

FINANCE COMMITTEE MEETING

Friday, October 20, 2006

The Finance Committee met on Friday, October 20, 2006, at 8:30 a.m. in the Louisiana Purchase Room of the Claiborne Building, 1201 North Third Street, Baton Rouge, Louisiana.

Chair Harold Stokes called the meeting to order. The roll was called and although a quorum was not established initially, no action was to be taken by the committee.

COMMITTEE MEMBERS PRESENT

Harold M.. Stokes, Chair
Scott O. Brame
Mary Ellen Roy
Artis L. Terrell, Jr.
Jimmy Long, UL System
James Roy, LSU System

OTHER BOARD MEMBERS PRESENT

Richard E. D'Aquin

COMMITTEE MEMBERS ABSENT

William D. "Billy" Blake, Vice Chair
Robert W. Levy
W. Clinton Rasberry, Jr.
SU System Representative
LCTC System Representative

STAFF MEMBERS PRESENT

E. Joseph Savoie, Jr.
Donald J. Vandal
Wendy C. Simoneaux
Nancy Beall

GUESTS PRESENT

Appendix A

OVERVIEW OF FY 06-07 OPERATING BUDGET

Mr. Donald J. Vandal, Deputy Commissioner for Finance and Administration began with an explanation of the various materials provided to the Committee. Those items included a summary of the FY 2006-07 major changes in appropriations (Appendix C), a listing of the FY 2006-07 unrestricted operating budget appropriations by institution (Appendix D), a schedule of the FY 2006-07 distribution of risk management premiums that were appropriated in schedule 20 (Appendix E), and a FY 2006-07 annual mandatory tuition and fee schedule by institution (Appendix F). He then asked Mrs. Wendy C. Simoneaux, Associate Commissioner for Finance and Administration to lead the Committee through the FY 2006-2007 operating budget review.

Mrs. Simoneaux presented a PowerPoint overview of the FY 2006-2007 operating budgets for postsecondary education (Appendix B). She indicated that the operating budget (inclusive of all means of financing) totals approximately \$3.926 billion, with \$2.566 billion reflected in unrestricted operating funds and \$1.360 billion in restricted operating funds. Mrs. Simoneaux proceeded to explain and detail various views of the operating budgets and cautioned the Committee that they should understand the complex nature of the appropriation process in Louisiana when doing analytical analysis in regards to changes in funding from previous years.

Mrs. Simoneaux concluded by reminding the Committee members that action on the operating budgets would be taken at the regularly scheduled Finance Committee meeting on Wednesday, October 25, 2006.

SYSTEM REVIEWS

Regents staff indicated that in advance of the meeting the system offices had been provided a list of key issues they were to address in their presentations to the Committee. Those

issues included summary of budget changes, highlighting of new funding for targeted initiatives, summary of faculty pay plans, summary of other professional staff pay adjustments, if any, enrollment impact, admissions criteria impact, and the status of “Impacted Institutions”.

Mr. John Antolik, Assistant Vice President of Budget and Finance and Comptroller and Mr. Todd Barre, Director of Budget, Planning, and Information Technology presented operating budget information for the Louisiana State University System and addressed each of the key issues outlined by the staff. Chancellor Sean O’Keefe of the Louisiana State University and A&M College presented a synopsis of uses of targeted funding received by the University for the Flagship Agenda. Chancellor Timothy Ryan of the University of New Orleans and Vice Chancellor Ronnie Smith of the Louisiana Health Sciences Center - New Orleans presented status reports on their respective institutions as a result of the natural disasters. Vice Chancellors Paul Coreil and David Boethel of the LSU Agricultural Center presented information relating to the additional funds received by that institution in the budgeting process.

In conclusion, Dr. Rick Rogers, Associate Executive Director for Basic Research at Pennington Biomedical Research Center presented information relating to the additional funding received by that institution.

Dr. Walter Bumphus, President of the Louisiana Community and Technical College System presented operating budget information as well as a status report on institutions that were impacted by the storms for the Louisiana Community and Technical College System and addressed each of the key issues outlined by the staff. Chancellor Travis Laveigne of the L.E. Fletcher Technical Community College briefed the Committee on the success of the Pathways to Construction program on his campus and the status of obtaining accreditation. Chancellor

Stanley Leger of the Sowela Technical Community College also briefed the Committee on the status of obtaining accreditation on his campus. Finally, Chancellor Tommy Warner of the Nunez Community College gave an update of his progress recovering from the storm.

Dr. Sally Clausen, President of the University of Louisiana System presented operating budget information for the University of Louisiana System and addressed each of the key issues outlined by the staff. Mr. Eddie Meche, Vice President of Business Affairs and Richard Rhoden, Director of Facilities and Plant Operations of McNeese State University briefed the Committee on the recovery efforts of their university from Hurricane Rita. Dr. Lamar Pritchard, Dean of the University of Louisiana at Monroe Pharmacy School provided the Committee with an update of the status of the program's re-accreditation issues.

Dr. Ralph Slaughter, President of the Southern University System and Mr. Tolor White, Vice President for Finance and Business Affairs presented operating budget information for the Southern University System and addressed each of the key issues outlined by the staff. Chancellor Victor Ukpolo of Southern University at New Orleans presented a status report on the recovery and revitalization of his campus as a result of the natural disasters.

Finally, Dr. Nancy Rabalais, Director of the Louisiana Universities Marine Consortium (LUMCON) presented the operating budget for LUMCON and addressed each of the key issues outlined by the staff.

OTHER BUSINESS

Dr. Stokes then thanked the Committee members for their attendance and participation in the meeting.

ADJOURNMENT

There being no further business to come before the Committee, the Finance Committee adjourned at 3:15 p.m.