

FINANCE COMMITTEE
Wednesday, August 23, 2000

The Finance Committee met on Wednesday, August 23, 2000, at 11:25 a.m. in the State Office Building Auditorium, Chairman Roland Toups called the meeting to order. The roll was called and a quorum was established.

COMMITTEE MEMBERS PRESENT

Roland Toups, Chair
Richard D'Aquin, Vice Chair
Virgil Robinson
Harrison Baptiste
Brett Mellington
Michael Woods

COMMITTEE MEMBERS ABSENT

Michael Dees
Norbert Simmons
Jared McGlocklin
Ronald Anderson

**OTHER BOARD MEMBERS
PRESENT**

Scott Brame
Harold Callais
Reggie Dupré
Frances Henry
Melvin Rabin
Mary Ella Sanders
Pat Strong

STAFF MEMBERS PRESENT

E. Joseph Savoie
Marvin Roubique
Michael Galloway
Louise Moore

PLAN FOR DISTRIBUTION OF OPERATIONAL FUNDS FOR FY 2000-2001

Mr. Marvin Roubique, Deputy Commissioner for Finance and Facilities, presented the staff plan for distribution of operational funds for FY 2000-2001. He indicated that an amount of \$11.9 million had been appropriated for operational expenses for postsecondary education. The procedure for the distribution of these funds was similar to procedures used in previous years. Those formula institutions whose formula implementation rates were below the state average implementation rate received funds from the distance pool (34% of the available funds) and then each institution received funds from the pro rata pool (66% of the available funds). See Appendix B for a listing of the procedures and amounts for each institution.

After discussion, the Committee took the following Action:

On motion of Mr. Woods, seconded by Mr. Baptiste, the Finance Committee unanimously recommended that the Board of Regents adopt the staff's plan for the distribution of the operational pool funds for FY 2000-2001. (Appendix A)

EQUIPMENT POOL FUNDS FY 2000-2001

Next, Mr. Roubique presented a plan for distribution of \$15 million, appropriated in the capital outlay bill for FY 2000-2001, to be used for the purchase of library, academic, scientific (including research) and instructional equipment. The plan used the same procedure as in past years, which was a proration of each institution's full formula funding amount to the total state formula full funding amount. Additionally, guidelines for equipment acquisitions were presented. These funds are intended to supplement, and not supplant, normal institutional

expenditures. High priority should be placed on acquisitions that address institutional or specific discipline accreditation, national certificate needs and technology needs of teacher education programs.

After discussion, the Committee took the following action:

On motion of Regent D'Aquin, seconded by Regent Robinson, the Committee unanimously recommended that the Board of Regents approve the plan for distribution of equipment pool funds and the guidelines defining those purchases for FY 2000-2001. (Appendix B)

LSU HEALTH SCIENCE CENTER STATUS REPORT

Mr. Bill Silvia, Executive Vice President of the LSU System, and Mr. Robert Plaisance, Assistant Vice President for Medical and Fiscal Policy, provided a status report on the fiscal situation at the LSU Health Sciences Center. Mr. Silvia indicated that the system had implemented various management tools to provide fiscal support at each campus. Mr. Plaisance reported that the LSUHSC ended the fiscal year with a positive balance and that FY 2000-2001 budget projections were positive.

ADJOURNMENT

There being no further business, the Committee adjourned at 11:50 a.m.

Appendix A page 1
ALLOCATION OF OPERATIONAL POOL FUNDS

THE GENERAL APPROPRIATIONS BILL CONTAINS AN APPROPRIATION OF \$11.9 MILLION FOR OPERATIONAL EXPENSES. THIS APPROPRIATION IS TO THE BOARD OF REGENTS TO BE DISTRIBUTED TO THE POST SECONDARY UNITS.

THE \$11.9 MILLION WOULD BE ALLOCATED IN THE FOLLOWING MANNER:

- 1. AN ADDITIONAL ALLOCATION OF \$300,000 TO THE LSU LAW CENTER FOR THE SECOND YEAR FUNDING OF THEIR ENHANCEMENT PLAN.**
- 2. AN ADDITIONAL ALLOCATION OF \$500,000 TO UL-MONROE FOR THE THIRD YEAR OF THE PHARM-D PROGRAM.**
- 3. AN ADDITIONAL ALLOCATION OF \$809,127 TO SOUTHERN A&M TO MATCH FEDERAL FUNDS FOR THEIR AGRICULTURE PROGRAMS RELATED TO LAND GRANT FUNCTIONS. THE USE OF THESE FUNDS MUST BE APPROVED BY THE JOINT LEGISLATIVE COMMITTEE ON THE BUDGET.**
- 4. AN ALLOCATION OF \$1 MILLION TO THE MANAGEMENT BOARDS FOR A DISCRETIONARY POOL TO ASSIST THEIR INSTITUTIONS WITH SPECIFIC OPERATIONAL NEEDS AS IDENTIFIED BY THE RESPECTIVE INSTITUTIONS AND THE BOARD.**
- 5. AN ALLOCATION OF \$200,000 TO THE BOARD OF REGENTS FOR THE LIBRARY NETWORK/LUMCON.**
- 6. REMAINDER OF FUNDS - \$9,090,873 - ALLOCATED TO FORMULA (99%) AND NON FORMULA (1%) UNITS.**
- 7. FORMULA ALLOCATION - \$8,999,964**
- 8. FORMULA ALLOCATION BASED ON DISTANCE POINTS (34%) AND PRO-RATA (66%).**
- 9. DISTANCE POINTS POOL ALLOCATED TO THOSE INSTITUTIONS BELOW THE STATEWIDE FORMULA AVERAGE OF 73.6%.**
- 10. PRO RATA POOL ALLOCATED BASED ON 100% OF FORMULA**
- 11. NON FORMULA ALLOCATION - \$90,909**
- 12. NON FORMULA ALLOCATION BASED ON INSTITUTION'S STATE**

FUNDS.

DISTRIBUTION OF POOL FUNDS - FY 2000-2001

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INSTITUTION	FY 2000-01 OPERATIONAL FUNDS
GRAMBLING	116,866
LA TECH	430,515
MCNEESE	284,341
NICHOLLS	289,257
UL-MONROE	757,864
NORTHWESTERN	422,865
SOUTHEASTERN	675,516
UL-LAFAYETTE	820,575
UL SYSTEM OFFICE	294,573
TOTAL U OF L SYSTEM	4,092,372
LSU-A	35,443
LSU A&M	2,006,032
LSU VET SCHOOL	95,585
LSU-E	97,418
LSU-S	74,631
UNO	744,301
AG CENTER	369,367
LSUHSC	745,103
LSU-LAW	416,813
PENNINGTON	67,918
LSU SYSTEM OFFICE	481,347
TOTAL LSU	5,133,958
SOUTHERN - B.R.	1,047,455
SOUTHERN - N.O.	176,452
SOUTHERN - SHR	27,098
SOUTHERN SYSTEM OF	74,882
TOTAL SOUTHERN	1,325,887
BRCC	35,850
BOSSIER PARISH	58,023
DELGADO	421,646
NUNEZ	29,206
RIVER PARISHES CC	8,280
SOUTH LA CC	0
LA TECH COLLEGE	422,589
LCTC SYSTEM OFFICE	149,198
LCTC SYSTEM	1,124,792
LUMCON	22,991
BOARD OF REGENTS	200,000
TOTAL	11,900,000

NOTES:

*UL-MONROE operational allocation includes \$500,000 for the second year of Pharm-D program upgrade.

** LSU Law operational allocation includes \$300,000 for the second year funding of the enhancement plan.

*** Southern A&M operational allocation includes \$809,127 for Land Grant match subject to the approval of the Joint Legislative Committee on the Budget.

Appendix B Page1
ALLOCATION OF EQUIPMENT POOL FUNDS

THE CAPITAL OUTLAY BILL CONTAINS \$15 MILLION FOR LIBRARY, INSTRUCTIONAL AND SCIENTIFIC EQUIPMENT FOR POST SECONDARY UNITS. THE FUNDS ARE BUDGETED TO THE BOARD OF REGENTS THROUGH FACILITY PLANNING AND CONTROL.

THE \$15 MILLION WOULD BE ALLOCATED IN THE FOLLOWING MANNER:

- 1. RESTORE THE LIBRARY CUTS - \$3, 510,953**
- 2. REMAINDER OF POOL - \$11,489,047 - TO BE DISTRIBUTED ON A PRO RATA BASIS - 99% TO FORMULA UNITS AND 1% TO NON FORMULA UNITS.**
- 3. FORMULA - \$11,374,157 - DISTRIBUTED ON A PRO RATA BASED ON 100% OF FORMULA.**
- 4. NON FORMULA - \$114,890 - DISTRIBUTED ON PRO RATA BASED ON STATE APPROPRIATIONS.**
- 5. NON FORMULA UNITS - PENNINGTON AND LUMCON**

DISTRIBUTION OF POOL FUNDS - FY 2000-2001

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INSTITUTION	FY 2000-01 EQUIPMENT FUNDS
GRAMBLING	340,626
LA TECH	671,762
MCNEESE	448,933
NICHOLLS	355,668
UL-MONROE	628,074
NORTHWESTERN	527,965
SOUTHEASTERN	892,762
UL-LAFAYETTE	1,310,423
UL SYSTEM OFFICE	8,845
TOTAL U OF L SYSTEM	5,185,059
LSU-A	97,981
LSU A&M	3,041,843
LSU VET SCHOOL	183,127
LSU-E	113,166
LSU-S	205,336
UNO	858,243
AG CENTER	740,512
LSUHSC	1,718,022
LSU-LAW	176,098
PENNINGTON	119,999
LSU SYSTEM OFFICE	0
TOTAL LSU	7,254,329
SOUTHERN - B.R.	609,731
SOUTHERN - N.O.	171,310
SOUTHERN - SHR	77,712
SOUTHERN SYSTEM OFF	0
TOTAL SOUTHERN	858,753
BRCC	71,299
BOSSIER PARISH	111,163
DELGADO	587,727
NUNEZ	55,955
RIVER PARISHES CC	15,863
SOUTH LA CC	0
LA TECH COLLEGE	809,622
LCTC SYSTEM OFFICE	0
LCTC SYSTEM	1,651,628
LUMCON	45,341
BOARD OF REGENTS	4,890
TOTAL	15,000,000

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EQUIPMENT FY 2000-2001

This appropriation is applicable to library, academic, scientific (including research) and instructional equipment acquisitions and is intended to supplement and not supplant normal institutional expenditures in this category. High priority should be placed on acquisitions that address institutional or specific discipline accreditation, national certification needs and technology needs of teacher education programs. Items used in the conduct of agricultural research will be allowed with proper justification. For example, a vehicle, a tractor, and/or other field equipment used specifically for field experimental work will qualify. Plans, approved by each management board, are to be submitted with operating budgets and include a description of goals and accomplishments of the plan.