

Louisiana State University



**Semi-Annual Financial Report
For Six-Month Period Ending June 30, 2019**

Table of Contents

LSU and A&M College	1
LSU Agricultural Center	5
LSU Pennington Biomedical Research Center	10
LSU Alexandria	14
LSU Eunice	19
LSU Shreveport	24
LSU Health Sciences Center - New Orleans	28
LSU Health Sciences Center - Shreveport	33
LSU Health Care Services Division	38



CAMPUS CORRESPONDENCE

To: F. King Alexander
President

Date: August 5, 2019

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

Subject: Semi-Annual FY 2018-2019 Financial Report

LSU has completed the 2018-2019 fiscal year within its authorized budget authority. Ending the fiscal year within the authorized budget authority was the result of the cooperation, hard work, and dedication of hundreds of LSU employees from the vice presidents, deans, heads of budgetary units, down through the departmental personnel, to individual faculty and staff. All deserve credit for this accomplishment.

Due to the required submission date of the quarterly report, it should be noted that actual expenditure and revenue data presented in this report are preliminary. The data will be finalized once financial reporting entries are complete and audited by the Legislative Auditors. Thank you for your leadership and continued support of LSU. Please contact me should you have any questions concerning this report.

Unrestricted Operations		Actual Amount for each semi-annual period in 2018-2019		
	Adjusted Operating Budget	1st & 2nd Quarter	3rd & 4th Quarter	Cumulative Total
Revenues				
General Fund	116,169,563	67,550,910	48,618,653	116,169,563
Statutory Dedications	13,331,660	3,229,967	9,398,990	12,628,957
Interim Emergency Board	0	0		0
Interagency Transfers	7,472,774	3,744,728	3,670,618	7,415,346
Interagency Transfers - Federal Stimulus	0	0		0
Self Generated Revenues	425,616,716	371,205,621	50,640,884	421,846,505
Federal Funds	0	0		0
Total Revenues	562,590,713	445,731,227	112,329,144	558,060,371
Expenditures by Object:				
Salaries		126,337,439	133,648,041	259,985,480
Other Compensation		16,555,497	16,032,498	32,587,994
Related Benefits		55,909,560	53,592,669	109,502,228
Personal Services		198,802,495	203,273,208	402,075,703
Travel		1,668,014	2,881,412	4,549,426
Operating Services		16,919,459	8,254,563	25,174,021
Supplies		9,699,017	10,800,733	20,499,751
Operating Expenses		28,286,490	21,936,708	50,223,198
Professional Services		2,796,838	3,455,586	6,252,424
Other Charges		78,691,794	12,885,400	91,577,194
Debt Services		0	0	0
Interagency Transfers		238,677	602,485	841,162
Other Charges		81,727,309	16,943,471	98,670,780
General Acquisitions		3,171,098	3,540,849	6,711,947
Library Acquisitions		160,289	218,454	378,742
Major Repairs		0	0	0
Acquisitions and Major Repairs		3,331,387	3,759,302	7,090,689
Total Expenditures		312,147,682	245,912,689	558,060,371
Expenditures by Function:				
Instruction		104,346,123	108,552,219	212,898,343
Research		30,301,335	35,943,031	66,244,365
Public Service		2,584,690	3,024,797	5,609,487
Academic Support (Includes Library)		38,949,031	35,344,531	74,293,562
Academic Expenditures		176,181,179	182,864,578	359,045,757
Student Services		9,428,327	9,866,607	19,294,934
Institutional Support		17,227,713	15,331,066	32,558,780
Scholarships/Fellowships		77,185,808	14,676,805	91,862,613
Plant Operations/Maintenance		31,225,922	25,794,414	57,020,336
Hospital		0	0	0
Transfers out of agency		898,733	(2,620,782)	(1,722,049)
Athletics		0	0	0
Other		0	0	0
Non-Academic Expenditures		135,966,503	63,048,111	199,014,614
Total Expenditures		312,147,682	245,912,689	558,060,371

**LSU A&M
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	22,201,293	36,191,290	22,136,318
Sales and Services of Educational Activities	14,606,477	15,856,952	12,477,543
Auxiliaries	37,578,838	75,361,652	41,500,921
Endowment Income	21,517,315	21,205,331	22,183,959
Grants and Contracts	659,110	15,622,133	2,244,857
Indirect Cost Recovered	41,214,556	34,368,983	32,001,935
Gifts	9,200,707	7,743,017	7,816,109
Federal Funds	0	0	0
Hospitals	0	0	0
All Other Sources	28,615,815	29,069,824	29,962,337
TOTAL	175,594,112	235,419,182	170,323,978

Overview and Analysis of Campus Operations

Revenues:

A budget amendment increasing the State General Fund by \$368,000 was processed per HB 392 Supplemental Appropriations Bill. Also included in HB 392 was a \$247,724 increase in Statutory Dedications (specifically SELF), and an \$11,800,000 increase in Self-Generated Budget Authority due to the increase in Student Excellence Fee. The shortfall in Statutory Dedicated funding is attributable to the Firemen Training (\$229,178) and SELF (\$473,525) fund revenues being less than the state Revenue Estimating Conference's estimate.

Expenditures:

The negative expenditure in the Transfer function is the Athletic Department transfer. This transfer is reflected as a negative expenditure due to the original source of the revenues being recorded in the Athletic Department and so not to "double count" the revenue as prescribed by the Governmental Accounting Standards Board (GASB).

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 2018-2019						
	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	22,201,293	30,070,304	16,080,308	36,191,290	11,940,374	25,995,346	22,136,318
Sales & Svcs of Educ. Activ's	14,606,477	9,884,303	8,633,828	15,856,952	10,059,900	13,439,309	12,477,543
Auxiliaries (List)							0
1 - Athletic Department	1,754,160	61,620,838	67,818,763	(4,443,765)	78,269,185	72,939,454	885,966
2 - Golf Course	906,890	397,640	368,628	935,902	414,584	467,425	883,061
3 - Residential Life	7,717,882	45,993,052	18,038,828	35,672,105	8,338,028	34,821,786	9,188,348
4 - Lab School Cafeteria	425,280	423,009	259,210	589,079	46,234	234,122	401,192
5 - Copier Mgmt & Mailing Services	5,907,848	1,021,595	447,907	6,481,536	1,318,407	641,657	7,158,286
6 - University Stores	378,758	2,539,473	2,556,534	361,697	2,935,407	3,015,082	282,021
7 - Parking, Traffic & Transportation	5,561,288	8,911,925	4,193,823	10,279,391	3,416,168	8,523,879	5,171,679
8 - Student Health	1,622,958	8,781,686	4,453,211	5,951,433	1,571,991	5,858,324	1,665,100
9 - Student Media	765,077	933,756	474,805	1,224,029	296,640	581,125	939,543
10 - Auxiliary Services	4,569,601	1,999,488	892,301	5,676,788	1,431,316	1,667,014	5,441,091
11 - Union	7,969,096	7,526,531	2,862,170	12,633,457	2,116,325	5,265,148	9,484,633
12							
13							
14							
15							
Endowment Income	21,517,315	1,673,112	1,985,096	21,205,331	2,837,155	1,858,528	22,183,959
Grants and Contracts							
Federal	(625,694)	52,468,951	50,267,404	1,575,853	56,716,329	57,814,774	477,408
State and Local	262,970	22,301,825	15,687,883	6,876,913	12,404,131	18,376,512	904,532
Private	1,021,834	16,982,276	10,834,742	7,169,367	4,896,927	11,203,378	862,917
Indirect Cost Recovered	41,214,556	4,191,768	11,037,340	34,368,983	13,667,854	16,034,902	32,001,935
Gifts	9,200,707	10,567,718	12,025,408	7,743,017	11,511,631	11,438,539	7,816,109
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	28,615,815	3,604,987	3,150,978	29,069,824	11,542,833	10,650,320	29,962,337
TOTAL	175,594,112	291,894,239	232,069,168	235,419,182	235,731,419	300,826,623	170,323,978

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.



Date: July 31, 2019

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

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

RE: Fourth Quarter Budget Report for FY 2018-2019

FY2018-2019 was a stable budget year for the AgCenter in terms of appropriations. Base funding was not reduced July 1, 2018, and there were no mid-year reductions. For a second year; however, there was a reduction in statutory dedications. In FY2016-17, the AgCenter minimized spending in an effort to realign expenditures with available funds. This was largely successful in the short-term and the AgCenter started FY17-18 on a positive note. However new budget pressures are always present and FY18-19 was not an exception.

After minimizing spending in FY16-17, by July 1, 2017 there were numerous critical positions the AgCenter could no longer hold off on filling. This continued into FY18-19.

New hires in FY18-19 consisted of a large number of faculty level positions essential to the overall research and extension programs and having major impact on teaching needs of the LSU A&M College of Agriculture. These faculty hires also mandate sizeable start-up packages. Without these packages, the AgCenter would be at a serious disadvantage with regard to competing for talented new hires.

At the beginning of FY18-19, a faculty merit raise plan was implemented. This was imperative to retain faculty and engage in successful recruiting efforts. Continuing in FY18-19 were various duty changes for key employees.

Though necessary, all of these actions create significant additional budget pressure. Closing FY18-19 was very difficult financially because funds are very tight and not sufficient to meet the needs encompassed by the AgCenter's mission. Increased mandated costs were a problem in FY18-19 and aggravated the budget situation. This is anticipated to be the case again in FY19-20. Thus, the challenge of insufficient resources to meet programmatic/clientele demand continues.

As noted in previous reports, well over 500 positions have been eliminated since 2008; multiple research stations closed; departments merged; 124 positions lost in three retirement incentive programs offered; and many programs downsized, re-missioned or eliminated. It is extremely difficult to meet the normal demands of the agricultural industry, much less emerging issues, new threats, and forward-looking research to ensure the industry is well-positioned many years into the future.

Dr. F. King Alexander
July 31, 2019
Page Two

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.

During FY18-19, the AgCenter continued to identify ways of streamlining costs and more effectively utilizing resources. A revised staffing plan for agricultural agents is in its second year and is working well. This involved re-design of staffing for program delivery with the objective of having fewer agents, but making them more specialized. The 4-H program is expanding agent training, using technology creatively to educate and motivate youth, and reviewing its event-specific expenses to more efficiently use financial resources. Many departments continued to re-configure course offerings due to the loss of faculty. Several research stations are refining their focus as new faculty come on board. Others stations are being downsized and streamlined, primarily through attrition.

The LSU AgCenter continues to make every effort to utilize resources effectively and to maintain its most critical programs, remain true to the core mission of improving the lives of Louisiana citizens and provide the most it can for every dollar invested in the AgCenter. Your continued support is valued and appreciated.

Sincerely,



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

xc: Ms. Ann Coulon
Ms. Lori Parker
Mr. Jim Buras

Appendix A
Semi-Annual Revenues and Expenditures Executive Summary

Unrestricted Operations		Actual Amount for each semi-annual period in 2018-2019		
	Adjusted Operating Budget	1st & 2nd Quarter	3rd & 4th Quarter	Cumulative Total
Revenues				
General Fund	67,696,729	39,489,758	28,206,971	67,696,729
Statutory Dedications	4,293,706	1,568,194	2,566,614	4,134,808
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	1,346,732	2,475,412	3,822,144
Federal Funds	13,018,275	2,421,999	10,579,296	13,001,295
Total Revenues	91,816,677	44,826,683	43,828,293	88,654,976
Expenditures by Object:				
Salaries		23,018,637	23,053,969	46,072,606
Other Compensation		1,291,973	1,232,792	2,524,765
Related Benefits		14,498,525	12,886,296	27,384,821
Personal Services		38,809,135	37,173,057	75,982,191
Travel		641,658	770,624	1,412,282
Operating Services		3,214,711	2,939,431	6,154,142
Supplies		1,609,515	2,021,730	3,631,245
Operating Expenses		5,465,884	5,731,785	11,197,669
Professional Services		389,880	125,353	515,233
Other Charges		165,622	80,025	245,648
Debt Services		0	0	0
Interagency Transfers		263,850	450,385	714,235
Other Charges		819,352	655,763	1,475,115
General Acquisitions		0	0	0
Library Acquisitions		0	0	0
Major Repairs		0	0	0
Acquisitions and Major Repairs		0	0	0
Total Expenditures		45,094,371	43,560,605	88,654,976
Expenditures by Function:				
Instruction		263,199	(263,199)	0
Research		13,237,292	13,891,976	27,129,268
Public Service		10,475,211	11,984,046	22,459,257
Academic Support (Includes Library)		1,292,694	1,055,076	2,347,770
Academic Expenditures		25,268,397	26,667,899	51,936,296
Student Services		0	0	0
Institutional Support		17,781,944	14,944,405	32,726,350
Scholarships/Fellowships		(114)	114	0
Plant Operations/Maintenance		2,044,144	1,948,187	3,992,330
Hospital		0	0	0
Transfers out of agency		0	0	0
Athletics		0	0	0
Other		0	0	0
Non-Academic Expenditures		19,825,974	16,892,706	36,718,680
Total Expenditures		45,094,371	43,560,605	88,654,976

	Beginning Acct/Fund Balance	1st & 2nd Quarter Fund Balance	3rd & 4th Quarter Fund Balance
State Appropriations	0	0	0
Restricted Fees	0	(1,415)	0
Sales and Services of Educational Activities	2,770,248	2,715,442	2,670,477
Auxiliaries	0	0	0
Endowment Income	699,130	184,601	212,829
Grants and Contracts	3,964,895	8,628,237	3,447,612
Indirect Cost Recovered	137,770	135,750	132,889
Gifts	5,028,579	4,810,852	4,651,654
Federal Funds	0	0	0
Hospitals	0	0	0
All Other Sources	10,164,996	11,881,971	7,486,620
TOTAL	22,765,618	28,355,439	18,602,081

Overview and Analysis of Campus Operations

--

Semi -Annual Overview of Restricted Operations

Campus: *LSU Agricultural Center*

Show Expenditures As Positive	Actual Amount for each Semi-Annual Period in FY 2018-2019						
	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	1,415	(1,415)	0	(1,415)	0
Sales & Svcs of Educ. Activ's	2,770,248	1,027,352	1,082,157	2,715,442	1,263,118	1,308,084	2,670,477
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	699,130	(446,338)	68,191	184,601	95,340	67,112	212,829
Grants and Contracts							
Federal	(26,581)	3,113,166	3,028,991	57,595	3,299,386	3,432,204	(75,223)
State and Local	2,570,761	9,723,673	7,677,789	4,616,645	7,392,420	9,670,868	2,338,197
Private	1,420,715	5,060,300	2,527,018	3,953,997	32,637	2,801,996	1,184,638
Indirect Cost Recovered	137,770	0	2,020	135,750	0	2,861	132,889
Gifts	5,028,579	1,283,472	1,501,199	4,810,852	1,305,494	1,464,692	4,651,654
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	10,164,996	8,122,046	6,405,072	11,881,971	4,074,564	8,469,914	7,486,620
TOTAL	22,765,618	27,883,673	22,293,852	28,355,439	17,462,959	27,216,317	18,602,081

Report on Restricted Operations



Semi-Annual Budget Summary Narrative

For the Period Ending June 30, 2019

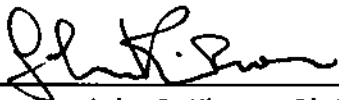
Revenues

Unrestricted Revenues were received as anticipated with the exception of statutory dedications—the “Support Education in Louisiana Fund” (SELF) had a shortfall in collections of \$5,146. Restricted revenues in the form of gifts, grants and contracts are also at expected levels. All other collections are within expected levels.

The Pennington Biomedical Research Center Stores Auxiliary revenues were as anticipated for the fiscal year. We continue to closely monitor the stores operations to ensure operations remain viable.

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 for the fiscal year.



John P. Kirwan, Ph.D.
Executive Director

Appendix A
Semi-Annual Revenues and Expenditures Executive Summary

Unrestricted Operations		Actual Amount for each semi-annual period in 2018-2019		
	Adjusted Operating Budget	1st & 2nd Quarter	3rd & 4th Quarter	Cumulative Total
Revenues				
General Fund	17,182,659	9,439,885	7,742,774	17,182,659
Statutory Dedications	96,556	35,105	56,305	91,410
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	127,024	718,537	845,561
Federal Funds	0	0	0	0
Total Revenues	18,124,776	9,602,014	8,517,616	18,119,630
Expenditures by Object:				
Salaries		6,123,058	6,205,415	12,328,473
Other Compensation		59,783	76,867	136,650
Related Benefits		2,690,444	1,817,988	4,508,432
Personal Services		8,873,285	8,100,270	16,973,555
Travel		16,719	16,497	33,216
Operating Services		(599,884)	221,809	(378,074)
Supplies		567,073	810,638	1,377,711
Operating Expenses		(16,092)	1,048,944	1,032,853
Professional Services		18,161	32,999	51,160
Other Charges		5,715	13,144	18,859
Debt Services			0	0
Interagency Transfers			0	0
Other Charges		23,876	46,144	70,020
General Acquisitions		0	0	0
Library Acquisitions		0	0	0
Major Repairs		20,574	22,629	43,203
Acquisitions and Major Repairs		20,574	22,629	43,203
Total Expenditures		8,901,643	9,217,987	18,119,630
Expenditures by Function:				
Instruction		22	(22)	0
Research		1,691,742	1,901,974	3,593,716
Public Service		101,958	108,288	210,246
Academic Support (Includes Library)		2,751,070	3,026,894	5,777,964
Academic Expenditures		4,544,792	5,037,134	9,581,926
Student Services		0	0	0
Institutional Support		2,888,419	1,693,637	4,582,056
Scholarships/Fellowships		0	0	0
Plant Operations/Maintenance		1,465,936	2,489,712	3,955,648
Hospital		0	0	0
Transfers out of agency		2,496	(2,496)	0
Athletics		0	0	0
Other		0	0	0
Non-Academic Expenditures		4,356,851	4,180,853	8,537,704
Total Expenditures		8,901,643	9,217,987	18,119,630

	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	236,452	178,937	124,469
Auxiliaries	73,680	24,176	70,981
Endowment Income	0	0	0
Grants and Contracts	2,092,261	3,415,842	2,873,292
Indirect Cost Recovered	2,930,241	1,771,784	1,183,623
Gifts	592,556	980,221	540,220
Federal Funds	0	0	0
Hospitals	0	0	0
All Other Sources	1,438,527	1,344,105	820,841
TOTAL	7,363,716	7,715,066	5,613,425

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 2018-2019						
	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	236,452	86,244	143,758	178,937	114,017	168,486	124,469
Auxiliaries (List)							0
Pennington Stores	73,680	691,653	741,157	24,176	989,798	942,993	70,981
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	710	8,892,006	8,444,208	448,508	10,375,323	10,802,106	21,725
State and Local	659,159	1,088,794	733,524	1,014,429	1,337,459	1,119,786	1,232,101
Private	1,432,392	4,812,877	4,292,364	1,952,905	4,365,646	4,699,086	1,619,465
Indirect Cost Recovered	2,930,241	3,272,619	4,431,076	1,771,784	3,653,769	4,241,930	1,183,623
Gifts	592,556	1,114,675	727,009	980,221	738,667	1,178,668	540,220
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	1,438,527	310,074	404,496	1,344,105	423,115	946,379	820,841
TOTAL	7,363,716	20,268,941	19,917,591	7,715,066	21,997,794	24,099,435	5,613,425

Report on Restricted Operations

--

Louisiana State University of Alexandria
Semi-Annual Financial Report Narrative
July 2019

Overview and Analysis of Campus Operations:

Financially speaking, FY19 was a bad year. Census day total headcount for Fall 2018 saw a 7.8% drop in enrollment. Spring 2019 followed at 3% down. On-campus enrollment was down 6.1%, while full-time on-campus students dropped by 1.7%. On-line enrollments were up by 20% in the 100% online programs, however, LSUA must pay out 50% of tuition from these programs. The overall result was a net loss in revenue. In the FY19 budget narrative, LSUA states, "*The overall 2018/19 proposed budget is based on slightly increased enrollment projections. If the projections are not met, the university will have to make budget adjustments – primarily in the area of salary increases.*" These adjustments were not made.

Much needed salary increases were given across the board despite missing enrollment thresholds for adequate revenue. Recurring personnel costs increased over \$700,000 from FY18 to FY19. Already being short on revenue, added with increased personnel costs, as well as other one-time expenses, and some department overages, all led to a ~\$1.1M deficit in unrestricted operating accounts.

This shortfall was covered through multiple channels. Historically, all summer revenue, regardless of session end-date, was deferred to the upcoming fiscal year. This year, Summer2 (ending prior to yearend) was booked in FY19 instead of being deferred. Additionally, fringe benefits for Athletics were moved from unrestricted to a restricted account. Other expenditures were moved to restricted accounts (Building Use, Student Union, Student Technology Fee). The final closing entry was made from two restricted accounts. Given that one of the institution's primary goals from FY15 through FY19 was to increase account balances on all auxiliary and restricted accounts, this year was a slight setback.

Ultimately the year was balanced, but at the cost of restricted funding. Additional details can be provided as needed.


8/1/19

PC

Report on Restricted Operations:

The primary concern is Athletics. Over the past 5 years, the Athletics deficit has increased from \$300,000 to \$1.1M. The last 4 years have seen a ~\$300K overage each year. There were no restrictions or plans put in place to mitigate or curb this growing deficit. Most of the overage is due to successful teams. Winning teams travel more in post-season, subsequently spending more than budgeted. Athletic expenditures have been trimmed to a very minimal amount. The major expense comes from personnel costs. The solution is finding additional revenue. Going in to FY20, fundraising and private donations are top priority. Additionally, the institution's new Chancellor has committed to ensuring the deficit remains flat at the end of FY20 -- even if this means major changes/reductions in the Athletic department.

The Campus Housing deficit is cash-flow timing issue from The Oaks transfers. This account is not in questionable status.

The Golf Course is still recovering from two years of having two greens/holes closed while construction was taking place on campus. Additionally, weather contributed to lower revenues, and a large dollar piece of equipment had to be replaced. Future projections show a recovery on the negative balance.

The Child Care Center is a different issue. Historically, the CCC was supported in part by a student assessed fee of \$7.50/student/semester. Student Government recently voted to reduce the fee across three years until it was removed by the end of FY21. This loss of revenue, coupled with a falling enrollment has placed the Child Care Center at risk of closure in the immediate future. University administration is considering options, with closure being at the top of the list. University priorities have changed since construction of the center, and institutional operating dollars can no longer be afforded. A decision will be made during the FY20 year.

All other restricted accounts ended the year as projected.

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

Unrestricted Operations		Actual Amount for each semi-annual period in 2018-2019		
	Adjusted Operating Budget	1st & 2nd Quarter	3rd & 4th Quarter	Cumulative Total
Revenues				
General Fund	4,962,613	2,894,857	2,067,756	4,962,613
Statutory Dedications	275,077	100,010	160,405	260,415
Interim Emergency Board	0	0	0	0
Interagency Transfers	0	0	0	0
Interagency Transfers - Federal Stimulus	0	0	0	0
Self Generated Revenues	16,641,127	15,404,741	1,862,471	17,267,212
Federal Funds	0	0	0	0
Total Revenues	21,878,817	18,399,608	4,090,632	22,490,240
Expenditures by Object:				
Salaries		5,223,860	5,445,515	10,669,375
Other Compensation		175,628	125,640	301,268
Related Benefits		2,466,942	2,535,836	5,002,778
Personal Services		7,866,429	8,106,991	15,973,420
Travel		64,470	74,154	138,624
Operating Services		1,329,817	410,419	1,740,236
Supplies		353,205	134,524	487,729
Operating Expenses		1,747,492	619,097	2,366,589
Professional Services		1,535,541	1,012,392	2,547,933
Other Charges		821,252	733,457	1,554,709
Debt Services		0	0	0
Interagency Transfers		0	0	0
Other Charges		2,356,794	1,745,849	4,102,643
General Acquisitions		27,221	8,843	36,064
Library Acquisitions		3,433	8,091	11,524
Major Repairs		0	0	0
Acquisitions and Major Repairs		30,654	16,934	47,588
Total Expenditures		12,001,369	10,488,871	22,490,240
Expenditures by Function:				
Instruction		4,759,807	4,347,708	9,107,515
Research		0	0	0
Public Service		0	0	0
Academic Support (Includes Library)		624,084	594,262	1,218,346
Academic Expenditures		5,383,891	4,941,970	10,325,861
Student Services		599,625	569,924	1,169,549
Institutional Support		3,811,841	3,349,977	7,161,818
Scholarships/Fellowships		831,269	725,365	1,556,634
Plant Operations/Maintenance		1,374,742	916,297	2,291,039
Hospital		0	0	0
Transfers out of agency		0	(14,662)	(14,662)
Athletics		0	0	0
Other		0	0	0
Non-Academic Expenditures		6,617,477	5,546,901	12,164,378
Total Expenditures		12,001,369	10,488,871	22,490,240

	Beginning Acct/Fund Balance	1st & 2nd Quarter Fund Balance	3rd & 4th Quarter Fund Balance
State Appropriations	0	0	0
Restricted Fees	1,646,307	2,675,406	1,944,995
Sales and Services of Educational Activities	359,511	387,016	369,201
Auxiliaries	1,655,018	2,214,930	1,364,004
Endowment Income	663,197	671,616	678,221
Grants and Contracts	78,514	39,073	25,185
Indirect Cost Recovered	14,369	13,862	13,862
Gifts	81,804	168,024	120,287
Federal Funds	0	0	0
Hospitals	0	0	0
All Other Sources	70,641	(122,179)	(109,500)
TOTAL	4,569,362	6,047,747	4,406,254

Overview and Analysis of Campus Operations

Financially speaking, FY19 was a bad year. Census day total headcount for Fall 2018 saw a 7.8% drop in enrollment. Spring 2019 followed at 3% down. On-campus enrollment was down 6.1%, while full-time on-campus students dropped by 1.7%. On-line enrollments were up by 20% in the 100% online programs, however, LSUA must pay out 50% of tuition from these programs. The overall result was a net loss in revenue. In the FY19 budget narrative, LSUA states, *"The overall 2018/19 proposed budget is based on slightly increased enrollment projections. If the projections are not met, the university will have to make budget adjustments – primarily in the area of salary increases."* These adjustments were not made.

Much needed salary increases were given across the board despite missing enrollment thresholds for adequate revenue. Recurring personnel costs increased over \$700,000 from FY18 to FY19. Already being short on revenue, added with increased personnel costs, as well as other one-time expenses, and some department overages, led to a ~\$1.1M deficit in unrestricted operating accounts.

This shortfall was covered through multiple channels. Historically, all summer revenue, regardless of session end-date, was deferred to the upcoming fiscal year. This year, Summer2 (ending prior to yearend) was booked in FY19 instead of being deferred. Additionally, fringe benefits for Athletics were moved from unrestricted to a restricted account. Other expenditures were moved to restricted accounts (Building Use, Student Union, Student Technology Fee). The final closing entry was made from two restricted accounts. Given that one of the institutions primary goals from FY15 through FY19 was to increase account balances on all auxiliary and restricted accounts, this year was a slight setback.

Ultimately the year was balanced, but at the cost of restricted funding. Additional details can be provided as needed.

Semi -Annual Overview of Restricted Operations

Campus: *LSU of Alexandria*

Show Expenditures As Positive	Actual Amount for each Semi-Annual Period in FY 2018-2019						
	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	1,646,307	1,406,451	377,353	2,675,406	209,036	939,447	1,944,995
Sales & Svcs of Educ. Activ's	359,511	59,765	32,261	387,016	14,417	32,232	369,201
Auxiliaries (List)							0
1 - Athletic Department	(804,489)	805,842	575,235	(573,882)	96,726	634,387	(1,111,543)
2 - Bookstore	1,085,988	58,363	(2,821)	1,147,172	89,326	248,795	987,703
3 - Child Care Center	(37,038)	90,107	85,977	(32,908)	68,321	162,053	(126,640)
4 - Campus Housing	26,162	51,399	57,649	19,913	99,553	134,157	(14,691)
5 - Campus Card Operations	9,036	0	2,640	6,396	27,197	24,491	9,102
6 - Duplications & Copy	130,810	53,838	65,169	119,479	62,886	97,338	85,027
7 - Golf Course	39,876	21,515	45,657	15,734	18,549	61,074	(26,791)
8 - Museum	68,766	75,000	179,954	(36,188)	255,000	196,467	22,345
9 - Newspaper	12,347	3,494		15,841	563	6,865	9,539
10 - Parking, Street & Safety	541,142	155,936	4,410	692,668	28,464	100	721,032
11 - Union	513,752	394,221	135,897	772,076	67,982	101,220	738,838
12 - Yearbook	68,666	(36)		68,630	1,454		70,084
13		0		0	0		0
14		0		0	0		0
15		0		0	0		0
Endowment Income	663,197	23,219	14,800	671,616	31,123	24,518	678,221
Grants and Contracts							
Federal	(1,379)	3,256,727	3,256,584	(1,237)	3,492,472	3,487,524	3,711
State and Local	66,392	50,197	126,671	(10,082)	81,655	63,599	7,974
Private	13,501	72,181	35,290	50,392	6,409	43,301	13,500
Indirect Cost Recovered	14,369	(507)		13,862	0		13,862
Gifts	81,804	221,111	134,891	168,024	266,729	314,466	120,287
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	70,641	(192,820)		(122,179)	12,679		(109,500)
TOTAL	4,569,362	6,606,002	5,127,616	6,047,747	4,930,541	6,572,034	4,406,254

Report on Restricted Operations

See unrestricted narrative for background information on restricted accounts in FY19.

The primary concern is Athletics. Over the past 5 years, the Athletics deficit has increased from \$300,000 to \$1.1M. The last 4 years have seen a ~\$300K overage each year. There were no restrictions or plans put in place to mitigate or curb this growing deficit. Most of the overage is due to successful teams. Winning teams travel more in post-season, subsequently spending more than budgeted. Athletic expenditures have been trimmed to a very minimal amount. The major expense comes from personnel costs. The solution is finding additional revenue. Going in to FY20, fundraising and private donations are top priority. Additionally, the institution's new Chancellor has committed to ensuring the deficit remains flat at the end of FY20 -- even if this means major changes/reductions in the Athletic department.

The Campus Housing deficit is timing from The Oaks transfers. This account is not in questionable status.

The Golf Course is still recovering from two years of having two greens/holes closed while construction was taking place on campus. Additionally, weather contributed to lower revenues, and a large dollar piece of equipment had to be replaced. Future projections show a recovery on the negative balance.

The Child Care Center is a different issue. Historically, the CCC was supported in part by a student assessed fee of \$7.50/student/semester. Student Government recently voted to reduce the fee across three years until it was removed by the end of FY21. This loss of revenue, coupled with a falling enrollment has placed the Child Care Center at risk of closure in the immediate future. University administration is considering options, with closure being at the top of the list. University priorities have changed since construction of the center, and institutional operating dollars can no longer be afforded. A decision will be made during the FY20 year.

All other restricted accounts ended the year as projected.



Final Financial Report Narrative FY 2018-19

Overview and Analysis of Campus Operations

LSU Eunice's unrestricted actual revenue for FY 2018-19 is \$15, 272,811 and represents a \$1.3M increase from the 2017-18 fiscal year due to an increase in FTE enrollment and student fees. LSUE serves a student population of over 3,232 (Fall 2018) and relies on self-generated revenue (67%) and state of Louisiana appropriations (33%) to operate. As compared to the 2017-18 fiscal year, LSUE realized a 3.08% increase in headcount and a 7.35% increase in semester credit hours. Total student headcount for AY 18-19 was 6,822 and is a 3.08% increase in total headcount of AY 17-18 (6618).

In FY 18-19 LSUE implemented programs that share resources with LSUA and LSU A&M. During the 2018-19 academic year, LSUE has completed the following projects through external grants, current funding and/or the sharing of LSU resources:

- In 17-18, LSUE partnered with LSU's IT division to hire a new director of information technology for LSUE with oversight from the LSU's Office of Information Technology. In 18-19, the director and staff made significant improvements in the campus WIFI infrastructure.
- Revised and expanded the LSUE Academy for high achieving students from four surrounding parishes with over 100 students to continue in the Fall of 2018. LSUE also continues its role with the U.S. Department of Education as an Experimental Site for federal Title IV funding for Louisiana high school students. LSUE is readying for a site visit in the Fall of 2019.
- Graduated the first class in Associate of Applied Science Degree in Diagnostic Medical Sonography in August 2019. (LA Rapid Response Grant)
- Graduated the first class of Associate of Applied Science Degree in Surgical Technology that began in May 2019. (LA Rapid Response Grant and funding from local hospitals)
- Completing the SACSCOC Fifth year report that will be sent in late August of 2019.
- Completed the construction of the new Soccer Complex to include two playing fields and lighting. The ribbon cutting is scheduled for August 28, 2019.
- Completed the renovation of the food services kitchen in the Acadian Center.
- Partnership with Opelousas General Hospital that opening a new Health Clinic on Campus that will serve students, faculty and the surrounding community. Ribbon cutting is set for September 5th, 2019.
- Launched the Associate of General Studies Degree with LSU Online.

Report on restricted operations:

Auxiliary operations include athletics, bookstore, student media and union operations. Bookstore revenues are stable and provided a portion of funding to help offset the start-up costs of new academic programs and equipment. Restricted operations ended the year with a balance of \$1,061,905. While LSUE has increased its fees for student athletics and activities for the 18-19 academic year, it did not cover the total funding needed for the addition of three sports. LSUE's mission is to provide a quality education, student life experiences, and community service opportunities to educate the whole student. The student athlete program remains a vital part of the overall LSUE experience.

FY 2019-20 priorities:

The immediate priority is to create a transparent budget for the campus that creates a common understanding of Eunice's assets and liabilities for the current academic year as well as to project for upcoming years.

The number one facilities priority that will have the greatest impact on increasing enrollment is the addition of student housing at the Eunice Campus. Almost 150 students were not able to be admitted due to the lack of housing. The second priority is to complete an accurate assessment of the Science Building in order to move forward with a request for the upcoming legislative session.

While LSUE improved its financial position through increases in enrollment and fees in the 18-19, enrollment for the Fall 2019 projects numbers that will be even or slightly down from Fall 2018.

The promise of additional self-generated revenue predicted for 18-19 was realized to some extent but not as projected in earlier reports and forecasts. Academic year 19-20 will be one of analysis and data gathering in order to implement a true enrollment management plan that provides for growth based on improved student success and meeting the needs of the local community. Both major hospital partners, Lafayette and Opelousas have expressed the need for a Medical Laboratory Technology program. LSUE will strive to increase course completions, program completions and graduate rates over the next academic year.

Other initiatives include increasing university-wide marketing and advertising, improving residential and student life, improving the diversity of LSUE employees to better reflect the student population, renovating critical facilities to improve the efficiency and the physical appearance of the campus and enhancing resources for campus safety and security. In addition, LSUE will continue to invest in its employees to provide a positive, friendly, and diverse working environment reflective of LSUE's mission and values.

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

Unrestricted Operations		Actual Amount for each semi-annual period in 2018-2019		
	Adjusted Operating Budget	1st & 2nd Quarter	3rd & 4th Quarter	Cumulative Total
Revenues				
General Fund	4,722,805	2,754,969	1,967,836	4,722,805
Statutory Dedications	256,030	93,085	149,298	242,384
Interim Emergency Board	0	0	0	0
Interagency Transfers	0	0	0	0
Interagency Transfers - Federal Stimulus	0	0	0	0
Self Generated Revenues	10,328,383	9,783,559	524,063	10,307,622
Federal Funds	0	0	0	0
Total Revenues	15,307,218	12,631,614	2,641,197	15,272,811
Expenditures by Object:				
Salaries		3,898,543	4,095,648	7,994,190
Other Compensation		76,927	83,828	160,754
Related Benefits		1,875,275	2,161,525	4,036,800
Personal Services		5,850,744	6,341,000	12,191,745
Travel		39,054	51,011	90,065
Operating Services		941,784	459,804	1,401,588
Supplies		406,841	191,372	598,213
Operating Expenses		1,387,680	702,187	2,089,867
Professional Services		43,568	64,574	108,141
Other Charges		648,074	182,931	831,005
Debt Services		0	0	0
Interagency Transfers		0	0	0
Other Charges		691,642	247,504	939,146
General Acquisitions		24,360	27,694	52,053
Library Acquisitions		0	0	0
Major Repairs		0	0	0
Acquisitions and Major Repairs		24,360	27,694	52,053
Total Expenditures		7,954,426	7,318,385	15,272,811
Expenditures by Function:				
Instruction		3,651,826	4,005,611	7,657,437
Research		0	0	0
Public Service		0	0	0
Academic Support (Includes Library)		302,638	319,898	622,537
Academic Expenditures		3,954,464	4,325,509	8,279,974
Student Services		618,430	703,861	1,322,291
Institutional Support		1,483,074	1,127,703	2,610,777
Scholarships/Fellowships		636,949	562,195	1,199,144
Plant Operations/Maintenance		1,261,509	599,117	1,860,625
Hospital		0	0	0
Transfers out of agency		0	0	0
Athletics		0	0	0
Other		0	0	0
Non-Academic Expenditures		3,999,961	2,992,876	6,992,837
Total Expenditures		7,954,426	7,318,385	15,272,811

	Beginning Acct/Fund Balance	1st & 2nd Quarter Fund Balance	3rd & 4th Quarter Fund Balance
State Appropriations	0	0	0
Restricted Fees	338,618	751,835	484,099
Sales and Services of Educational Activities	0	(4,482)	0
Auxiliaries	223,345	873,669	400,450
Endowment Income	109,550	109,235	110,611
Grants and Contracts	99,059	166,447	1,702
Indirect Cost Recovered	0	0	0
Gifts	(5,681)	(27,970)	15,392
Federal Funds	0	0	0
Hospitals	0	0	0
All Other Sources	28,088	34,988	49,650
TOTAL	792,979	1,903,722	1,061,905

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 2018-2019						
	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	338,618	848,160	434,944	751,835	(92,434)	175,302	484,099
Sales & Svcs of Educ. Activ's		430	4,912	(4,482)	14,165	9,683	0
Auxiliaries (List)							0
1 Bookstore	491,412	841,068	766,981	565,498	664,106	898,059	331,545
2 Union	277,653	183,257	34,760	426,150	55,757	148,198	333,709
3 Athletics	(607,422)	903,483	480,265	(184,203)	58,654	542,526	(668,075)
4 Media	61,702	7,833	3,312	66,224	1,747	2,695	65,276
5 Housing		0		0	639,466	301,470	337,996
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	109,550	4,110	4,425	109,235	23,305	21,929	110,611
Grants and Contracts							
Federal	(2,118)	3,063,528	3,061,328	82	2,818,876	2,818,958	0
State and Local	1,937	343,602	234,091	111,447	50,423	161,864	7
Private	99,240	1,000	45,322	54,918	4,000	57,223	1,696
Indirect Cost Recovered		0		0	0		0
Gifts	(5,681)	134,690	156,979	(27,970)	454,233	410,871	15,392
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	28,088	6,900		34,988	14,662		49,650
TOTAL	792,979	6,338,061	5,227,318	1,903,722	4,706,960	5,548,777	1,061,905

Report on Restricted Operations



Office of Business Affairs
318.797.5278 Phone
318.798.4141 Fax

One University Place
Shreveport, LA 71115-2399

August 8, 2019

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

Subject: Fiscal Year 2018-19
For Period Ended June 30, 2019

Dear Dr. Alexander:

We are pleased to share that LSUS continues to have record enrollment. Total enrollment for Spring '19 was slightly over 7,500. Once again, LSUS has generated a significant revenue increase over anticipated self-generated budget revenue. After a little over two years of working with Ruffalo Noel Levitz we are happy to say that our first time freshmen enrollment is trending upward and we are projecting an additional 100 students this Fall '19 over previous Fall '18. Small gains, but we are moving in the right direction.

LSUS continues to strategically utilize the additional one time monies due to the increased enrollment to accomplish upgrades across campus to address declining classrooms, technology, and student common areas. Professional development and research dollars for faculty and staff were identified for Spring '19 and presented through committee to well-deserving faculty and staff. Our Veterans Resource Center opened in January '19 and we have serviced over 350 Veterans in the short time it has been opened. We began construction on our Cyber Collaboratory in our Technology Building and expect construction to be complete by the end of August '19. We have renovated a large classroom to become our Design Thinking Center, patterned after Stanford University's model and will begin programming in the College of Arts & Sciences to utilize the space. Renovations continue in our Education Building to update and increase the size of our Psychology Lab and to provide additional office space for new faculty. Many other campus wide initiatives were undertaken to improve the overall efficiency and look of the campus. Although smaller initiatives, they were appreciated by faculty and staff alike.

In addition to utilizing the additional monies earned for projects, LSUS had to hire visiting faculty for Spring '18 to handle the significant growth of the MBA program. These hires were tactically thought about in relation to the growth of the program and the stability of that growth. Not only did LSUS intentionally hire as it relates to growth but, factors related to AACSB accreditation were considered. No pay raises were given during the entire academic year as administration did not want to lock in fixed costs. There is always uncertainty of future funding, as well as the need to be cautious over the continued growth of our on-line student population. The split of the College of Business, Education and Human Development into two colleges was achieved. The search for the new Dean of the College of Education and Human Development will soon come to a close so that we have someone in place for the upcoming academic year.

Negotiations to buy-out the remaining 14 years on the student housing were finally successful and this initiative will come before the Board of Supervisors this Fall '19. We continue to work with Patrick Martin, CSRS & B&D on planning for a successful transition from CLV to LSUS operating and handling the residence life.

Appreciation is extended to dedicated faculty and staff who made it possible to service the increased enrollment. In addition, we value the relationships that we continue to form with the various LSU campuses and the collaboration we have experienced.

Sincerely,

A handwritten signature in blue ink that reads "Barbie Cannon".

Barbie Cannon
Vice Chancellor for Business Affairs

Unrestricted Operations		Actual Amount for each semi-annual period in 2018-2019		
	Adjusted Operating Budget	1st & 2nd Quarter	3rd & 4th Quarter	Cumulative Total
Revenues				
General Fund	8,060,119	4,701,737	3,358,382	8,060,119
Statutory Dedications	647,443	235,392	377,543	612,934
Interim Emergency Board	0	0	0	0
Interagency Transfers	0	0	0	0
Interagency Transfers - Federal Stimulus	0	0	0	0
Self Generated Revenues	37,994,397	29,189,162	10,607,955	39,797,117
Federal Funds	0	0	0	0
Total Revenues	46,701,959	34,126,291	14,343,879	48,470,170
Expenditures by Object:				
Salaries		8,552,068	8,844,575	17,396,643
Other Compensation		221,695	321,094	542,789
Related Benefits		4,145,183	4,995,966	9,141,150
Personal Services		12,918,946	14,161,635	27,080,582
Travel		75,488	171,221	246,709
Operating Services		1,995,357	2,080,833	4,076,190
Supplies		486,838	663,662	1,150,500
Operating Expenses		2,557,683	2,915,716	5,473,399
Professional Services		3,649,962	9,509,825	13,159,787
Other Charges		83,302	2,192,899	2,276,201
Debt Services		0	0	0
Interagency Transfers		0	0	0
Other Charges		3,733,264	11,702,724	15,435,988
General Acquisitions		196,462	283,740	480,202
Library Acquisitions		0	0	0
Major Repairs		0	0	0
Acquisitions and Major Repairs		196,462	283,740	480,202
Total Expenditures		19,406,356	29,063,815	48,470,170
Expenditures by Function:				
Instruction		8,956,451	12,017,935	20,974,385
Research		3,250	76,232	79,482
Public Service		0	0	0
Academic Support (Includes Library)		1,304,183	1,323,688	2,627,871
Academic Expenditures		10,263,883	13,417,855	23,681,738
Student Services		1,013,325	925,389	1,938,713
Institutional Support		6,428,438	11,295,723	17,724,161
Scholarships/Fellowships		10,654	1,464,176	1,474,830
Plant Operations/Maintenance		1,690,055	1,960,672	3,650,727
Hospital		0	0	0
Transfers out of agency			0	0
Athletics		0	0	0
Other			0	0
Non-Academic Expenditures		9,142,472	15,645,960	24,788,432
Total Expenditures		19,406,356	29,063,815	48,470,170

	Beginning Acct/Fund Balance	1st & 2nd Quarter Fund Balance	3rd & 4th Quarter Fund Balance
State Appropriations	0	0	0
Restricted Fees	8,433,586	9,612,247	10,677,162
Sales and Services of Educational Activities	106,107	84,429	100,722
Auxiliaries	147,398	742,609	57,291
Endowment Income	0	0	0
Grants and Contracts	(211,298)	1,859,619	(279,042)
Indirect Cost Recovered	385,359	599,580	704,150
Gifts	660,637	563,181	678,405
Federal Funds	0	0	0
Hospitals	0	0	0
All Other Sources	865,023	481,024	620,054
TOTAL	10,386,812	13,942,689	12,558,742

Overview and Analysis of Campus Operations

--

Semi -Annual Overview of Restricted Operations

Campus: *Louisiana State University - Shreveport*

Show Expenditures As Positive	Actual Amount for each Semi-Annual Period in FY 2018-2019						
	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	8,433,586	11,150,302	9,971,641	9,612,247	2,692,902	1,627,987	10,677,162
Sales & Svcs of Educ. Activ's	106,107	5,775	27,453	84,429	17,783	1,490	100,722
Auxiliaries (List)							0
1 - University Center	(4,941)	295,010	334,403	(44,334)	107,798	153,905	(90,441)
2 - Food service	(58,546)	99,766	119,805	(78,585)	124,106	132,852	(87,331)
3 - Bookstore	(352,402)	224,097	253,286	(381,591)	4,779	(13,931)	(362,881)
4 - University Court Apts - Leases	9,541	0		9,541	1,000	0	10,541
5 - Athletics	553,747	2,443,334	1,759,504	1,237,578	424,119	1,074,294	587,403
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		0		0	0		0
Grants and Contracts							
Federal	(271,621)	2,568,566	1,113,309	1,183,635	3,375,613	4,948,656	(389,408)
State and Local	(15,671)	1,269,253	682,545	571,037	(275,379)	291,457	4,201
Private	75,995	48,313	19,361	104,947	7,109	5,891	106,165
Indirect Cost Recovered	385,359	222,266	8,045	599,580	150,202	45,632	704,150
Gifts	660,637	297,368	394,824	563,181	1,013,304	898,080	678,405
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	865,023	272,021	656,020	481,024	506,249	367,219	620,054
TOTAL	10,386,812	18,896,073	15,340,196	13,942,689	8,149,585	9,533,532	12,558,742

Report on Restricted Operations

--



Executive Summary
FY 2018-19 Semi-Annual Report on the Budget
July 1, 2018 – June 30, 2019

The Fiscal Year 2018-2019 appropriation for LSU Health Sciences Center in New Orleans is \$144,405,560, which includes a mid-year revision of \$3,445,202. The revision included \$2,187,129 in general funds, \$118,073 in statutory dedications and \$1,140,000 in self-generated revenue.

Threats

- Continued increase in employer contributions to health insurance and unfunded actuarial liability portion of retirement costs.
- Inconsistent level of state support for higher education and hospital partnerships.
- Inability to significantly increase revenue from tuition.

Mechanisms for Coping with Threats

- Revenue Generation
 - LSUHSC-NO continues to seek new and/or expanded sources of funding by enhancing relationships with private and not-for-profit health care entities.
 - LSUHSC-NO continues to leverage investments we are making in cardiovascular and genomic research.
- Cost Containment
 - Salary increases, with faculty promotions in rank being the notable exception, were not generally granted for an extended period before this fiscal year.
 - LSUHSC at New Orleans tries to limit new hires to critical needs mainly in the areas of direct patient care and sponsored research, where external funding from grants and contracts are available.
 - Management is evaluating and controlling expenditures for travel, professional services, and acquisitions as much as possible.

Unrestricted Operations

- Revenues
 - General Fund Appropriations have been drawn down completely.
 - Statutory Dedication Revenue are derived from the SELF fund for past faculty pay plans. 95% of these funds were 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.
- Expenditures
 - Spending was within the parameters of our overall budget.
 - Personal Services, which includes salaries, other compensation and related benefits, increased 1% since 2018 mostly due to the increase in other compensation.
 - Operating Expenses, which includes travel, operating services and supplies, increased 1% with most of the change within travel and supplies.
 - Other Charges, consisting of professional services, other charges, debt services and interagency transfers, increased by 5% with a significant increase in professional services while debt services were reduced.
 - Acquisitions and Major Repairs decreased by 4% with the majority of the decrease in major repairs.

Restricted Operations

- The Account/Fund Balance was adjusted to reflect reclassification of revenue groups as follows:
 - From Physician Practice Plan to Sales & Service of Education - \$695,919
 - From Physician Practice Plan to Indirect Cost Recovered - \$479,693
 - From Physician Practice Plan to All Other Sources - \$354,445
 - Physician Practice Plan fund change - \$15,564
 - Dental School flood expenses were excluded as it is FEMA flow-through funds. This was not previously excluded, therefore, changes the total Account/Fund Balance from \$185,228,240 to \$185,382,023...a difference of \$153,783.
- The report excludes projects we maintain on behalf of the Health Care Services Division (HCSD) and FEMA/ORM related activity for project worksheets and contents replacement.
- Private grants and contract revenue increased by 5% which validates our emphasis on increasing contracts for graduate medical education and clinical care.
- Federal grants and contract revenue is up 17% along with state grants and contract revenue up 16%.
- Overall grant and contract fund balance between federal, state, local and private grants and contracts decreased 5% from \$123 million at the end of FY2018 to \$117 million at the end of FY2019.
- Auxiliaries operations have maintained a positive fund balance overall. We continue to examine corrective actions to limit losses in the cafeteria and bookstore in the future. Corrective actions to limit losses include implementing a consistent approach to control operating performance, some cost cutting measures such as reducing inventory costs along with anticipated increases in revenues as a result of selective price increases.

Unrestricted Operations		Actual Amount for each semi-annual period in 2018-2019		
	Adjusted Operating Budget	1st & 2nd Quarter	3rd & 4th Quarter	Cumulative Total
Revenues				
General Fund	78,035,113	37,923,991	40,111,122	78,035,113
Statutory Dedications	4,234,423	1,539,513	2,469,213	4,008,726
Interim Emergency Board	0	0	0	0
Interagency Transfers	0	0	0	0
Interagency Transfers - Federal Stimulus	0	0	0	0
Self Generated Revenues	62,136,024	59,008,159	2,640,215	61,648,374
Federal Funds	0	0	0	0
Total Revenues	144,405,560	98,471,663	45,220,550	143,692,213
Expenditures by Object:				
Salaries		33,759,290	32,226,715	65,986,005
Other Compensation		776,572	742,514	1,519,085
Related Benefits		14,120,753	10,661,944	24,782,697
Personal Services		48,656,614	43,631,173	92,287,787
Travel		104,139	312,483	416,622
Operating Services		9,629,939	13,585,632	23,215,572
Supplies		3,075,147	4,415,713	7,490,859
Operating Expenses		12,809,225	18,313,829	31,123,054
Professional Services		628,376	1,362,450	1,990,826
Other Charges		3,135,426	2,541,296	5,676,722
Debt Services		55,230	208,950	264,179
Interagency Transfers		8,418,887	65,541	8,484,428
Other Charges		12,237,919	4,178,236	16,416,155
General Acquisitions		200,919	2,824,633	3,025,552
Library Acquisitions		3,158	5,882	9,040
Major Repairs		234,554	596,071	830,625
Acquisitions and Major Repairs		438,630	3,426,587	3,865,217
Total Expenditures		74,142,388	69,549,825	143,692,213
Expenditures by Function:				
Instruction		30,111,719	28,809,538	58,921,257
Research		1,931,174	4,284,456	6,215,630
Public Service		307,697	534,936	842,633
Academic Support (Includes Library)		8,453,129	9,124,874	17,578,003
Academic Expenditures		40,803,719	42,753,804	83,557,523
Student Services		1,917,738	2,007,163	3,924,901
Institutional Support		15,092,673	5,968,473	21,061,146
Scholarships/Fellowships		2,135,521	2,015,147	4,150,668
Plant Operations/Maintenance		14,262,048	16,596,288	30,858,336
Hospital		0	0	0
Transfers out of agency		(69,309)	208,950	139,640
Athletics		0	0	0
Other		0	0	0
Non-Academic Expenditures		33,338,670	26,796,020	60,134,690
Total Expenditures		74,142,388	69,549,825	143,692,213

	Beginning Acct/Fund Balance	1st & 2nd Quarter Fund Balance	3rd & 4th Quarter Fund Balance
State Appropriations	0	0	0
Restricted Fees	3,571,225	4,544,489	4,037,843
Sales and Services of Educational Activities	(12,447,969)	(15,479,291)	(13,485,162)
Auxiliaries	4,223,204	5,265,434	4,510,029
Endowment Income	1,107,715	581,689	1,172,068
Grants and Contracts	123,306,308	88,708,934	117,427,732
Indirect Cost Recovered	35,428,598	31,903,766	51,590,228
Gifts	258,523	194,239	301,305
Federal Funds	0	0	0
Hospitals	26,164,079	28,110,526	34,263,321
All Other Sources	3,770,340	3,600,421	6,449,026
TOTAL	185,382,023	147,430,207	206,266,390

Overview and Analysis of Campus Operations

Budget was revised mid-year adding \$3,445,202 total revenues. The General Fund increased by \$2,187,129, statutory dedications increased by \$118,073, and self-generated revenue increased by \$1,140,000.

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 2018-2019						
	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	3,571,225	1,771,601	798,337	4,544,489	84,421	591,067	4,037,843
Sales & Svcs of Educ. Activ's	(12,447,969)	766,476	3,797,798	(15,479,291)	4,311,733	2,317,604	(13,485,162)
Auxiliaries (List)	0						0
1 Bookstore	(1,328,613)	3,347,908	2,918,535	(899,240)	2,398,946	2,535,222	(1,035,516)
2 Cafeteria	(1,447,283)	583,608	783,393	(1,647,068)	452,014	912,229	(2,107,283)
3 Student Housing	1,878,174	1,802,585	1,510,345	2,170,414	451,801	333,981	2,288,234
4 Parking	4,539,771	866,078	665,292	4,740,557	871,718	590,713	5,021,562
5 HSC Stores	581,155	1,040,921	721,305	900,771	1,663,872	2,221,611	343,032
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	1,107,715	371,446	897,473	581,689	1,832,667	1,242,287	1,172,068
Grants and Contracts							
Federal	(44,075)	15,639,347	18,797,135	(3,201,863)	27,471,734	24,125,555	144,316
State and Local	11,130,493	3,833,317	6,060,683	8,903,127	9,574,179	7,181,478	11,295,828
Private	112,219,891	107,559,434	136,771,655	83,007,670	257,631,549	234,651,630	105,987,589
Indirect Cost Recovered	35,428,598	8,604,994	12,129,825	31,903,766	31,068,039	11,381,578	51,590,228
Gifts	258,523	855,231	919,515	194,239	951,741	844,675	301,305
Federal Funds	0	0		0	0		0
Hospitals							
Hospital - Commercial/Self-Pay	0	0		0	0		0
Physician Practice Plans	26,164,079	3,952,959	2,006,513	28,110,526	8,404,302	2,251,506	34,263,321
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	3,770,340	249,059	418,979	3,600,421	3,479,720	631,114	6,449,026
TOTAL	185,382,023	151,244,966	189,196,782	147,430,207	350,648,435	291,812,251	206,266,390

Report on Restricted Operations

The Account/Fund Balance for the following items were adjusted from FY2019 Q2 report:

From Physician Practice Plan to Sales & Service of Education - \$695,919

From Physician Practice Plan to Indirect Cost Recovered - \$479,693

From Physician Practice Plan to All Other Sources - \$354,445

Physician Practice Plan total change - \$15,563.70

Additionally, Dental School Flood Expenses were excluded as it's FEMA flow-through funds. This was not previously excluded, therefore, changes the total Account/Fund Balance from \$185,228,240 to \$185,382,023...a difference of \$153,783.

**LSU Health Sciences Center - Shreveport
Bi-Annual Financial Reporting Narrative
FY 2018-2019 as of June 30, 2019**

Appropriation: Unrestricted Revenues and Expenditures

Operating Budget revenue includes state general funds direct, statutory dedications (tobacco tax and self-fund), and self-generated (tuition and fees) funding. The Operating Budget expenditures include costs associated with the operation of three schools (Medicine, Allied Health, and Graduate Studies), as well as legacy costs associated with the transition of three hospitals from state management to public-private partnerships.

The original academic FY 2018-2019 operating budget appropriation of \$86,821,366 increased by \$993,690 to \$87,815,056 under BA-7 #1. The revised spending authority is as follows:

State General Funds Direct	59,119,603
Statutory Dedications	7,286,374
University Tuition & Fees	21,409,079
TOTAL	\$87,815,056

The State General Funds Direct appropriation of \$59 million includes \$18 million dedicated to support the hospitals' (SHV Hospital, EACMC, and HPLMC) legacy costs containing risk management premiums, retiree health and life premiums, and residual HPLMC property maintenance. In addition, the actual appropriation received was \$287,047 less than the revised budget of \$87,815,056. This shortfall included statutory dedication self-fund of \$146,779 and self-generated funds of \$140,268.

Public-Private Hospital Partnerships

The LSU Shreveport Hospital and E.A. Conway Medical Center originally transferred from state to private management effective October 1, 2013. Huey P. Long Medical Center in Pineville discontinued patient care services on June 30, 2014.

Effective October 1, 2018, the management of the LSU Shreveport Hospital and E.A. Conway Medical Center changed from BRFHH to the Ochsner LSU Health System of North Louisiana (OLHS-NL).

In accordance with R.S. 39:366.11, the Board of Supervisors and Joint Legislative Committee on Budget approved the Cooperative Endeavor Agreement (CEA) by and among the State of Louisiana (State), acting by and through the Louisiana Division of Administration (DOA), Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (LSU), and Ochsner LSU Health System of North Louisiana (OLHS-NL), a private Louisiana nonprofit corporation. The CEA and service agreements cover the hospital and clinic facilities in Shreveport and Monroe. The Joint Venture CEA, effective October 1, 2018, for an initial term of ten (10) years, replaces the BRFHH Public-Private Partnership CEA. Also effective October 1, 2018, Ochsner LSU Health System of North Louisiana (OLHS-NL) is the sole member of "Ochsner LSU Physician Group" or "OLPG" which means LSU Health Sciences Center-Shreveport Faculty Group Practice d/b/a Ochsner LSU Physician Group, a Louisiana nonprofit corporation, which operates the clinical practices of HSC-S Physicians and HSC-S Practitioners. OLPG is a nonprofit corporation that, prior to the Commencement Date, operated as the practice plan of the Medical School faculty under a Memorandum of Understanding through which the FGP contracted with HSC-S for clinical and other services of HSC-S Physicians and HSC-S Practitioners.

Appendix A
Semi-Annual Revenues and Expenditures Executive Summary

Unrestricted Operations		Actual Amount for each semi-annual period in 2018-2019		
	Adjusted Operating Budget	1st & 2nd Quarter	3rd & 4th Quarter	Cumulative Total
Revenues				
General Fund	59,119,603	29,101,350	30,018,253	59,119,603
Statutory Dedications	7,286,374	2,690,359	4,449,236	7,139,595
Interim Emergency Board	0	0	0	0
Interagency Transfers	0	0	0	0
Interagency Transfers - Federal Stimulus	0	0	0	0
Self Generated Revenues	21,409,079	20,518,134	750,677	21,268,811
Federal Funds	0	0	0	0
Total Revenues	87,815,056	52,309,843	35,218,166	87,528,009
Expenditures by Object:				
Salaries		11,862,704	17,250,531	29,113,235
Other Compensation		5,480,673	(4,327,926)	1,152,747
Related Benefits		11,461,760	12,446,840	23,908,600
Personal Services		28,805,137	25,369,445	54,174,582
Travel		52,013	92,291	144,304
Operating Services		10,119,910	8,878,774	18,998,684
Supplies		273,271	653,382	926,653
Operating Expenses		10,445,194	9,624,447	20,069,641
Professional Services		1,014,505	1,720,251	2,734,756
Other Charges		1,629,367	1,560,464	3,189,831
Debt Services		0	0	0
Interagency Transfers		3,059,969	2,822,468	5,882,437
Other Charges		5,703,841	6,103,183	11,807,024
General Acquisitions		94,766	1,381,844	1,476,610
Library Acquisitions		0	152	152
Major Repairs		0	0	0
Acquisitions and Major Repairs		94,766	1,381,996	1,476,762
Total Expenditures		45,048,938	42,479,071	87,528,009
Expenditures by Function:				
Instruction		12,809,819	3,019,723	15,829,542
Research		9,045,082	11,218,770	20,263,852
Public Service		552,816	632,237	1,185,053
Academic Support (Includes Library)		3,312,762	4,343,065	7,655,827
Academic Expenditures		25,720,479	19,213,795	44,934,274
Student Services		606,733	977,601	1,584,334
Institutional Support		11,727,100	16,706,338	28,433,438
Scholarships/Fellowships		1,306,630	1,206,769	2,513,399
Plant Operations/Maintenance		3,440,927	1,356,578	4,797,505
Hospital		2,247,319	3,015,490	5,262,809
Transfers out of agency		0	0	0
Athletics		0	0	0
Other		(250)	2,500	2,250
Non-Academic Expenditures		19,328,459	23,265,276	42,593,735
Total Expenditures		45,048,938	42,479,071	87,528,009

	Beginning Acct/Fund Balance	1st & 2nd Quarter Fund Balance	3rd & 4th Quarter Fund Balance
State Appropriations	0	0	0
Restricted Fees	1,238,218	1,304,304	1,165,741
Sales and Services of Educational Activities	16,421,439	(18,512,299)	24,190,894
Auxiliaries	13,201,733	13,607,030	13,711,663
Endowment Income	12,534,537	12,817,826	12,475,652
Grants and Contracts	78,338,719	85,212,855	95,681,855
Indirect Cost Recovered	(1,370,261)	(2,723,288)	(2,824,341)
Gifts	(12,025)	(12,025)	(12,025)
Federal Funds	0	0	0
Hospitals	(37,694,229)	(38,151,080)	(37,628,778)
All Other Sources	980,069	993,074	1,068,663
TOTAL	83,638,200	54,536,397	107,829,324

Overview and Analysis of Campus Operations

In accordance with R.S. 39:366.11, the Board of Supervisors and Joint Legislative Committee on Budget approved the Cooperative Endeavor Agreement (CEA) by and among the State of Louisiana (State), acting by and through the Louisiana Division of Administration (DOA), Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (LSU), and Ochsner LSU Health System of North Louisiana (OLHS-NL), a private Louisiana nonprofit corporation. The CEA and service agreements cover the hospital and clinic facilities in Shreveport and Monroe. The Joint Venture CEA, effective October 1, 2018, for an initial term of ten (10) years, replaces the BRFH Public-Private Partnership CEA. Also effective October 1, 2018, Ochsner LSU Health System of North Louisiana (OLHS-NL) is the sole member of "Ochsner LSU Physician Group" or "OLPG" which means LSU Health Sciences Center-Shreveport Faculty Group Practice d/b/a Ochsner LSU Physician Group, a Louisiana nonprofit corporation operates the clinical practices of HSC-S Physicians and HSC-S Practitioners. OLPG is a nonprofit corporation that, prior to the Commencement Date, operated as the practice plan of the Medical School faculty under a Memorandum of Understanding through which the FGP contracted with HSC-S for clinical and other services of HSC-S Physicians and HSC-S Practitioners.

With the changes indicated above, FY 2018-2019 (as of June 2019) data reflects three months (July, August, September 2018) under the BRFH Public-Private Partnership CEA and nine months (October 2018 through June 2019) under the Joint Venture CEA. With the implementation of the new Joint Venture CEA contracts and agreements, various financial processes are currently in review. Therefore, revenue and expenditure transactions/transfers among unrestricted and multiple restricted operations will be completed by the **official fiscal year end close. The FY2019 Comprehensive Annual Financial Report (CAFR) is due August 30, 2019.**

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 2018-2019						
	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	1,238,218	281,929	215,843	1,304,304	105,929	244,492	1,165,741
Sales & Svcs of Educ. Activ's	16,421,439	1,003,541	35,937,279	(18,512,299)	35,629,284	(7,073,909)	24,190,894
Auxiliaries							0
Bookstores	2,384,091	362,717	390,792	2,356,016	433,508	446,666	2,342,858
Cafeterias	3,841,147	38,343	0	3,879,490	71,225	0	3,950,715
Computer Networking	741,438	71,945	16,939	796,444	15,567	7,995	804,016
General Service Store	(594,497)	450,461	404,160	(548,196)	689,310	728,670	(587,556)
Gift Shop	23,130	202	0	23,332	371	0	23,703
Linwood Properties	1,021,889	7,600	0	1,029,489	16,409	0	1,045,898
Microsystems	(241,885)	345,353	295,519	(192,051)	237,642	192,666	(147,075)
Parking	(186,154)	176,693	213,594	(223,055)	125,860	261,452	(358,647)
Printing	1,107,039	133,244	104,875	1,135,408	202,312	136,703	1,201,017
Rental Property	986,663	114,604	15,625	1,085,642	61,598	17,840	1,129,400
Student Union	902,105	97,569	4,889	994,785	22,914	20,975	996,724
Telecommunications	3,216,767	583,211	530,252	3,269,726	639,556	598,672	3,310,610
Endowment Income	12,534,537	1,581,326	1,298,037	12,817,826	1,068,731	1,410,905	12,475,652
Grants and Contracts							
Federal	(915,734)	5,237,477	7,214,259	(2,892,516)	10,678,408	8,655,324	(869,432)
State and Local	11,266,133	1,790,760	2,251,176	10,805,717	2,794,181	12,407,197	1,192,701
Private	67,988,320	63,627,858	54,316,524	77,299,654	141,654,773	123,595,841	95,358,586
Indirect Cost Recovered	(1,370,261)	1,143,483	2,496,510	(2,723,288)	978,992	1,080,045	(2,824,341)
Gifts	(12,025)	0	0	(12,025)	0	0	(12,025)
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	0	0	0	0	0	0	0
Sales and Services Other - HSC-S	(27,246,303)	47,028	503,879	(27,703,154)	12,268,497	11,746,195	(27,180,852)
Sales and Services Other - EAC	(6,991,465)	0	0	(6,991,465)	0	0	(6,991,465)
Sales and Services Other - HPL	(3,456,461)	0	0	(3,456,461)	0	0	(3,456,461)
All Other Sources	980,069	37,376	24,371	993,074	80,589	5,000	1,068,663
TOTAL	83,638,200	77,132,720	106,234,523	54,536,397	207,775,656	154,482,729	107,829,324

Report on Restricted Operations

In accordance with R.S. 39:366.11, the Board of Supervisors and Joint Legislative Committee on Budget approved the Cooperative Endeavor Agreement (CEA) by and among the State of Louisiana (State), acting by and through the Louisiana Division of Administration (DOA), Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (LSU), and Ochsner LSU Health System of North Louisiana (OLHS-NL), a private Louisiana nonprofit corporation. The CEA and service agreements cover the hospital and clinic facilities in Shreveport and Monroe. The Joint Venture CEA, effective October 1, 2018, for an initial term of ten (10) years, replaces the BRFHH Public-Private Partnership CEA. Also effective October 1, 2018, Ochsner LSU Health System of North Louisiana (OLHS-NL) is the sole member of "Ochsner LSU Physician Group" or "OLPG" which means LSU Health Sciences Center-Shreveport Faculty Group Practice d/b/a Ochsner LSU Physician Group, a Louisiana nonprofit corporation operates the clinical practices of HSC-S Physicians and HSC-S Practitioners. OLPG is a nonprofit corporation that, prior to the Commencement Date, operated as the practice plan of the Medical School faculty under a Memorandum of Understanding through which the FGP contracted with HSC-S for clinical and other services of HSC-S Physicians and HSC-S Practitioners.

With the changes indicated above, FY 2018-2019 (as of June 2019) data reflects three months (July, August, September 2018) under the BRFHH Public-Private Partnership CEA and nine months (October 2018 through June 2019) under the Joint Venture CEA. With the implementation of the new Joint Venture CEA contracts and agreements, various financial processes are currently in review. Therefore, additional revenue and expenditure transactions/transfers among unrestricted and multiple restricted operations will be completed by the official fiscal year end close. **The FY2019 Comprehensive Annual Financial Report (CAFR) is due August 30, 2019.**

Ending Preliminary (June 30, 2019) Fund Balances:

- 1) **Sales and Services of Educational Activities** fund balance include additional operational expenditures that will be transferred to **Grants & Contracts-Private** category which reflects revenue from the hospital and professional practice partnership agreements
- 2) **Hospitals Sales and Services Other** net fund balance for the three hospitals is due to the pre and post financial support transactions associated with the state initiated hospital transitions.



• BOGALUSA MEDICAL CENTER - INDEPENDENCE
• EARL K. LONG MEDICAL CENTER - BATON ROUGE
• LALIE KEMP 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: Jim Buras
AVP Finance & Administration
LSU System

FROM: Lisa Augustus
Budget
LSU Health Care Services Division

DATE: August 16, 2019

RE: Semi-Annual Financial Report
For Period Ended June 30, 2019

We have compiled the Semi-Annual Financial Report for period ended June 30, 2019 for the LSU Health Care Services Division.

Major developments during this year included:

Actual:

Unrestricted Operations

- In FY19, HCSD was appropriated \$20.3M in general fund to cover legacy costs associated with partnered hospitals. The FY2018 general fund appropriation for legacy operations was \$20.3M.
- House Bill No. 392 payable out of the State General Fund (Direct) to the Lallie Kemp Regional Medical Center for operating expenses in the amount of \$2,825,157 and to adjust means of finance as contained in Act No 2 of the 2018 Second Extraordinary Session of the Legislature, by reducing the appropriation out of the State General Fund (Interagency Transfers) in the amount of (\$2,825,157). House Bill No. 392 payable out of the State General Fund (Direct) to the Lallie Kemp Regional Medical Center for acquisitions in the amount of \$3,225,350.
- LSU HCSD Operating Budget increase from \$62,243,427 to \$65,468,777 and State General Fund (Direct) increased from \$24,427,906 to \$30,478,413.

Restricted Operations -

- Central Office expenses are off budget this fiscal year. Therefore, Central Office expenses and revenues are being reported in restricted operations.
- \$89.3M in lease payment received at end of June 30, 2019.
- \$19.1M was received from partners for contracted services performed by HCSD ending June 30, 2019.
- \$799K was received in FEMA revenue for period ending June 30, 2019. HCSD has \$222K in FEMA expenses at end of June 30, 2019

cc:

Dr. Wayne Wilbright
Lanette Buie

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

Unrestricted Operations		Actual Amount for each semi-annual period in 2018-2019		
	Adjusted Operating Budget	1st & 2nd Quarter	3rd & 4th Quarter	Cumulative Total
Revenues				
General Fund	30,478,413	12,213,954	18,264,459	30,478,413
Statutory Dedications	0	0	0	0
Interim Emergency Board	0	0	0	0
Interagency Transfers	14,717,370	12,270,720	2,446,650	14,717,370
Interagency Transfers - Federal Stimulus	0	0	0	0
Self Generated Revenues	15,472,658	8,815,177	4,570,258	13,385,435
Federal Funds	4,800,336	2,452,546	2,347,790	4,800,336
Total Revenues	65,468,777	35,752,397	27,629,158	63,381,554
Expenditures by Object:				
Salaries		8,216,133	9,321,861	17,537,994
Other Compensation		556,649	644,684	1,201,333
Related Benefits		12,991,867	13,448,841	26,440,708
Personal Services		21,764,649	23,415,386	45,180,035
Travel		372	381	754
Operating Services		2,253,581	4,677,034	6,930,615
Supplies		4,233,015	4,473,473	8,706,488
Operating Expenses		6,486,969	9,150,888	15,637,856
Professional Services		372,740	609,080	981,820
Other Charges		1,930	14,054	15,984
Debt Services		0	0	0
Interagency Transfers		580,470	828,303	1,408,773
Other Charges		955,140	1,451,438	2,406,578
General Acquisitions		54,370	102,715	157,085
Library Acquisitions		0	0	0
Major Repairs		0	0	0
Acquisitions and Major Repairs		54,370	102,715	157,085
Total Expenditures		29,261,128	34,120,427	63,381,554
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		29,261,128	34,120,427	63,381,554
Transfers out of agency		0	0	0
Athletics		0	0	0
Other		0	0	0
Non-Academic Expenditures		29,261,128	34,120,427	63,381,554
Total Expenditures		29,261,128	34,120,427	63,381,554

	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	64,790,760	88,609,543	68,306,882
TOTAL	64,790,760	88,609,543	68,306,882

Overview and Analysis of Campus Operations

Semi -Annual Overview of Restricted Operations

Campus: *LSU Health Care Services Division*

Show Expenditures As Positive	Actual Amount for each Semi-Annual Period in FY 2018-2019						
	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	64,790,760	65,802,978	41,984,195	88,609,543	62,275,307	82,577,968	68,306,882
TOTAL	64,790,760	65,802,978	41,984,195	88,609,543	62,275,307	82,577,968	68,306,882

Report on Restricted Operations