts | 1,076,002 | 895,632 | 895,632 |
| Indirect Cost Recovered | 229,236 | 213,518 | 213,518 |
| Gifts | 157,894 | 157,633 | 157,633 |
| Federal Funds | 0 | (55,015) | (55,015) |
| Hospitals | 0 | 0 | 0 |
| All Other Sources | 40,127 | 48,997 | 48,997 |
| TOTAL | 3,714,423 | 3,719,125 | 3,719,125 |

Overview and Analysis of Campus Operations

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|--|
| |
|--|

Semi -Annual Overview of Restricted Operations

Campus: **Louisiana State University Shreveport**

| Show Expenditures As Positive | Actual Amount for each Semi-Annual Period in FY 2015-2016 | | | | | | |
|---|---|-------------------|----------------------------|------------------|-------------------|----------------------------|------------------|
| | Acct/Fund Balance | 1st & 2nd Quarter | | | 3rd & 4th Quarter | | |
| | | Revenues | Expenses, Transfers, & ICR | Fund Balance | Revenues | Expenses, Transfers, & ICR | Fund Balance |
| Revenues | | | | | | | |
| Restricted State Appropriations | | 0 | | 0 | 0 | | 0 |
| Restricted Fees | 1,417,191 | 1,846,470 | 1,009,942 | 2,253,719 | 0 | | 2,253,719 |
| Sales & Svcs of Educ. Activ's | | 0 | | 0 | 0 | | 0 |
| Auxiliaries (List) | | | | | | | 0 |
| 1 - University Center - Student Fees | 0 | 140,235 | 113,630 | 26,605 | 0 | | 26,605 |
| 2 - University Center - Self Generated | 39,384 | 41,171 | 0 | 80,555 | 0 | | 80,555 |
| 3 - Food Service | (558,732) | 115,472 | 166,055 | (609,315) | 0 | | (609,315) |
| 4 - Bookstore | 1,203,114 | 659,381 | 1,416,155 | 446,340 | 0 | | 446,340 |
| 5 - University Court Apartments - Lease | 6,557 | 1,000 | 15 | 7,542 | 0 | | 7,542 |
| 6 - Athletics - Self Generated | 76,470 | 20,150 | 12,475 | 84,145 | 0 | | 84,145 |
| 7 - Athletics - Student Fees | 27,180 | 652,011 | 500,452 | 178,739 | 0 | | 178,739 |
| 8 | | 0 | | 0 | 0 | | 0 |
| 9 | | 0 | | 0 | 0 | | 0 |
| 10 | | 0 | | 0 | 0 | | 0 |
| 11 | | 0 | | 0 | 0 | | 0 |
| 12 | | 0 | | 0 | 0 | | 0 |
| 13 | | 0 | | 0 | 0 | | 0 |
| 14 | | 0 | | 0 | 0 | | 0 |
| 15 | | 0 | | 0 | 0 | | 0 |
| Endowment Income | 0 | 103,986 | 113,956 | (9,970) | 0 | | (9,970) |
| Grants and Contracts | | | | | | | |
| Federal | 0 | 253,405 | 291,587 | (38,182) | 0 | | (38,182) |
| State and Local | 336,067 | 2,460,077 | 2,494,528 | 301,616 | 0 | | 301,616 |
| Private | 739,935 | 636,963 | 744,700 | 632,198 | 0 | | 632,198 |
| Indirect Cost Recovered | 229,236 | 0 | 15,718 | 213,518 | 0 | | 213,518 |
| Gifts | 157,894 | 120,380 | 120,641 | 157,633 | 0 | | 157,633 |
| Federal Funds | | 2,541,023 | 2,596,038 | (55,015) | 0 | | (55,015) |
| Hospitals | | | | | | | |
| Hospital - Commercial/Self-Pay | | 0 | | 0 | 0 | | 0 |
| Physician Practice Plans | | 0 | | 0 | 0 | | 0 |
| Medicare | | 0 | | 0 | 0 | | 0 |
| Medicaid | | 0 | | 0 | 0 | | 0 |
| Uncompensated Care Costs | | 0 | | 0 | 0 | | 0 |
| Sponsored Grants and Contracts | | 0 | | 0 | 0 | | 0 |
| Sales and Services Other | | 0 | | 0 | 0 | | 0 |
| All Other Sources | 40,127 | 31,822 | 22,952 | 48,997 | 0 | | 48,997 |
| TOTAL | 3,714,423 | 9,623,546 | 9,618,844 | 3,719,125 | 0 | 0 | 3,719,125 |

Report on Restricted Operations

Food Service deficit will be covered by Bookstore fund balance at 6/30
 Endowment Fund deficit has not been billed to the LSUS Foundation as of 12/31/15
 Federal Grants and Federal Funds will be received in January 2016



• BOGALUSA MEDICAL CENTER - INDEPENDENCE
• EARL K. LONG MEDICAL CENTER - BATON ROUGE
• ILLIUM REGIONAL MEDICAL CENTER - INDEPENDENCE
• LEONARD J. CHABERT MEDICAL CENTER - HOUMA
• MEDICAL CENTER OF LOUISIANA - NEW ORLEANS
• UNIVERSITY MEDICAL CENTER - LAFAYETTE
• W.O. MOSS REGIONAL MEDICAL CENTER - LAKE CHARLES

WWW.LSUHOSPITALS.ORG

TO: Wendy Simoneaux
AVP Finance
LSU System

FROM: Tanesha Morgan
Budget Director
LSU Health Care Services Division

DATE: January 14, 2016

RE: Semi-Annual Budget Report
For Period Ended December 31, 2015

We have compiled the Quarterly Budget Report for the Quarter Ended December 31, 2015 for the LSU Health Care Services Division.

Major developments during this first 6 months included:

Actual:

Unrestricted Operations

- In FY16, HCSD was appropriated \$33,401,425 in general fund to cover legacy costs associated with partnered hospitals.
- A BA7 was approved in the first half of the FY16 that reduced the General fund appropriation by \$39,505.

Restricted Operations -

- Central office expenses are off budget this fiscal year. Therefore Central Office expenses and revenues are being reported in restricted operations.
- \$21M in lease payment revenue was received from the partners.
- \$22M was received from partners for contracted services performed by HCSD.
- \$9.5M was received in FEMA revenue and HCSD had \$14.5M in FEMA expenses.

cc: Dr. Frank Opelka
Dr. Wayne Wilbright
Rhonda Green
Lanette Buie

**Appendix A
Semi-Annual Revenues and Expenditures Executive Summary**

| Unrestricted Operations | | Actual Amount for each semi-annual period in 2015-16 | | |
|--|----------------------------------|---|------------------------------|-------------------------|
| | Adjusted Operating Budget | 1st & 2nd Quarter | 3rd & 4th Quarter | Cumulative Total |
| Revenues | | | | |
| General Fund | 37,222,579 | 18,617,874 | 0 | 18,617,874 |
| Statutory Dedications | 0 | 0 | 0 | 0 |
| Interim Emergency Board | 0 | 0 | 0 | 0 |
| Interagency Transfers | 31,543,383 | 16,757,490 | 0 | 16,757,490 |
| Interagency Transfers - Federal Stimulus | 0 | 0 | 0 | 0 |
| Self Generated Revenues | 6,034,389 | 4,432,920 | 0 | 4,432,920 |
| Federal Funds | 4,800,336 | 2,166,713 | 0 | 2,166,713 |
| Total Revenues | 79,600,687 | 41,974,997 | 0 | 41,974,997 |
| Expenditures by Object: | | | | |
| Salaries | | 14,719,935 | 0 | 14,719,935 |
| Other Compensation | | 468,699 | 0 | 468,699 |
| Related Benefits | | 3,747,374 | 0 | 3,747,374 |
| Personal Services | | 18,936,008 | 0 | 18,936,008 |
| Travel | | 151 | 0 | 151 |
| Operating Services | | 1,344,005 | 0 | 1,344,005 |
| Supplies | | 2,711,802 | 0 | 2,711,802 |
| Operating Expenses | | 4,055,958 | 0 | 4,055,958 |
| Professional Services | | 393,660 | 0 | 393,660 |
| Other Charges | | 16,797,712 | 0 | 16,797,712 |
| Debt Services | | 0 | 0 | 0 |
| Interagency Transfers | | 357,878 | 0 | 357,878 |
| Other Charges | | 17,155,591 | 0 | 17,155,591 |
| General Acquisitions | | 5,359 | 0 | 5,359 |
| Library Acquisitions | | 0 | 0 | 0 |
| Major Repairs | | 0 | 0 | 0 |
| Acquisitions and Major Repairs | | 5,359 | 0 | 5,359 |
| Total Expenditures | | 40,546,576 | 0 | 40,546,576 |
| Expenditures by Function: | | | | |
| Instruction | | 0 | 0 | 0 |
| Research | | 0 | 0 | 0 |
| Public Service | | 0 | 0 | 0 |
| Academic Support (Includes Library) | | 0 | 0 | 0 |
| Academic Expenditures | | 0 | 0 | 0 |
| Student Services | | 0 | 0 | 0 |
| Institutional Support | | 0 | 0 | 0 |
| Scholarships/Fellowships | | 0 | 0 | 0 |
| Plant Operations/Maintenance | | 0 | 0 | 0 |
| Hospital | | 40,546,576 | 0 | 40,546,576 |
| Transfers out of agency | | 0 | 0 | 0 |
| Athletics | | 0 | 0 | 0 |
| Other | | 0 | 0 | 0 |
| Non-Academic Expenditures | | 0 | 0 | 0 |
| Total Expenditures | | 40,546,576 | 0 | 40,546,576 |

**LSU HCSD
Restricted Operations**

Semi-Annual Revenues and Expenditures Executive Summary

| | Beginning Acct/Fund Balance | 1st & 2nd Quarter Fund Balance | 3rd & 4th Quarter Fund Balance |
|--|--|---|---|
| State Appropriations | 0 | 0 | 0 |
| Restricted Fees | 0 | 0 | 0 |
| Sales and Services of Educational Activities | 0 | 0 | 0 |
| Auxiliaries | 0 | 0 | 0 |
| Endowment Income | 0 | 0 | 0 |
| Grants and Contracts | 0 | 0 | 0 |
| Indirect Cost Recovered | 0 | 0 | 0 |
| Gifts | 0 | 0 | 0 |
| Federal Funds | 0 | 0 | 0 |
| Hospitals | 0 | 0 | 0 |
| All Other Sources | 55,506,422 | 58,678,198 | 58,678,198 |
| TOTAL | 55,506,422 | 58,678,198 | 58,678,198 |

Overview and Analysis of Campus Operations

In FY15, Central Office operations was moved on budget. Therefore, central office operations are being reflected in the unrestricted operating budget reports.

In FY16, HCSD was appropriated \$33,401,425 in general fund to cover legacy costs associated with partnered hospitals .

A BA7 was approved in the first half of the FY16 that reduced the General fund appropriation by \$39,505.

Semi -Annual Overview of Restricted Operations

Campus: **LSU HCSD**

| Show Expenditures As Positive | Actual Amount for each Semi-Annual Period in FY 2015-16 | | | | | | |
|---------------------------------|---|-------------------|----------------------------|-------------------|-------------------|----------------------------|-------------------|
| | Acct/Fund Balance | 1st & 2nd Quarter | | | 3rd & 4th Quarter | | |
| | | Revenues | Expenses, Transfers, & ICR | Fund Balance | Revenues | Expenses, Transfers, & ICR | Fund Balance |
| Revenues | | | | | | | |
| Restricted State Appropriations | | 0 | | 0 | 0 | | 0 |
| Restricted Fees | | 0 | | 0 | 0 | | 0 |
| Sales & Svcs of Educ. Activ's | | 0 | | 0 | 0 | | 0 |
| Auxiliaries (List) | | | | | | | 0 |
| 1 | | 0 | | 0 | 0 | | 0 |
| 2 | | 0 | | 0 | 0 | | 0 |
| 3 | | 0 | | 0 | 0 | | 0 |
| 4 | | 0 | | 0 | 0 | | 0 |
| 5 | | 0 | | 0 | 0 | | 0 |
| 6 | | 0 | | 0 | 0 | | 0 |
| 7 | | 0 | | 0 | 0 | | 0 |
| 8 | | 0 | | 0 | 0 | | 0 |
| 9 | | 0 | | 0 | 0 | | 0 |
| 10 | | 0 | | 0 | 0 | | 0 |
| 11 | | 0 | | 0 | 0 | | 0 |
| 12 | | 0 | | 0 | 0 | | 0 |
| 13 | | 0 | | 0 | 0 | | 0 |
| 14 | | 0 | | 0 | 0 | | 0 |
| 15 | | 0 | | 0 | 0 | | 0 |
| Endowment Income | | 0 | | 0 | 0 | | 0 |
| Grants and Contracts | | | | | | | |
| Federal | | 0 | | 0 | 0 | | 0 |
| State and Local | | 0 | | 0 | 0 | | 0 |
| Private | | 0 | | 0 | 0 | | 0 |
| Indirect Cost Recovered | | 0 | | 0 | 0 | | 0 |
| Gifts | | 0 | | 0 | 0 | | 0 |
| Federal Funds | | 0 | | 0 | 0 | | 0 |
| Hospitals | | | | | | | |
| Hospital - Commercial/Self-Pay | | 0 | | 0 | 0 | | 0 |
| Physician Practice Plans | | 0 | | 0 | 0 | | 0 |
| Medicare | | 0 | | 0 | 0 | | 0 |
| Medicaid | | 0 | | 0 | 0 | | 0 |
| Uncompensated Care Costs | | 0 | | 0 | 0 | | 0 |
| Sponsored Grants and Contracts | | 0 | | 0 | 0 | | 0 |
| Sales and Services Other | | 0 | | 0 | 0 | | 0 |
| All Other Sources | 55,506,422 | 56,096,362 | 52,924,585 | 58,678,198 | 0 | | 58,678,198 |
| TOTAL | 55,506,422 | 56,096,362 | 52,924,585 | 58,678,198 | 0 | 0 | 58,678,198 |

Report on Restricted Operations

Central office expenses are off budget this fiscal year. Therefore Central Office expenses and revenues are being reported in restricted operations.

\$21M in lease payment revenue was received from the partners.

\$22M was received from partners for contracted services performed by HCSD.

\$9.5M was received in FEMA revenue and HCSD had \$14.5M in FEMA expenses.