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AGENDA
SPONSORED PROGRAMS COMMITTEE

Thursday, September 24, 2015

9:30 a.m.

The Claiborne Building
Louisiana Purchase Room 1-100
Baton Rouge, Louisiana

- I. Call to Order
- II. Roll Call
- III. FY 2016-17 Board of Regents Support Fund (BoRSF) Plan and Budget
- IV. Request for Approval of Endowed Chair Appointment: University of New Orleans
- V. Conversion of Matched Endowed Chairs to Endowed Professorships: University of New Orleans
- VI. Conversion of Matched Endowed Professorship to Endowed Superior Graduate Student Scholarship: LSU Health Sciences Center – New Orleans
- VII. Other Business
- VIII. Adjournment

Committee Members: Joseph Wiley, Chair; William Fenstermaker, Vice Chair; Raymond Brandt; Marty Chabert; Patrick Harrington; Edward Markle; Gray Stream

AGENDA ITEM III

FY 2016-17 Board of Regents Support Fund (BoRSF) Plan and Budget

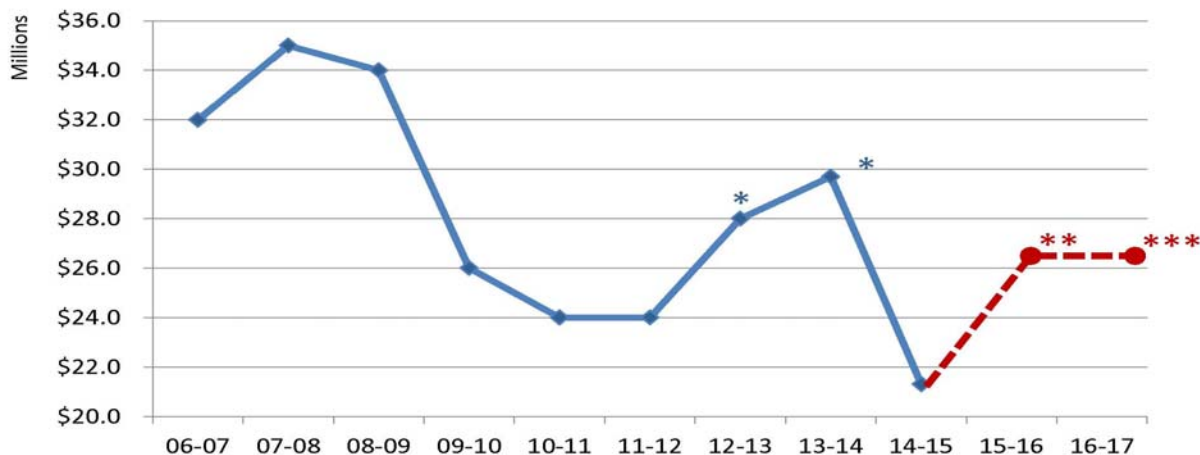
Background Information

The Board of Regents Support Fund (BoRSF), constitutionally designated and managed by the Board of Regents, is required by Article VII, Section 10 of the Constitution to submit an annual plan and budget to the Legislature and the Governor not less than 60 days prior to the beginning of the Regular Legislative Session. This document outlines proposals for expenditure across the four designated components of the Support Fund: Endowed Chairs, Graduate Fellows, Research and Development, and Enhancement.

Staff Summary

It is relevant to note that annual income from the Support Fund declined significantly during FY 2006-07 through FY 2014-15, from a peak of \$35 million to approximately \$21 million. The \$3-5 million in additional gains realized in FY 2012-13 and FY 2013-14 to address the Endowed Professorships backlog were notable exceptions to this trend.*

BoRSF INCOME AND PROJECTION FY 2006-07 THROUGH FY 2016-17



* Income received in FY 2012-13 and FY 2013-14 included \$3-5 million additional gains realized by the Treasury Department at the urging of the Regents for the purpose of matching backlogged Professorships

** Approved \$26.5 million budget level for FY 2015-16

*** Recommended \$26.5 million budget level for FY 2016-17, per REC May 2015 Estimate

Projections of the Revenue Estimating Conference (REC) indicate that somewhat higher budget levels can be expected for the next several years, while the Treasury has retained lower income estimates for FY 2016-17 and subsequent years.

Based on current estimates and Support Fund history, the BoRSF Planning Committee concluded that a \$26.5 million BoRSF budget for FY 2016-17, aligned with the official State forecast provided by the REC and retaining the FY 2015-16 budget level, would be a reasonable projection. This budget level will maintain funding for all endowment subprograms while reducing new monies available for competitive non-endowment subprograms by approximately 14%. A one-page summary of the Planning Committee's recommended FY 2016-17 budget, along with a comparison with the FY 2015-16 budget, is provided in the Attachment; staff will provide a more detailed account at the Board meeting.

Senior Staff Recommendation

Consistent with the endorsement of the BoRSF Planning Committee, the Senior Staff recommends approval of the FY 2016-17 BoRSF Plan and Budget, with contingencies, as presented.

ATTACHMENT

BoRSF Planning Committee/Senior Staff Recommendation: FY 2016-17 Board of Regents Support Fund Budget \$26,500,000 Base (REC Estimate: May 2015)

Support Fund Program/Subprogram	Prior Commitments In FY 2015-16	FY 2015-16 Adopted First-Year Funding Levels	Prior Commitments In FY 2016-17	Recommended FY 2016-17 First-Year Funding Levels
Federal Matching	\$250,000	\$1,425,000	\$1,425,000	\$250,000
Endowed Chairs	\$0	\$3,220,000	\$0	\$3,220,000
Graduate Fellows				
Traditional (GF)	\$2,694,500	\$900,000	\$2,736,000	*\$775,000
BoR/SREB Fellowships	\$775,000	\$250,000	\$785,000	*\$225,000
Endowed Graduate Scholarships	\$0	\$2,000,000	\$0	\$2,000,000
Research & Development				
Research Competitiveness (RCS)	\$1,935,000	\$1,750,000	\$2,385,000	\$1,160,000
Pilot Funding for New Initiatives (Pfund)				\$345,000
Industrial Ties Research (ITRS)	\$800,000	\$935,000	\$970,000	\$500,000
Proof-of-Concept/Prototype (PoCP)				\$300,000
Awards to LA Artists & Scholars (ATLAS)	\$0	\$450,000	\$0	\$385,000
Enhancement				
Endowed Professorships	\$0	\$1,600,000	\$0	\$2,000,000
Traditional ENH	\$200,000	\$3,776,770	\$200,000	\$3,287,678
Undergraduate ENH	\$100,000	\$1,600,000	\$100,000	\$1,375,000
Endowed Two-Year Workforce Scholarships	\$0	\$1,100,000	\$0	\$1,200,000
Undergraduate Scholarships	\$0	\$1,000,000	\$0	\$1,000,000
Supervised Undergraduate Research (SURE)	N/A	\$100,000	N/A	\$85,000
Administration (derived by formula)	\$0	\$788,730	\$0	\$791,322
TOTAL	\$7,524,000	\$15,976,000	\$8,601,000	\$17,899,000

* New monies from FY 2018-19 for GF and FY 2017-18 for BoR/SREB.

AGENDA ITEM IV

Request for Approval of Endowed Chair Appointment: University of New Orleans

Background

The Endowed Chairs for Eminent Scholars subprogram policy provides that campuses which seek to fill BoRSF-matched Chairs without conducting a national search must submit appropriate materials in support of the faculty appointment for review by the Commissioner of Higher Education.

To ensure that expectations of the Chair are met, Board policy further requires campuses to submit the Letter of Appointment provided to each chairholder within 90 days of appointment to the chair. The letter stipulates resources available to the chairholder as well as mutual commitments and expectations, including specific standards of continued performance.

Staff Summary

Dr. John Nicklow, Provost and Vice President for Academic Affairs at the University of New Orleans (UNO), has submitted a request to appoint Dr. Peter Fos, President of UNO, to the Edward G. Schlieder Endowed Chair for Higher Education and Health Initiatives, a \$1 million Chair established in FY 1995-96. Dr. Fos was named to the Chair by UNO in 2014 and will hold it until his retirement in January 2016.

Following review by an external consultant of the documentation submitted by UNO in support of the request, Sponsored Programs staff concluded that UNO has now fulfilled the requirements of the policy for appointment without a national search. Dr. Joseph C. Rallo, Commissioner of Higher Education, concurs with the staff assessment and recommends approval of Dr. Fos's appointment, retroactive to the 2014 awarding of the Chair.

Senior Staff Recommendation

The Senior Staff recommends approval of UNO's request to appoint Dr. Peter Fos, President, to the Edward G. Schlieder Endowed Chair for Higher Education and Health Initiatives. As stipulated in Board policy, the Letter of Appointment of Dr. Fos to the Schlieder Chair must be submitted to the Board within 90 days of this approval.

AGENDA ITEM V

Conversion of Matched Endowed Chairs to Endowed Professorships: University of New Orleans

Background Information

In August 2011, the Board of Regents approved a policy to permit the division of Endowed Chairs funds to establish Endowed Professorships at a minimum level of \$250,000. Pursuant to this policy, several campuses have divided Endowed Chairs into high-level Professorships.

Staff Summary

The Avondale Industries Chair in Engineering and Shipbuilding and the Avondale Industries Chair in Shipbuilding and Engineering Management are \$1 million Endowed Chairs established at the University of New Orleans with BoRSF match in FY 1998-99. Both Chairs are currently vacant. UNO now requests to divide these two Chairs, originating with the same donor, into six Endowed Professorships, each with a corpus value of \$333,333.33, as follows:

1. Huntington Ingalls Incorporated Endowed Professor of Civil Engineering;
2. Huntington Ingalls Incorporated Endowed Professor of Mechanical Engineering;
3. Huntington Ingalls Incorporated Endowed Professor of Electrical Engineering;
4. Huntington Ingalls Incorporated Endowed Professor of Naval Architecture and Marine Engineering;
5. Huntington Ingalls Incorporated Endowed Professor of Engineering Management; and
6. Huntington Ingalls Incorporated Endowed Professor of Engineering.

The original donor has endorsed these conversions, which were approved by the University of Louisiana Board of Supervisors at its August 27, 2015 meeting. The staff particularly supports UNO's and the donor's recognition of the value of establishing Professorships at higher corpus levels.

Senior Staff Recommendation

Consistent with the August 2011 policy, Senior Staff recommends that the Sponsored Programs Committee approve the division of the University of New Orleans' Avondale Industries Chair in Engineering and Shipbuilding and the Avondale Industries Chair in Shipbuilding and Engineering Management into six (6) Endowed Professorships, each with a corpus value of \$333,333.33, as follows:

- 1. Huntington Ingalls Incorporated Endowed Professor of Civil Engineering;**
- 2. Huntington Ingalls Incorporated Endowed Professor of Mechanical Engineering;**
- 3. Huntington Ingalls Incorporated Endowed Professor of Electrical Engineering;**

- 4. Huntington Ingalls Incorporated Endowed Professor of Naval Architecture and Marine Engineering;**
- 5. Huntington Ingalls Incorporated Endowed Professor of Engineering Management;
and**
- 6. Huntington Ingalls Incorporated Endowed Professor of Engineering.**

AGENDA ITEM VI

Conversion of Matched Endowed Professorship to Endowed Superior Graduate Student Scholarship: LSU Health Sciences Center – New Orleans

Background Information

At its meeting of September 25, 2014, the Board of Regents inaugurated the Endowed Superior Graduate Student Scholarships subprogram. The approved policy permits campuses to convert previously matched Endowed Chairs and Professorships to Endowed Superior Graduate Student Scholarships on a non-competitive, non-punitive basis.

Staff Summary

The LSU Health Sciences Center – New Orleans requests that the previously matched Terence E. Walsh Professorship in Orthodontics be converted to the Terence E. Walsh Scholarship in Orthodontics, with a corpus value of \$300,000. The Professorship was established in FY 2012-13 through contributions from the LSUHSC Orthodontic Alumni; the original donors have endorsed the conversion, which will be taken for LSU Board of Supervisors' approval at its September 18, 2015 meeting.

Senior Staff Recommendation

Consistent with the subprogram policy, the Senior Staff recommends that the Sponsored Programs Committee approve conversion of the Terence E. Walsh Professorship in Orthodontics to the Terence E. Walsh Scholarship in Orthodontics, with a corpus value of \$300,000.