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FINANCE COMMITTEE MEETING

Wednesday, October 15, 2008

Thursday, October 16, 2008

The Finance Committee met on Wednesday, October 15, 2008, at 10:10 a.m. in the Board Conference Room of the Claiborne Building, 6th Floor, 1201 North Third Street, Baton Rouge, Louisiana. Chair Scott Brame called the meeting to order. The roll was called, no quorum was established, but the Chair announced that no action would be taken.

COMMITTEE MEMBERS PRESENT

Scott Brame, Chair
Richard D'Aquin
Robert W. Levy
Harold Stokes

OTHER BOARD MEMBERS PRESENT

Maurice Durbin
Pat Strong

COMMITTEE MEMBERS ABSENT

Mary Ellen Roy, Vice Chair
W. Clinton Rasberry, Jr.
Victor Stelly
LCTC System Representative
SU System Representative
UL System Representative
LSU System Representative

STAFF MEMBERS PRESENT

Sally Clausen
Donald J. Vandal
Wendy C. Simoneaux
Lori Parker

GUESTS PRESENT

Appendix A

FY 2008-2009 OPERATING BUDGET REVIEW

Chair Scott Brame provided the committee with a brief overview and informed the committee that the purpose and format of this year's budget hearing would be to present budget information on a system level as opposed to an individual institution level. Mr. Brame then introduced Mrs. Lori Parker, Assistant Commissioner for Budget Analysis, who lead the Committee through the contents of their packets which included points of discussion guidance given to the Systems in preparation of the days events. Mrs. Parker then introduced Dr. John Lombardi, President of the Louisiana State University System and Mr. John Antolik, Assistant Vice President/Comptroller.

LOUISIANA STATE UNIVERSITY SYSTEM

Dr. Lombardi provided a brief overview and then turned the discussion over to Mr. Antolik who presented a PowerPoint addressing the points of discussion requested for the LSU System. Mr. Antolik told the Committee that the new infusion of dollars that the LSU System received as a result of formula enhancement was budgeted for items such as student scholarships, student services, increased utility costs, academic program enhancements and human capital enhancements and investments. In addition, the new infusion of dollars that the LSU System received as a result of the tuition and mandatory fee increase was budgeted for the same items above as well as plant operations and maintenance and minor facility renovations. After a lengthy discussion, Chair Brame thanked the LSU System for their attendance and information.

LOUISIANA UNIVERSITIES MARINE CONSORTIUM

Chair Brame then introduced Dr. Nancy Rabalais, Executive Director of the Louisiana Universities Marine Consortium. Dr. Rabalais presented a PowerPoint presentation addressing LUMCON's budget and various performance statistics that are being measured at LUMCON. Dr. Rabalais then shared with the Committee the status of LUMCON, its facilities, and its

operations in the wake of the two latest Hurricanes, Gustav and Ike. Dr. Rabalais then thanked the Committee for providing her with the opportunity to update them and asked that LUMCON's needs be kept in the forefront of the Regents priority list for the FY 2009-2010 appropriations. Mr. Brame commended Dr. Rabalais for doing an outstanding job at LUMCON despite having suffered through three damaging hurricanes in a relatively short period of time.

SOUTHERN UNIVERSITY SYSTEM

Chair Brame then introduced Dr. Ralph Slaughter, President of the Southern University System. Dr. Slaughter introduced Southern University System Supervisor, Johnny Anderson and then presented his PowerPoint which detailed his system's budget for the fiscal year and also outlined the investments that were being made at the campuses that received flexible dollars. He explained that the funds were used for faculty and staff salary investments and also for increased operating costs, as well as to address accreditation issues and workforce development initiatives. In addition, Dr. Slaughter stated that the increased tuition revenue would be used to offset enrollment decline, offset increased utility costs, information technology, student scholarships, human capital investments, and library acquisitions. Dr. Slaughter also mentioned that at this time, Southern University in New Orleans would not avail themselves of the tuition increase authority. After a lengthy discussion on the tuition and Pell grant issues, Chair Brame thanked Dr. Slaughter and the Southern System and the committee recessed until the next morning.

LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Chair Brame introduced Dr. Joe May, President of the Louisiana Community and Technical College System. Dr. May told the committee that the system used its share of flexible dollars to grow enrollment. Dr. May also commented that the Louisiana Community and Technical College System was the only system to be back at its pre-Katrina enrollment levels. Dr. May then presented a PowerPoint that focused on the role of the community college

system as it relates to the future economy and workforce needs of the State. Dr. May then led the committee through funding priorities requested for FY 2009-2010 which entailed establishing Centers of Excellence and additional funding for a system-wide student information system. After much discussion, Chair Brame thanked Dr. May and the system.

UNIVERSITY OF LOUISIANA SYSTEM

Chair Brame introduced Randy Moffett, President of the University of Louisiana System. The committee welcomed Dr. Moffett who introduced University of Louisiana System Supervisors, Russel Mosely and Paul Aucoin and then gave an overview of the system and its plans for 2008-2009 and an explanation on various areas of improvement throughout the UL system, such as increased ACT scores, increases in the number of TOPS students, decreases in the number of freshmen developmental courses, increases in community college transfers, increases in freshman retention, increases in its minority composition, and increases in the number of total degrees awarded. Dr. Moffett then focused on the fact that his system was also making great strides in securing additional resources in the areas of research and development and private donations. Dr. Moffett proceed to share with the Committee the uses of the flexible dollars for his system which included faculty and staff investments, student scholarships, security and safety enhancements, and student success centers. In addition, the increased tuition authority provided for inflation adjustments to operating expenditures, human capital investments, scholarships, research and development, and facility repairs.

OTHER BUSINESS

Mr. Donald J. Vandal, Deputy Commissioner for Finance and Administration, provided the committee members a brief update on the status of development of the new funding formula mechanism.

ADJOURNMENT

There being no further business to come before the Committee, the Finance Committee adjourned at 1:30 p.m.