MONTHLY COMMITTEE and/or LIAISON REPORT

COMMITTEE OR LIAISON: Joint Budget & Finance/Governmental Relations Committee

DATE & LOCATION OF MEETING: Tuesday, November 8, 2011
2:00 p.m.
221 Peabody Hall

ATTENDANCE:
Budget & Finance Committee Members: Senator Donna Torres (Chair); Senator Chad Gothereaux (Co-Chair); Senator Patti Exner; Senator Carolyn Landry; Senator Donna Love; Senator Igor Matkovic; Senator Scott Moreau; Tommy Smith, Director, LSU Office of Budget & Planning
Governmental Relations Committee Members: Senator Chad Gothereaux (Chair); Senator; Donna Torres (Co-Chair); Senator Igor Matkovic; Senator Tammy Millican; Senator Scott Moreau; Senator Blake Winchell; Jason Droddy, Assistant Vice Chancellor, Communications and External Relations
Guest(s): Kristie Galy, Staff Senate President; Melonie Holden, Staff Senate Administrative Coordinator
Absent Committee Member(s): Senator Denise Chiasson-Breaux (B&F/GR); Senator Joseph Thomas (B&F)

PRESENTATION:

1. Introduction of Committee Members

2. Review/Discussion of Purpose and Charge of Committees
   a. Budget & Finance Committee
      i. Purpose: The Budget and Finance Committee will become familiar with and continuously monitor the University Strategic Plan, LSU and Higher Education budgets, as well as the University’s financial statements, for significant changes and overall trends; compare these documents to each other, observing ways in which these documents appear to compliment or contrast each other; notify the Staff Senate of any items that may affect the staff; and recommend to the Staff Senate methods of communicating the concerns of the staff regarding these documents to University administration. All external communications produced by this Committee shall be approved by the President.
ii. **Charge:** Review University budget documents and changes and make recommendations to the Senate for possible action for equitable treatment of staff.

b. **Governmental Relations Committee**
   
i. **Purpose:** The Governmental Relations Committee will monitor the actions affecting the LSU staff and higher education taken by the Louisiana Legislature; monitor actions by the Governor’s offices, the various boards of state approved insurance programs and the retirement system, as well as the actions of the Louisiana Department of Civil Service. The Committee will report to the Staff Senate any and all items that may affect the LSU staff. The Committee will also recommend to the Staff Senate and the Communications Committee methods of communicating the concerns of staff to these agencies and offices. All external communications produced by this Committee shall be approved by the President.

ii. **Charge:** Review any actions from the most recent legislative session for anything that would affect staff/university welfare at LSU. Research and inform the senate of any pending bills which will be voted on in any coming legislative sessions or elections.

3. **Update on University Budget (Tommy Smith)**

4. **Update on University Finance & Administration (Donna Torres)**
   
a. New Tuition and Fringe Benefit Charge for Graduate Assistants

5. **Update on University Governmental Relations Efforts (Jason Droddy)**

6. **Review 2010-2011 Joint Committee Initiatives and Activities (see attached report)**

7. **Identify 2011-2012 Joint Committee Initiatives**

**SUMMARY:**

The committees reviewed their charges as set forth by the Staff Senate bylaws.

Tommy Smith, Director of the LSU Office of Budget and Planning provided an update on the status of the University budget. Deans have been asked to hold back funds in anticipation of possible midyear budget cut. The state’s Revenue Estimating Conference has not yet scheduled it meeting to revise the revenue forecast for the current fiscal year, but it is expected sometime in December. It was noted that merit raises are currently prohibited by executive order of the governor (BJ 2011-9).

Senator Donna Torres, Associate Vice Chancellor for Accounting and Financial Services provided a finance and administrative update on the University. Senator Torres discussed the proposed recovery of tuition and fringe benefits on all graduate assistant charged to restricted fund accounts. For all graduate assistants included in each grant or contract that is submitted after January 1, 2012, the University will recover the minimal full time tuition (currently $6,485), plus a 3% fringe benefit. It will be necessary to include a 10% increase for tuition in each year of the grant in order to maintain this recovery rate. Tuition will not be included in the F&A calculations. The University will also begin recovering tuition from foundation accounts and expired fixed price agreements. It is estimated that this will save
the University $2 to $4 million annually in tuition exemptions and fringe benefits currently being subsidized by the University’s indirect cost recovery.

Jason Droddy, Assistant Vice Chancellor for Communications and External Relations provided an update on the University’s governmental relations efforts. The FY13 shortfall is estimated at $1.3 billion, but that number is contingent on a number of factors yet to be determined. The LaGRAD Act 2.0 implementation is in progress. The Regents presented the first draft of their FY13 funding formula. The next session will bring many new legislators, and there will be an increase in the number of LSU alumni serving in the Legislature. On the federal level, the White House’s Office of Management & Budget is looking closely at F&A rates. It is also likely that there will be some decreases in research funding. There is also concern about possible changes to NIH’s NCRR (National Center for Research Resources) program which may affect our INBRE (IDeA Networks of Biomedical Research Excellence) grant. Next week, the Senate will take up a House bill on net neutrality with implications for students’ IT access from off-campus.

The committee reviewed the report submitted to the Executive Committee summarizing the 2010-11 Joint Budget & Finance/Governmental Relations Committee initiatives and related activities. It was noted that several of the 2010-11 initiatives remain appropriate and relevant for 2011-12. After further review, committee members will reply to Senator Gothreaux with suggestions for initiatives for the current year. Senator Gothreaux will compile suggestions and circulate for electronic approval by the members of the joint committee prior to submission to the Executive Committee for consideration and approval.

The committee established standing committee meetings on the 2nd Tuesday of the month. The next meeting is scheduled for Tuesday, December 13, 2011 at 2:00 p.m. in 221 Peabody Hall.

There being no further business, the meeting adjourned at 3:30 p.m.

Submitted By: Chad Gothreaux