

**LSU AgCenter  
Faculty Council Meeting  
January 15, 2010  
Sullivan Conference Room  
9:30 a.m.**

**Members Present:** Mandy Armentor, Hallie Dozier, Wayne M. Gauthier, Dianne Glasgow, Jeff Hoy, Joan King, Nicole Lemaire, Guy Padgett, Ross Pruitt, Diane Sasser, Ed Twidwell, Adrienne Vidrine, Richard Vlosky, and Deniese Zeringue

**Members Absent:** Joan Almond, Lisa Benoit, Clayton Hollier, Andrew Granger, Natalie Hummel, and Johnny Saichuk.

**Proxies:** Armentor for Granger; Glasgow for Almond; Hoy for Hollier and Hummel; Vidrine for Saichuk and Benoit

**Guests:** Chancellor William B. Richardson; Ms. Ann Coulon, HRM Director, LSUAC and Ms. Kathy Loyd, HRM Manager, Employee Benefits and Wellness Programs

**HIGHLIGHTS**

- **Richardson: Major Changes as Reduced Budgets Eliminate Flexibility (1,11, 16)**
- **LSUAC's \$5.9 Million Dollar Mid-Year Budget Reduction and Its Distribution (2)**
- **FY 2010-11 Executive Budget Expected February 12, 2010 (3)**
- **LSUAC Loses 164 Positions in Past 13 Months (4)**
- **Civil Service Raise Process Expected to be Revenue Neutral (4)**
- **LSUAC to Lose 36 Vehicles From Its Fleet if Recommendation Implemented (5)**
- **Personal Vehicle Usage Limited to Daily 99 Mile Round-Trips at \$0.48/mile (6)**
- **Richardson to Reactivate Oversight Committee in Addressing Budget Cuts (7)**
- **If Necessary, First Sets of Personnel Cuts To Be In Chancellor's Office (8)**
- **Vice-Chancellors to Have Discretionary Budget Adjustment Authority (10)**
- **Royalties to Principal Investigators to Remain Immune From Redirection (10)**
- **Financial Exigency Not A Present Option for LSUAC (11)**
- **Rumored Cut in Federal Budget for Agriculture Not Good for LSUAC Units (13)**
- **Rumors Persist But Reality Created by Louisiana Legislature (14)**
- **SAACS Requirement Denies Graduate Faculty Status to LSUAC Faculty (15)**
- **Host of Employee Benefits Identified by Ms. Loyd (17-23)**
- **Health Plans, Vantage in North LA and Medicare Advantage at 65 (17)**
- **Life Insurance and Accidental Death Benefits (18)**
- **Long Term Care Policy Features Choice of Three or Six Years of Benefits (19)**

- **Accumulated Sick Leave Negates Need for Short Term Disability Policy (20-21)**
- **Accumulated Sick Leave Doesn't Negate Need for Long Term Disability Policy (21)**
- **Vision Plans Feature Preventive Care (22)**
- **2008 Tax Law Changes Reduce LSU System 403(b) Vendors From 34 to 4 (23)**
- **Process for Awarding Civil Service Raises Awaiting Resolution (24)**
- **Handout Identifies Guidance for Service Unit Advisory Committees (25)**
- **Council Approves Appointments to Service Unit Advisory Committees (26)**
- **Serious Questions Regarding Value of Service Unit Advisory Committees (27)**
- **Re-election of Council Officers and Executive Committee Appointments (28)**
- **King To Invite Graduate Dean Constant to Address Council (29)**
- **Decision Regarding AgCenter Issues Survey Deferred Until July 2010 (30)**

### **Call to Order**

Chairperson King called the meeting to order at 9:30 a.m. on January 15, 2010 in the Sullivan Room of the John M. Parker Coliseum.

### **Approval of Minutes**

The minutes of the November 20, 2009 meeting of the Louisiana State University Agricultural Center Faculty Council were approved on a voice vote.

### **Chancellor William B. Richardson**

1. Chancellor Richardson noted that it might be necessary for him to leave for a meeting with members of the joint Louisiana house and senate budget committee. He indicated that such meetings evidenced the dynamic environment in which higher education now functions because of financial conditions. He indicated that anything he might say was subject to change and that major changes were likely to be forthcoming in the absence of an improving economic environment.
2. Governor Jindal announced a mid-year budget reduction on December 23, 2009. The LSU Agricultural Center (LSUAC) had to respond by January 8, 2010 as to how it planned to reduce expenditures by \$5.9 million dollars. The charge to LSUAC administration was to either reduce expenditures by 2.3% of monies from all sources or by 7.56% of its state appropriations. Richardson indicated that the savings associated with the early retirement program were most helpful in coping with the budget reduction. The end result was that the budget for LSUAC administration was reduced over 10% while the budgets for both the Louisiana Agricultural Experiment Station (LAES) and the Louisiana Cooperative Extension Service (LCES) were each reduced by 6.7%. The responses to the budgets went directly to the Division of Administration and not through the LSU Systems Office.

3. The Governor's executive budget for the coming fiscal year (FY) 2010-2011 is to be submitted to the legislature by February 12, 2010. Hearings on that budget will begin with the House Appropriations Committee in March. Chancellor Richardson indicated that no drastic actions will be taken until the executive budget is submitted as that budget should provide an indication of how higher education is likely to fare during FY 2010-2011.
4. Chancellor Richardson indicated that budget cuts being experienced by the LSU-BR campus are currently not impacting LSUAC personnel. He indicated that LSU-BR administration is notifying people within time frames specified by law of potential actions that might need to be implemented in FY 2010-2011. The reductions in the budgets are a consequence of people not spending money thus reducing state government tax revenues. Although oil prices remain steady, corporate income tax and cigarette tax collections are both down. The projected deficit for FY 2010-2011 is \$1.3 billion dollars. If that projection is valid, the LSUAC will necessarily have to reduce its programs. In the last 13 months, the agricultural center has experienced a loss of 164 positions with 55 to 58 of those positions being associated with the early retirement program. Eighty-five percent (85%) of the operating budget for the LSUAC is in personnel. The Chancellor also indicated that the LSUAC is likely to get unfunded mandates which have the effect of reducing the operating budget. He cited increases in health insurance premiums as one example of an unfunded mandate. Chancellor Richardson indicated that, regardless of whatever changes might be forthcoming in the process for awarding civil service raises, it needs to be revenue neutral. The chancellor indicated that the LSUAC just doesn't know what will happen in the future. He was fairly certain, however, that there will not be a zero cut to the budget in FY 2010-2011.
5. Chancellor Richardson observed that one of the recommendations of the Streamlining Commission was to reduce the vehicle fleet to its 2004 level or to reduce it 10%. Implementation of this recommendation would reduce the number of vehicles in the LSUAC by 36.
6. Chancellor Richardson indicated that an exemption had been requested from the mandate limiting state employees who drive personal vehicles to maximum round trip distances of 99 miles. The exemption would not be for all LSUAC employees but for those in parish and regional offices which had very limited or no access to a state vehicle or for employees with state wide responsibilities and with limited or no access to a state vehicle. The allowable reimbursable rate for personal vehicle usage has been reduced from \$0.52/mile to \$0.48/mile. The alternative is for the employee to rent a car although car rentals establishments are seldom found in rural parishes.
7. Chancellor Richardson indicated that he will be seeking input from the faculty and will be reactivating the oversight committee which includes members of the executive committee of the LSUAC Faculty Council.

8. If the budget deteriorates to an unsustainable level, Chancellor Richardson indicated that the first set of reductions would occur in those units that report directly to him.
9. Richardson observed that other states were also experiencing financial difficulties. Some of them have used stimulus monies to sustain their operations, but this source of monies will soon be exhausted for them.
10. Chancellor Richardson indicated that the Vice-Chancellors will have some discretion in making adjustments in programs and personnel in order to cope with their reduced budgets. The past practice of balancing reduced budgets using random vacant positions has created situations of uneven cuts between LSUAC units. Coping with budget reductions have required the use of one-time monies derived from royalties. However, there has not been nor is it planned to modify royalties going to principal investigators (PI) in order to support LSUAC's units.
11. The LSUAC is not at the point of seeking a declaration of financial exigency. But, the flexibility of the LSUAC has been reduced with every reduction in its budget such that there is no more flexibility. Further budget reductions will necessarily mandate reductions in programs and personnel.
12. An LSU system-wide declaration of financial exigency is not likely. The LSU Board of Supervisors is scheduled to meet on January 29, 2010 where discussion of financial exigency for some of its units may be on the agenda.
13. Chancellor Richardson characterized the federal budget for agriculture as static. He reported that the Obama administration is considering major cuts to the USDA which carries negative implications for the funding of agricultural research and extension.
14. Richardson advised that the faculty is likely to hear more about campus reorganization in the future. The rumors circulating about reorganizations of higher education include the LSUAC, Pennington, and the Southern University Agricultural Center. Richardson indicated that one such rumor includes a proposal to create a single board for the LSUAC and the Southern University Agricultural Center. Southern would not support such a proposal for fear its agricultural center would disappear. Richardson advised that the thing to remember about all proposals, rumored or not, is that they all have to go through and have the approval of the legislature before they become realities.
15. In response to a question regarding the denial of LSU Graduate School Faculty membership to LSUAC faculty, Richardson reports that the LSU Graduate School actions are driven by SAACS accreditation requirements. Specifically, the requirement for graduate faculty status is to have 100% appointments on the LSU-BR campus. There are circumstances, however, in which exemptions can be

granted. It is a matter of LSUAC faculty desiring graduate faculty membership to seek the necessary exemptions.

16. In closing, Chancellor Richardson indicated that he may need to meet more often than once a month with members of the Council as the year progresses. For the time being, he is waiting on the Governor's executive budget to get a better feel of its implications for higher education. He reiterated that he has no more flexibility with which to respond to reductions in the LSUAC budget except to eliminate programs and reduce personnel.

**Ms. Ann Coulon and Ms. Kathy Loyd**

17. Ms. Loyd identified the host of employee benefits and wellness options available to LSU employees and stressed the value of planning and maintaining currency as changes occur in life and within the sets of plans for each benefit. With regards to health insurance, she indicated that there were two health plans with nationwide networks available to LSUAC employees: (1) LSU First Health and (2) The EPO Plan (United Health). She reported that the Vantage health plan was only available to employees in the northern part of the state. There is also a medicare advantage plan available to employees at age 65. She indicated that first choice providers are paid at 100%.
18. Life insurance options available to employees include: (1) a \$20,000 insurance policy for employees who participate in the LSU First Health Plan – coverage is only for employees, not dependents, and (2) a Prudential Life plan featuring 2 options: a \$5,000 basic death benefit or employees can chose the basic supplemental option with a maximum benefit of \$50,000. The cost for this coverage is \$0.50 per \$1,000. It also features an accidental death benefit which cancels at age 70. The maximum death benefit for dependents under Prudential Life is \$4,000. Life insurance is currently available to LSUAC employees under a Hartford plan. An employee can select death benefits of up to five times their annual salary up to \$1,000,000. The Hartford plan features an on-line will accessible to spouse and children. It features an Accidental Death and Benefits rider which the employee can sign up for at any time.
19. A Long Term Care Policy offered by UMUM is available to all employees who can enroll in it at any time. It provides a choice of selecting benefits for either a (1) three year or 2) six year period.
20. Ms Lloyd said that all employees are encouraged to enroll in the Long Term Disability Insurance plan benefit. However, benefits payable under the Long Term Disability Insurance plan do not begin to be paid until the employee has been disabled for 90 continuous days and has exhausted all of their sick leave, whichever comes later.

21. Ms. Lloyd indicated that employee benefits do not include a short term disability policy as sick leave can be used for that purpose. The concern, however, is whether people are going to enroll in a long term disability policy after they have accumulated sick leave.
22. Humana and the LSU First Plan include annual eye exams as part of their benefits.
23. The LSU System makes 403(b) plans available as an employee benefit. Initially, there were 34 vendors offering 403(b) plans. Because of the wide variety of fees, payout schedules, forfeitures and other features between the plans of 34 vendors, the LSU System formed a committee to establish criteria that a plan must meet before it would be made available to System employees. The committee, in turn, used Gallagher Benefit Services to evaluate and make recommendations as to which plans are most likely to satisfy the established criteria. Using those criteria, a decision was made to retain the plans of a set of legacy vendors in 2007. However, there was a change in the tax laws in 2008 which led the LSU System to limit its employees' participation in 403(b) plans to only four of its 34 legacy vendors beginning in 2009. Vendors with approved 403(b) plans for LSU System employees now include AIG-Valic, ING, Met Life, and TIAA-CREF.
24. Ms. Coulon advised the Council that Governor Jindal wanted something different than what had been recommended by the Commission for Awarding Civil Service Merit Increases. As a consequence, all state agencies are waiting for a resolution of the process for making annual civil service award increases before changing their evaluation system.

### **Old Business**

25. Chairperson King distributed a handout titled "Service Unit and International Programs Advisory Committee Policy" previously approved Nov. 20, 2009. It identified the purpose of an advisory committee, the minimum acceptable frequencies of its meetings, the processes of determining and rotating memberships and identifying leadership. Service unit heads like the current revised process for appointing members to its advisory committee. However, there is a need to have the Council and service unit heads make their appointments to the advisory committees within a common time frame. A motion was made and accepted to adopt the new changes identified in the handout "Service Unit and International Programs Advisory Committee Policy".
26. The Council approved a set of appointments of individuals to various service unit committees and updated the membership rosters of those service unit advisory committees.

27. A question was raised as to the utility of the Service Unit Advisory Committees. The contention was that these committees don't meet, change policies or the modes of operations of their respective units. Follow-up questions included "what is their legacy?" and "are the service units serving the faculty or is the faculty serving the service units?" It was asserted that "nothing of substance has been coming forth out of the International Programs or Facility Planning Service Unit Advisory Committees". There has been an absence of feedback to the faculty as to what is happening with these service units. The contention was that the Council should either do away with the current structure of its advisory committees or have those advisory committees change their practices to include the posting of their minutes to show that they actually meet at least once a year. It was recognized that these committees are only advisory. However, they have to become relevant as evidenced by the frequency of incidents in which their advice is taken and acted upon. There are gaps between what's been advised and what has been implemented. The claim is that people in decision making roles are not taking and acting upon the advice being given to them by their advisory committees.

### **New Business**

28. Joan King and Wayne M. Gauthier were reelected as chairperson and secretary, respectively. Diane Sasser was elected vice-chairperson. In addition to this set of officers, Jeff Hoy, Adrienne Vidrine and Rich Vlosky were appointed as members of the Executive Committee.
29. The Council discussed the LSU A&M Policy of Dropping AgCenter Faculty from membership in their Graduate Faculty. Individuals aware, of the change in the policy, claim that LSU-BR was required to implement the policy in order to maintain SAACS accreditation. In order to comply with SAACS, LSU-BR is changing the graduate faculty appointments of people who don't have academic appointments on the LSU-BR campus. People without academic appointments on the LSU-BR campus can get permission to teach courses for defined limited terms. Application for administrative approval for an affiliate appointment begins with a petition by the department head. Non LSU-BR faculty members can apply for associate status on a case by case basis for purposes of advising individual students. Chairperson King is to contact Dr. Constant, Interim Dean of the LSU-BR Graduate School, requesting his presence at the next Council meeting to speak to the issue of LSUAC faculty member representation on graduate committees.
30. The Council decided to delay any discussion of another AgCenter Issues Survey until after July 2010. The last survey was done in 2007. The reason for the delay is that the context in which faculty would be responding has been adversely tainted by negative economic conditions.
31. Vlosky attended the Board of Supervisors Meeting but didn't take any notes because nothing of substance pertinent to the LSUAC was addressed at that

meeting. Gauthier attended the last meeting of the Association of Louisiana Faculty Senates (ALFS) but discerned nothing of critical significance to LSUAC faculty.

32. There were no reports from any Service Unit Advisory Committee representative.

**Other Business**

33. Note was taken of budget reductions throughout the LSU system.

Chairperson King adjourned the meeting at 12:20 p.m. on January 15, 2010.

Respectfully submitted,

Wayne M. Gauthier  
Secretary