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Chris Jividen, Student Member

BOARD OF REGENTS

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FINANCE COMMITTEE REPORT

Wednesday, May 24, 2006

The Finance Committee met on Wednesday, May 24, 2006, at 10:45 a.m. in the Louisiana Purchase Room of the Claiborne Building, 1201 North Third Street, Baton Rouge, Louisiana. Chair Harold M. Stokes called the meeting to order. The roll was called, and a quorum was established.

COMMITTEE MEMBERS PRESENT

Harold M. Stokes, Chair
Scott O. Brame
Robert W. Levy
W. Clinton Rasberry, Jr.
Mary Ellen Roy
Artis L. Terrell
Jerry Shea - LSU System
Jesse Bilberry - SU System
Winfred Sibille - UL System

OTHER BOARD MEMBERS PRESENT

Pat A. Strong
Richard E. D'Aquin
Ingrid T. Labat
William Clifford Smith
Stanley Jacobs
Chris Jividen, Student Member

COMMITTEE MEMBERS ABSENT

William D. Blake, Vice Chair
Virgil Robinson, Jr.
John E. Delaney - LCTCS

STAFF MEMBERS PRESENT

E. Joseph Savoie
Donald J. Vandal
Wendy C. Simoneaux
Louise Moore

GUESTS PRESENT

Appendix A

UPDATE ON STATE BUDGET FOR POSTSECONDARY EDUCATION, FY 2006-07

Mr. Donald J. Vandal, Deputy Commissioner for Finance and Administration, indicated to the committee that the House Appropriation Committee met on Monday, May 22nd and moved HB 1 out of Committee for consideration of the entire House of Representatives with several amendments affecting Post-secondary Education. Mr. Vandal then went on to summarize the amendments that were proposed by the House Appropriations Committee as reflected in Appendix B. Mr. Vandal then stated that the bill with amendments would be heard by the entire house on Thursday, May 25th.

Mr. Vandal also indicated to the committee that the House Appropriation Committee, at its meeting Monday, also considered the supplemental appropriation bill for FY05-06, HB 1208. An amount of \$27.74 million was added to the bill for the Higher Education Initiatives Fund to be allocated and used in FY06-07 for Library, Scientific and Instructional Equipment Acquisitions (\$7.5 million), pending endowed chairs and professorships match (\$7.24 million), resolution of remaining accounts receivables and expenses related to displaced students (\$5.5 million), and super computing enhancements for the LONI network (\$7.5 million). Also added was \$890,000 to restore some of the reductions to the aid to independent institutions program.

Mr. Vandal concluded by indicating that the budget status, as evidenced by the above summary of action by the administration and the legislature, had much improved and that he and the commissioner were optimistic that the funding outlined would be maintained as the appropriations process unfolds.

REPORT FROM DEPUTY COMMISSIONER

Mr. Vandal provided brief remarks under the Deputy Commissioner's Report with respect to:

- Three BA-7's had been approved through the "executive procedure" since the last meeting of the Finance Committee. These involved budgeting of additional self-generated revenue for the LSU Health Sciences - Shreveport, EA Conway Medical Center, and Southern University - Shreveport. It was reported that these BA-7's had also been approved by the Joint Legislative Committee on the Budget at its meeting this past Tuesday, May 23rd.

- The Finance Committee meeting for next month, on June 21st, will be two days after final adjournment of the Legislature and the committee will be considering some of the items in the General Appropriations Bill that require the Board of Regents to develop and approve distributions of funds expected to be available for the new fiscal year.

ADJOURNMENT

There being no further business to come before the committee, the committee adjourned at 11:25 a.m.