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FINANCE COMMITTEE REPORT

Wednesday, May 26, 2010

The Finance Committee met on Wednesday, May 26, 2010, at 9:15 a.m. in the Claiborne Building, Louisiana Purchase Room, in Baton Rouge, Louisiana. Committee Chair Brame called the meeting to order. The roll was called and with the inclusion of Regent Klein from the Executive Committee, a quorum was established.

Committee Members Present

Scott Brame, Chair
Victor Stelly, Vice Chair
Richard D'Aquin
W. Clinton Rasberry, Jr.
Mary Ellen Roy
Stevie Smith, LCTC Representative

Staff Members Present

Craig Saporito
Wendy Simoneaux
Carolyn Blanchard

Other Board Members Present

Marc Guichard
Donna G. Klein
Joseph Wiley

Committee Members Absent

Ingrid T. Labat
Harold M. Stokes
LSU Representative
SU Representative
ULS Representative

Guests

Appendix A

CONSIDERATION OF BUDGET ADJUSTMENT (BA-7) REQUEST

Deputy Commissioner Saporito said that the Louisiana State University System submitted a BA-7 request for budget adjustments for the current fiscal year, FY 2009-2010 in the amount of \$9,684,236 on behalf of three of its budget units: Louisiana State University Health Sciences Center in Shreveport \$7,023,251; E.A. Conway Medical Center \$2,318,274; and Huey P. Long Medical Center \$342,711.

He showed that based on current projections for commercial insurance/self pay and tuition and fees, LSUHSC in Shreveport requested a net decrease and realignment of its self-generated revenue budget authority of (\$1,790,012). In addition, Mr. Saporito said, an increase of \$8,813,263 was needed in federal budget authority based on current projections for medicare.

Mr. Saporito continued by stating that E.A. Conway Medical Center requested an increase of its self-generated revenue budget authority of \$1,064,133 based on current projections for commercial insurance/self pay. In addition, an increase of \$1,254,141 was needed in federal budget authority based on current projections for medicare. This request is primarily needed to maintain current level of patient care services.

Next, he mentioned that Huey P. Long Medical Center requested an increase of its self-generated revenue budget authority of \$664,185 based on current projections for commercial insurance/self pay. In addition a decrease of (\$321,474) was needed in federal budget authority based on current projections for medicare.

After further discussion,

On motion of Regent Klein, seconded by Regent D'Aquin, the Finance Committee voted unanimously to approve the recommendation of the Finance Committee to approve a BA-7 request for budget adjustments for the current fiscal year, FY 2009-2010 in the amount of \$9,684,236 on behalf of three of its budget units: Louisiana State University Health Sciences

**Center in Shreveport \$7,023,251; E.A. Conway Medical Center \$2,318,274;
and Huey P. Long Medical Center \$342,711.**

REPORT FROM DEPUTY COMMISSIONER

Next Mr. Saporito briefed the committee on the status of the FY 2010-2011 state funds distribution and the methodology used in that distribution. It was noted that as requested by the Postsecondary Education Review Commission that 25% of the resources be allocated on performance metrics. Mr. Saporito highlighted those metrics used in the distribution that resulted from the formula taskforce. In addition, he noted that 75% percent would be allocated based on cost using the Board of Regents funding formula updated for the latest SREB and enrollment data. Mr. Saporito also discussed the allocation by system resulting from the allocation model.

PRESENTATION BY DR. SCOTT COWEN, PRESIDENT, TULANE UNIVERSITY

Regents Bruno introduced Dr. Scott Cowen, President of Tulane University, who provided the Committee with information about the university's economic impact on the New Orleans area as well as on the State of Louisiana and how Tulane reengineered itself in the wake of Hurricane's Katrina and Rita with an eye toward academic excellence and financial viability. After a lengthy discussion, Dr. Cowen was asked to provide the Regents with his thoughts and guidance on the restructuring and reengineering of Louisiana public postsecondary education.

ADJOURNMENT

There being no further business to come before the Committee, Chair Brame declared the meeting adjourned at 10:40 a.m.

Attachment A

Guest List for May 26, 2010 for Board of Regents' Committee meetings

NAME	AFFILIATION
James Robinson	ALFS/LSUE
Melanie Amrhein	LOSFA
Mike Gargano	LSU System
Jeannine Kahn	LSU A&M
Sujuan Boutte	LOSFA
Gloria Matthews	SU System
Ken Rea	LA Tech
Angela Jackson	BRCC
Carol Corbat	LSUA
Marty Fortner	SUSLA
Walter Tillman, Jr.	SUS
Lisa Abney	Northwestern
Monty Sullivan	LCTCS
Joe Ben Welch	RPCC
David Hardy	TAF
Jan Jackson	LCTCS
Jim Howell	LSU System
Eric Monday	LSU
Bill Obier	LCTCS