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AGENDA

RESEARCH AND SPONSORED INITIATIVES COMMITTEE

Wednesday, December 14, 2022

11:25 a.m.

Claiborne Building, 1st Floor
Thomas Jefferson Rooms A&B 1-136
1201 North Third Street
Baton Rouge, LA 70802

- I. Call to Order
- II. Roll Call
- III. Consent Agenda
 - A. Appointment of Endowed Chairholders without National Search: Loyola University New Orleans and Tulane University Health Sciences Center
 - B. Request to Divide BoRSF-Matched Endowed Chair: Grambling State University
- IV. Board of Regents Support Fund (BoRSF) Plan and Budget Recommendations, FY 2023-24
- V. Adjournment

Committee Members: Felix R. Weill, Chair; Phillip R. May, Jr., Vice Chair; Stephanie A. Finley; Darren G. Mire; T. Jay Seale III; Gary N. Solomon, Jr.
Staff: Carrie Robison, Deputy Commissioner for Sponsored Programs

AGENDA ITEM III.A.

Appointment of Endowed Chairholders without National Search: Loyola University New Orleans and Tulane University Health Sciences Center

Background Information

At its January 12, 2015 meeting, the Board unanimously approved the following revision to the Endowed Chairs for Eminent Scholars policy:

Effective immediately, all campuses shall provide documentation to the Commissioner of Higher Education that each Chair vacancy is being filled – whether externally or internally – following a national search. Any request for waiver of this policy shall be made in writing to the Commissioner of Higher Education and reviewed by external consultants. Upon receipt of the consultants’ response, the Commissioner will provide a formal recommendation for consideration and approval by the Board of Regents. Board approval of the waiver must be provided prior to appointment of the chairholder. The Board reserves the right to render a campus not in compliance with this policy to be ineligible for new Endowed Chairs funds.

Staff Summary

Loyola University New Orleans requests to waive the national search requirement for the Gerald N. Gaston Eminent Scholar Chair in International Business, a \$1 million chair matched by the Board of Regents Support Fund in FY 2000-01. Loyola asks to name Dr. Felipe Massa, currently a tenured Associate Professor in the Joseph A. Butt, S.J., College of Business.

Tulane University Health Sciences Center has put forth a similar request for the Aron Family Chair for Gene Therapy, a \$2 million chair matched by the Board of Regents Support Fund in FY 1996-97. TUHSC asks to name Dr. Hong-Wen Deng, Professor of Medicine and Director of the Center for Biomedical Informatics and Genomics.

The qualifications and experience of both proposed chairholders have been reviewed and deemed appropriate to requirements outlined in the Endowed Chairs program policy for appointment of an internal candidate without a national search.

STAFF RECOMMENDATION

Senior Staff recommends approval of Loyola University New Orleans’ request to appoint Dr. Felipe Massa to the Gerald N. Gaston Eminent Scholar Chair in International Business and Tulane University Health Sciences Center’s request to appoint Dr. Hong-Wen Deng to the Aron Family Chair for Gene Therapy without conducting national searches. As stipulated in Board policy, Letters of Appointment to Dr. Massa and Dr. Deng must be submitted to the Board within 90 days of this approval.

AGENDA ITEM III.B.

Request to Divide BoRSF-Matched Endowed Chair: Grambling State University

Background Information

In August 2011, the Board of Regents approved guidelines for the division of Endowed Chairs funds to establish Endowed Professorships, setting the minimum corpus level of professorships so created at \$250,000. Since this determination, several campuses have divided BoRSF-matched Chairs to establish Professorships at this level or higher.

Staff Summary

The Contractor's Education Trust Fund Chair is a \$1 million endowed chair held by Grambling State University, matched by the BoRSF in FY 1992-93. Grambling now requests approval to divide this Chair into four Endowed Professorships, each with a total corpus of \$250,000, as follows:

- Contractor's Education Trust Fund Super Endowed Professorship #1;
- Contractor's Education Trust Fund Super Endowed Professorship #2;
- Contractor's Education Trust Fund Super Endowed Professorship #3; and
- Contractor's Education Trust Fund Super Endowed Professorship #4.

This action has been approved by the original donor for the purpose of enhancing and supporting faculty in construction-related fields.

STAFF RECOMMENDATION

Consistent with the August 2011 policy, the Senior Staff recommends approval of the division of the Contractor's Education Trust Fund Chair into four (4) endowed professorships as follows: (1) Contractor's Education Trust Fund Super Endowed Professorship #1; (2) Contractor's Education Trust Fund Super Endowed Professorship #2; (3) Contractor's Education Trust Fund Super Endowed Professorship #3; and Contractor's Education Trust Fund Super Endowed Professorship #4, each with a corpus of \$250,000.

AGENDA ITEM IV.

Board of Regents Support Fund (BoRSF) Plan and Budget Recommendations, FY 2023-24

Background Information

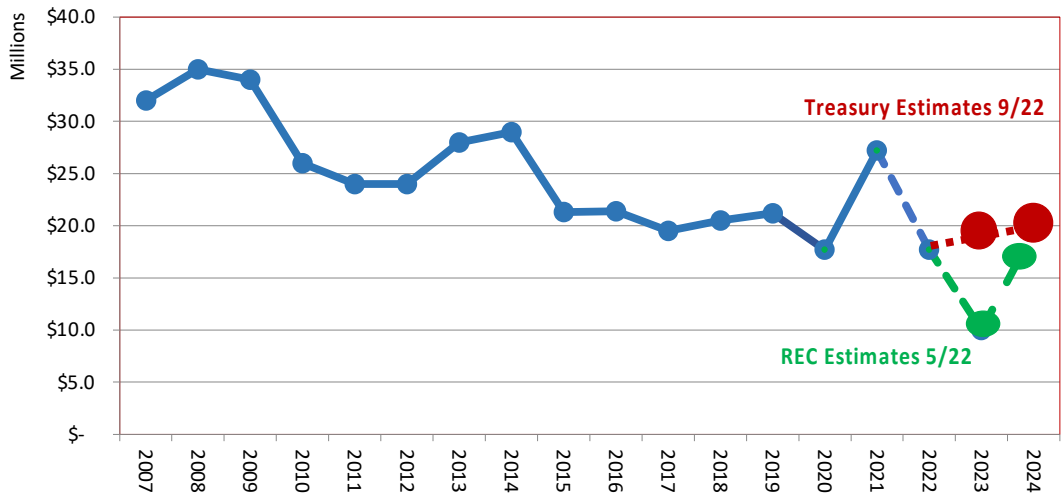
The Board of Regents Support Fund (BoRSF), constitutionally designated and managed by the Board of Regents, receives revenues on an annual basis from the Kevin P. Reilly Louisiana Education Quality Trust Fund (LEQTF). These dollars, separate from State General Fund appropriations, cannot be used for operating costs, but are designated to support supplementary and enhancing programs to improve the quality of higher education and contribute to Louisiana’s economic development. Accordingly, within the parameters set forth in the Constitution, the Board of Regents operates competitive programs and subprograms through the BoRSF appropriations, to bolster performance in priority areas through a variety of activities, including departmental enhancements, research and development, endowment matching, and targeted student support.

The Board 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 constitutionally permitted components of the Support Fund: Endowed Chairs for Eminent Scholars, Recruitment of Superior Graduate Students, Research and Development, and Enhancement.

Staff Summary

Though the Revenue Estimating Conference (REC) provides the official revenue estimate for the Support Fund, staff considers both trends over the recent past and the annual projection of the Treasury. Annual revenues generated for the Support Fund declined steadily and significantly for the period FY 2006-07 through FY 2019-20, from a peak of \$35 million to less than \$18 million. While revenues recovered to \$27 million in FY 2020-21, this was a result of significant sell-offs to accommodate statutory caps on investment in securities, and did not represent a general improvement in Trust Fund performance. A total of \$17.7 million was received in FY 2021-22.

**SUPPORT FUND REVENUES
FY 2006-07 THROUGH FY 2023-24**



Given the recent history of the Trust Fund income, projections of the Treasurer and Revenue Estimating Conference are similar, ranging from \$19.45 million (REC, May 2022) to \$20.5 million (Treasury, September 2022). Due to the substantial surplus of FY 2020-21 revenues, which have not yet been expended due to continued uncertainty, the Support Fund is well positioned to budget slightly above REC forecasts to recommend a steady funding level in FY 2023-24.

Based on current estimates, recent earnings, and Support Fund history, the BoRSF Planning Committee concluded that \$20 million is a reasonable budget level for the BoRSF in FY 2023-24, with contingencies to accommodate potential shortfalls. This recommended budget level will enable full support for existing contracts and matching obligations and reasonable levels of new monies for all BoRSF grant and endowment programs. The structure of the Support Fund, with RFPs released at the beginning of the fiscal year and funding allocated at the end, gives the Board ample opportunity to adjust as the budget picture clarifies in early 2023. Recommended contingencies call for staff to monitor updated revenue estimates and make a recommendation to the Board in summer 2023 should there be an indication that reductions are needed before the FY 2023-24 competitive cycle begins. If estimates fall below the recommended budget level, staff will make pro-rata reductions to new monies for competitive programs, in accordance with contingencies outlined in the plan and budget. Only under extreme exigency would federal matching dollars, guaranteed donor matches in Endowed Professorships (two slots per campus), or prior commitments be reduced.

Operating in this manner will minimize risk to this long-standing and highly valuable activity of the Board of Regents, allowing flexibility to adjust approaches over time. The contingencies recommended enable the Board and the staff to reassess and make necessary changes as the BoRSF's financial position continues to evolve.

Program allocations, as well as all contingencies in the event that revenues are higher or lower than projected, are detailed in Attachment A. Brief descriptions of each program/subprogram included in the budget are provided in Attachment B.

STAFF RECOMMENDATION

Senior Staff recommends approval of the FY 2023-24 BoRSF Plan and Budget, with contingencies, as presented.

ATTACHMENT A

FY 2023-24 Board of Regents Support Fund Budget: BoRSF Planning Committee/Staff Recommendation

Support Fund Program/Subprogram	FY 2023-24 PROPOSED BUDGET		FY 2022-23 APPROVED BUDGET	
	Prior Commitments (Existing Obligations)	New Monies	Prior Commitments (Existing Obligations)	New Monies
Federal Matching	\$1,425,000	\$250,000	\$1,550,000	\$375,000
Endowed Chairs	\$0	\$2,420,000	\$0	\$2,420,000
Graduate Fellows	\$0	\$1,120,000	\$0	\$1,120,000
Traditional (GF)		\$0		\$0
BoR/SREB Fellowships		\$0		\$0
Endowed Grad Scholarships		\$1,120,000		\$1,120,000
Research & Development	\$3,434,040	\$2,500,000	\$3,391,575	\$2,500,000
Research Competitiveness	\$2,279,731	\$1,350,000	\$2,312,694	\$1,350,000
Industrial Ties/PoCP	\$1,154,309	\$750,000	\$1,078,881	\$750,000
Awds to Artists & Scholars	\$0	\$400,000	\$0	\$400,000
Enhancement	\$1,951,000	\$6,303,075	\$1,733,268	\$6,321,154
Departmental ENH (includes BoR/SREB)	\$1,951,000	\$3,303,075	\$1,733,268	\$3,321,154
Endowed Professorships	\$0	\$2,000,000	\$0	\$2,000,000
Endowed WF Scholarships	\$0	\$1,000,000	\$0	\$1,000,000
Administration (Formula)	\$0	\$596,885	\$0	\$589,003
TOTAL	\$6,810,040	\$13,189,960	\$6,674,843	\$13,325,157
FISCAL YEAR BUDGET	\$20,000,000		\$20,000,000	

CONTINGENCIES:

Higher than Budgeted:

- Additional revenues allocated as approved by the Board
- No increase in spending authority

Lower than Budgeted

- Summer 2023 consideration of REC spring 2022 projections to determine whether budget reductions are needed prior to competitive cycle launch.
- If partial reductions are needed, proportionate cuts taken in first-year amounts allocated for proposals across all competitive programs and subprograms
- If additional cuts are needed after all competitive programs eliminated, reductions taken to the non-competitive Endowed Professorships subprogram once funding guarantees are met
- If additional cuts needed after all first-year funds are eliminated, reductions made to federal matching commitments and/or prior contractual obligations

ATTACHMENT B

Board of Regents Support Fund Program/Subprogram Descriptions

The Constitution specifies that the Board of Regents Support Fund (BoRSF) may be used to support “any or all” of the following activities:

- The carefully defined research efforts at public and private universities in Louisiana;
- The endowment of chairs for eminent scholars;
- The enhancement of the quality of academic, research or agricultural departments or units within a university; and
- The recruitment of superior graduate students.

Programs and subprograms are divided among these categories, to ensure the BoRSF is structured in accordance with the constitutional provisions.

Enhancement of the Quality of Academic, Research & Agricultural Departments and Units

1. Departmental Enhancement

Departmental Enhancement is a competitive infrastructure-building component with the goal of improving the educational and research infrastructure and capacity in academic, research, and agricultural departments and units. Departmental Enhancement is available to any eligible formally recognized department or unit, and includes a Multidisciplinary component. Awards will be made for comprehensive (multi-year, multi-activity, broad-impact) projects, as well as targeted (short-term, smaller-scale) projects. All institutions are eligible to compete to support educational, research, and workforce activities. A spectrum of activities, from equipment purchases to curricular redesign, are allowed and encouraged; support for graduate students, either as fellowships/scholarships or assistantships, is also permitted. Disciplines are eligible every other year, on a rotating basis.

2. BoR/Southern Regional Education Board Doctoral Support Initiative to Promote Student and Faculty Diversity

The Board of Regents/SREB Doctoral Support Initiative to Promote Student and Faculty Diversity provides up to ten (10) support slots per year statewide to help recruit and retain underrepresented minority students seeking doctoral degrees. Awards are made to graduate schools or governing units for graduate education at eligible institutions, which then determine the distribution of individual slots among qualified departments. Each slot includes an academic-year supplement for student support, membership in SREB’s Doctoral Scholars Program, and participation in SREB’s annual Institute on Teaching and Mentoring.

3. Endowed Professorships

Endowed Professorships is a non-competitive subprogram designed to help campuses recruit or retain faculty whose research, teaching, and/or public service uniquely contribute to the mission of their departments and institutions. Participation requires a contribution of at least \$80,000 from an external source, to be matched with \$20,000 from the BoRSF; campuses with fewer than 15 matched Professorships may continue to request matching at the previous rate of \$40,000 BoRSF for \$60,000 non-State contribution until the threshold of 15 is reached. Each eligible campus is guaranteed, but not necessarily restricted to, two matching slots per year, provided that required external contributions are raised and documented. Beginning in FY 2019-20, campuses are permitted to submit requests for matching of Endowed First-Generation Undergraduate Scholarships under the same terms as Endowed Professorships, with the guarantee of two matching slots total, inclusive of both types, per campus.

4. Endowed Two-Year Student Workforce Scholarships

The competitive Endowed Two-Year Student Workforce Scholarships subprogram provides scholarship opportunities for students on two-year campuses to enter the Louisiana workforce in the following ways: (a) train students for immediate entrance into selected, high-demand, four- and five-star jobs, including positions in nursing and allied health; and/or (b) prepare students to become job-ready in STEM fields after completing degrees on four-year campuses. Non-State contributions combined with a BoRSF match will produce permanent endowments.

5. Federal Matching

The Board of Regents manages several major federal research and education awards from agencies such as the National Science Foundation, NASA, the National Institutes of Health, and the Department of Energy. Many State-level federal grant opportunities require matching be provided, and the BoRSF has been the source of Louisiana's match since 1987. BoRSF matching funds have leveraged more than \$7 in federal funding for every dollar committed.

Targeted Research and Development

1. Research Competitiveness Subprogram (RCS)

RCS funds projects that strengthen the fundamental research base and competitiveness of Louisiana's public and private universities. The subprogram is a stimulus opportunity available to researchers who are currently not competitive for federal support but show strong potential for achieving national research competitiveness in an area funded by the federal government within a limited span of time. Research funded through RCS must make fundamental contributions to knowledge in eligible scientific and engineering disciplines rather than simply seek to apply existing knowledge. RCS also includes a one-year award to assist faculty who may already be competitive through short-term pilot awards to

conduct novel scientific and engineering research leading to near-term federal support. RCS has been a highly successful initiative: a recent survey showed more than \$9 in federal/private research funding received for every \$1 in RCS funds awarded.

2. Industrial Ties Research Subprogram (ITRS)

ITRS supports research efforts that show significant potential for contributing to the development and diversification of Louisiana's economy in the near term. Funded projects are required to involve significant private sector or Federal funding or, at a minimum, include a plan to leverage substantial Federal or private sector funding in the near future; and link research efforts to establishment of a new or enhancement of an existing Louisiana business or industry. A consolidated component of ITRS, the Proof-of-Concept/Prototyping Initiative provides funding to enable technology transfer research and activities, to advance innovations toward commercialization. Like RCS, ITRS has leveraged significant external investment in Louisiana research, attracting more than \$10 for every BoRSF dollar invested.

3. Awards to Louisiana Artists and Scholars (ATLAS)

The BoRSF Awards to Louisiana Artists and Scholars (ATLAS) Subprogram provides support to faculty members in arts, humanities, and social sciences disciplines to complete major scholarly and artistic productions with the potential to have a broad impact on a regional, national, and/or international level. The primary focus of ATLAS is the scholarly or artistic merit of the proposed work. Projects are assessed based on their necessity, importance, originality, and likelihood to have an impact on a broad academic and/or artistic community. ATLAS has supported major scholarly and creative works that have received significant recognition and accolades across the region, the nation, and the world.

Recruitment of Superior Graduate Students

1. Endowed Superior Graduate Student Scholarships

The Endowed Superior Graduate Student Scholarships subprogram matches non-State contributions of at least \$60,000 with \$40,000 from the BoRSF to create endowed scholarships that may be used in support of graduate and first-professional students as well as post-doctoral fellows. Higher levels of non-State contributions, in minimum increments of \$60,000, may be matched with additional \$40,000 contributions from the Support Fund. The initial corpus of the endowment must remain intact, while income above the corpus may be used to benefit the student recipient in the form of scholarships, fellowships, and/or experiential opportunities, including internships, externships, conference travel, and field work.

Endowed Chairs for Eminent Scholars

Endowed Chairs for Eminent Scholars, introduced in 1987, is a highly competitive program designed to enhance the recruitment and retention of distinguished university faculty at institutions throughout Louisiana. The program pairs a 60% private-sector match with a 40% Board of Regents award to endow a chair at a minimum level of \$1 million. The Chair, operating from the income generated by investment of the permanent endowment, must be filled in perpetuity by scholars of high renown and great ability. Given the permanent commitment of funding, Endowed Chairs must be aligned clearly with institutional role, scope, mission, and strategic priorities, and the campus must demonstrate the long-term value of the Chair to academic, teaching, and/or service work in the discipline. Campuses must provide each Chair, at a minimum, with a salary line sufficient to engage a senior scholar/leader.