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Joseph C. Wiley
John D. Mineo IV, 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 REPORT

Wednesday, September 21, 2011

The Finance Committee met on Wednesday, September 21, 2011 at 1:05p.m. in the Claiborne Building, Louisiana Purchase Room, in Baton Rouge, Louisiana. Committee Chair Rasberry called the meeting to order. The roll was called and a quorum was established.

Committee Members Present

W. Clinton Rasberry, Jr., Chair
Scott Ballard
Robert Bruno
Maurice Durbin
Joseph Farr
Mary Ellen Roy
Winfred Sibille, UL System

Committee Members Absent

Donna Klein, Vice Chair
LCTCS Representative
LSU System Representative
SU System Representative

Other Board Members Present

Robert W. Levy
William H. Fenstermaker
Chris Gorman
Albert D. Sam II
Victor T. Stelly
Harold M. Stokes
Joseph C. Wiley
John D. Mineo IV

Staff Members Present

Todd Barré
Barbara Goodson
Lori Parker

Guests

Appendix A

Review and Acceptance of FY 2011-12 Operating Budgets

Mr. Todd Barré, Deputy Commissioner for Finance and Administration, mentioned that earlier today each management board, along with LUMCON and LOSFA, presented campus and system operating budgets for FY 2011-2012. He said that while the budgets for most campuses have been stabilized, a few institutions are facing challenges in preparing a balanced budget for

the current fiscal year, while also making strategic adjustments for future years. Questions regarding the immediate and long term budget adjustments were received.

Next, Mr. Barré presented statewide summary information for the Board's consideration. For all but the conditionally approved or deferred campus budgets, this month's actions will complete the final step in the FY 2011-12 budget cycle.

Mr. Barré noted that action would be required by the Committee to approve the FY 2011-2012 operating budgets.

Mr. Rasberry then made statements regarding the budget hearings and proposed a three part motion as follows:

"I appreciate the institutions and management boards for their leadership in having an honest dialogue with us in today's budget hearing regarding their current budgets.

Times are changing – state dollars are increasingly scarce, four year enrollment, as the Commissioner will share today, is flat or declining and admission standards are going up.

That means institutions that are not planning strategically for this change will find themselves in serious financial straits. That should not happen.

Change has been coming for some time and we must all adjust the way we budget, plan and analyze these budgets. With that said, our expectations must be heightened-not just asking are the budgets balanced, but are the budgets educationally sound, and are they structured to drive our goals of increased completers and improved research.

All of our institutions have submitted budget plans but some of the institutions are still working to address serious financial challenges to I want to address those institutions separately.

In the LSU system, I move to conditionally approve the LSU Ag and Pennington budgets and request additional information on their strategic budget adjustments in the next 60 days.

In the Southern system, I move to defer approval of the Southern Baton Rouge budget and request that the leadership provide additional information on the specific actions taken to balance this year's budget and address the specific actions either planned or taken to address next year's budget within 60 days.

For LUMCON, I move for conditional approval of the budget and ask that the Regents staff and LUMCON staff provide us with periodic updates on their efforts to address their financial challenges within 60 days.

For all other institutions and systems, I move approval of the FY 11-12 operating budgets but want all institutions to know that we will be increasing our request for information on budgetary planning so we have early notification of potential financial risks as well as good information on strategic fiscal planning.”

On motion of Regent Roy, seconded by Regent Bruno, the Finance Committee voted unanimously to recommend the Board conditionally approve the LSU Ag Center, Pennington and LUMCON budgets, defer approval of the Southern Baton Rouge budget and approve all other institutions, systems and the Board of Regents’ FY 2011-2012 operating budgets.

REPORT FROM DEPUTY COMMISSIONER

Mr. Barre’ then asked Ms. Barbara Goodson, Assistant Deputy Commissioner for Finance and Administration, to update the Committee on work being done regarding FY 2012 LA GRAD Act Baseline Autonomies. Ms. Goodson stated Regents staff has been meeting with representatives of the Governor’s office and DOA. These autonomies are the first level provided for in the LA GRAD Act regarding retention of funds, contracts less than \$50,000, disposal of obsolete equipment, and research and classroom IT purchases. The Governor’s office will now have conversations with the campus and system leaders regarding these guidelines.

ADJOURNMENT

There being no further business to come before the Committee, Chair Rasberry declared the meeting adjourned at 1:35 p.m.

APPENDIX A**Guest List for September 21, 2011 for Board of Regents' committee meetings**

NAME	AFFILIATION
Kevin Appleton	SU System
James Robinson	ALFS/LSUE
James Llorens	SUBR
Ron Mason	SU System
Ellen Cook	ULL
Dr. Carolyn Bruder	ULL
Jane Cassidy	LSU A&M
John Crain	SELU
Jeanne Daboval	McNeese
Walter Tillman, Jr.	SU System
Mary Ann Coleman	LAICU
Monty Sullivan	LCTCS
Marty Fortner	SUSLA
Jan Waguespack	AT&T
Thomas Molina	AT&T
Lisa Abney	Northwestern
Randy Webb	Northwestern
Kevin Foil	NTCC-Florida Parishes
Patrick Dooley	Cabot Corporation
Garry Hiebert	Cabot Corporation
Ken Rea	LA Tech
Victor Ukpolo	SUNO
Jim Howell	LSU System
Mark Tusselin	LSUHSC-S
Mimi Hedgcock	LSUHSC-S
Leodrey Williams	SUAREC
Sharm Donnsby	WTCC- Florida Parishes
Erica Sherrard	UL System
Luke Dowden	Center for Adult Learning in LA
Carol Hebert	CLTC
Terrence Chambers	ULL
Earl Cherl	LSU
Jimmy Sawtelle	CLTC/LCTCS
B. Hatfield	LSUA