

*Pat A. Strong  
Chair*

*Scott O. Brame  
Vice Chair*

*Artis L. Terrell, Jr.  
Secretary*

*E. Joseph Savoie  
Commissioner of  
Higher Education*



*Robert J. Bruno  
Richard E. D'Aquin  
Maurice C. Durbin  
Ingrid T. Labat  
Robert W. Levy  
W. Clinton Raspberry, Jr.  
Mary Ellen Roy  
William Clifford Smith  
Victor T. Stelly  
Harold M. Stokes  
Roland M. Toups  
Terry C. Landry, Jr., Student*

**BOARD OF REGENTS**

*P. O. Box 3677*

*Baton Rouge, LA 70821-3677*

*Phone (225) 342-4253, FAX (225) 342-9318*

*www.regents.state.la.us*

**FINANCE COMMITTEE MEETING**

**Wednesday, May 23, 2007**

The Finance Committee met on Wednesday, May 23, 2007, at 2:18 p.m. in the Louisiana Purchase Room of the Claiborne Building, 1201 North Third Street, Baton Rouge, Louisiana. Chair Scott Brame called the meeting to order. The roll was called, and a quorum was established.

**COMMITTEE MEMBERS PRESENT**

Scott Brame, Chair  
Richard D'Aquin  
W. Clinton Raspberry, Jr.  
Clifford Smith  
Victor Stelly  
Harold Stokes  
Cleo Norris, LCTC System  
Walter Guedry, SU System

**STAFF MEMBERS PRESENT**

E. Joseph Savoie  
Donald J. Vandal  
Wendy Simoneaux

**OTHER BOARD MEMBERS PRESENT**

Mary Ellen Roy  
Pat Strong  
Maurice Durbin

**GUESTS PRESENT**

Appendix A

**COMMITTEE MEMBERS ABSENT**

Artis Terrell, Jr., Vice Chair  
Roland Toups  
UL System Representative  
LSU System Representative

**ENERGY SURCHARGE REVIEW AND CONSIDERATION**

Mr. Donald Vandal, Deputy Commissioner for Finance and Administration, provided background information about the energy surcharge authorization that is scheduled to sunset on July 1, 2007. Mr. Vandal reminded the committee that in August 2001, the Board of Regents after consideration of the issue of significantly increasing utility costs on institutional campuses and after extensive discussions with the Council of Student Body Presidents, approved recommendations for the management boards to authorize their institutions to charge students an energy surcharge under certain stipulations and conditions. The original authority was granted for a three year period. In June 2004, the Board extended this authority with the same stipulations and conditions until July 1, 2007. Mr. Vandal explained to the Committee that in an effort to determine if a need remains for further extension of this authority, the system offices were asked to provide a verification of existing data that had been previously reported and to provide additional data relative to energy costs, energy usage, surcharge rates, collections, and projections. Mr. Vandal indicated that this data has been collected and the staff is in the process of compiling and analyzing the data and would be bringing specific recommendations to the Committee at its June meeting.

**FY 2007-08 BUDGET UPDATE**

Mr. Vandal presented a brief overview of the major increases to Postsecondary Education as proposed in the Governor's Executive Budget (Appendix B). Mr. Vandal also informed the Committee that the Appropriations Bill should be coming out of the House Appropriations Committee tomorrow and that it would then go to the full house. The bill would move to the Senate Finance Committee sometimes after the Memorial Day Holiday. Mr. Vandal indicated that the Board of Regents was cautiously optimistic that the bill would move through the

appropriate channels intact. Mr. Vandal also presented schedules of the major increases in funding proposed by the Governor depicted at the institutional level (Appendix C).

**REPORT FROM DEPUTY COMMISSIONER**

Mr. Vandal informed the Committee that the first Steering Committee meeting of the Health Sciences Center Funds Flow project with the Consulting Firm, ECG was held on Tuesday, May 22<sup>nd</sup> in conjunction with representatives of the Regents, the Health Science Centers, and the LSU System Office. Mr. Vandal expressed pleasure with the expertise and understanding of the firm as to the goals and objectives of the project being sought by the Regents and his reassurance that at the end of the six month project, the Regents would have appropriate benchmarks assessing the appropriate state funding required to maintain competitive health science centers.

**ADJOURNMENT**

There being no further business to come before the Committee, the Finance Committee adjourned at 2:42 pm.