



**BUDGET PRIORITIES
LSU HEALTH SCIENCES CENTER IN NEW ORLEANS
2020-21 OPERATING BUDGET**

The Fiscal Year 2020-21 appropriation for the LSU Health Sciences Center in New Orleans Campus (LSUHSC-NO) is \$142.6 million. This represents a net decrease of \$11.3 million in comparison to the final appropriation of \$153.9 million for Fiscal Year 2019-20. It should be noted that the ending budget for Fiscal Year 2019-20 was increased by an IAT of \$5.3M for eligible expenses in response to the Coronavirus Pandemic. If we adjust for the \$5.3M the actual difference between years is a decrease of approximately \$6M. It should also be noted, however, that actual revenue received in FY 2019-20 was only \$151.6 million, a shortage of approximately \$2.3 million. The shortage consisted of \$728 thousand in Statutory Dedicated SELF funds and \$1.5 million in fees and self-generated funds. The LSUHSC-NO's FY 2020-21 appropriation was decreased in large part due to the \$5.4 million in general fund that equates to the \$5.4M provided and spent in FY 2019-20.; \$590 thousand in SELF funds, an additional \$2.3 million reduction in general fund; \$590 thousand in SELF funds; netted against a net increase of approximately \$3.2 million in fees and self-generated funds. The majority of the fees and self-generated increases (\$1.3 million) are estimated in the School of Dentistry for the DDS and expansion of the DDS & Advanced Program for Internationally Educated Program. The remaining is basically an increase in unfunded budget authority of \$1.0 million.

LSUHSC-NO Spending Priorities in FY 2019-2020:

Salary Adjustments

Civil Service Market Adjustments:

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

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

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

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

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

Faculty Promotion and Tenure Adjustments:

Effective July 1, 2020, the Health Sciences Center granted salary increases for faculty who have earned promotions in rank. Increases range between 5% and 12%. These faculty promotions come with an annual increase of \$851,866 including fringe benefits as follows:

Previous Title	Promotion Title	Number of Positions	FY 21 Annual Increase with Related Benefits
Assistant Librarian	Associate Librarian	1	\$9,252
Assistant Professor	Associate Professor	1	\$17,865
Assistant Professor Clinical	Associate Professor Clinical	24	\$354,374
Assistant Professor Research	Associate Professor Research	3	\$40,441
Associate Professor	Professor	9	\$186,559
Associate Professional Clinical	Professor Clinical	7	\$120,711
Associate Professor Clinical/Program Director	Professor	1	\$18,234
Associate Professor/Program Director	Professor	1	\$25,543
Clinical Assistant Professor	Clinical Associate Professor	10	\$18,581
Clinical Associate Professor	Clinical Professor	2	\$12,668
Instructor	Assistant Professor Clinical	2	\$24,670
Instructor	Assistant Professor Research	1	\$17,254
Instructor Research	Assistant Professor Research	1	\$5,714
Total LSUHSCNO Annual Increase		63	\$851,866

Targeted Merit Adjustments:

Effective in FY 2021, the Health Sciences Center granted salary increases for targeted meritorious performance for various employees as requested by the Chancellor, Deans or Vice Chancellor.

Because leadership is well aware of the State's fiscal condition, our University has placed an emphasis on creating and enhancing alternative sources of funding:

- LSUHSC-NO continues to seek new and/or expanded relationships with private and not-for-profit health care entities. We hope to have increases in revenue from private contracts this fiscal year.
- LSUHSC-NO will receive capital outlay appropriations and other self generated funds to repurpose the LSU Interim Hospital for the purpose of enhancing the LSUHSC-NO footprint including the construction and operation of a Center for Advanced Learning and Simulation.
- LSUHSC-NO continues to explore new and innovative public-private partnerships to maximize revenue and utilize the transferred buildings including parking in support of repurposed buildings, housing for residents, students, and faculty, and clinics in support of Graduate Medical Education.

The University also continues to focus on:

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