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FINANCE COMMITTEE MEETING

Thursday, October 18, 2007
Friday, October 19, 2007

The Finance Committee met on Thursday, October 18, 2007, at 12:55 p.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, and with the addition of board members from the executive committee,

a quorum was established.

COMMITTEE MEMBERS PRESENT

Scott Brame, Chair
Richard D'Aquin
Victor Stelly
Harold Stokes
Alvin Kimble, LSU System

OTHER BOARD MEMBERS PRESENT

Mary Ellen Roy
Pat Strong

COMMITTEE MEMBERS ABSENT

Artis Terrell, Jr., Vice Chair
W. Clinton Raspberry, Jr.
Clifford Smith
Roland Toups
LCTC System Representative
SU System Representative
UL System Representative

STAFF MEMBERS PRESENT

E. Joseph Savoie
Donald J. Vandal
Wendy Simoneaux

GUESTS PRESENT

Appendix A

FY 2007-2008 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 different from previous years. In the past, the committee was presented budget information on a system level as opposed to an individual institution level. Mr. Brame reminded the committee that because of the significant investment in higher education in FY 2007-2008, the committee would hear from each institution on its plans for the responsible use of its "discretionary funding" and other significant budget items.

UNIVERSITY OF LOUISIANA SYSTEM

The committee welcomed Dr. Sally Clausen, President of the University of Louisiana System who gave an overview of the system and its plans for 2007-2008 and an explanation on various areas of excellence throughout the UL system, such as the Center for Mathematical Achievement in Science and Technology at Grambling, the Nanotechnology & Institute for Micromanufacturing at Louisiana Tech, the Louisiana Environmental Research Center at McNeese, the

John Folse Culinary Institute at Nicholls, the distance learning program at Northwestern, the Latin American initiatives at Southeastern, the Research Park and Louisiana Immersive Technology Enterprise programs at ULL and the pharmacy program at ULM.

Dr. Ray Authement, President of University of Louisiana at Lafayette, presented ULL's plan for 2007-2008 which included funding for such items as increasing faculty salaries to the SREB average, hiring additional faculty to reduce "bottleneck" courses, increasing graduate stipends, increasing undergraduate scholarships, technical infrastructure, preventive maintenance, and athletics.

Dr. Daniel Reneau, President of Louisiana Tech University, reported on the use of discretionary funding for Louisiana Tech which included items such as faculty and staff salary increases, filling position vacancies, and budget stabilization due to loss enrollment as a result of admission standards.

Dr. James Cofer, President of University of Louisiana at Monroe, outlined the status of the pharmacy program and the rising cost of the changes in accreditation. Dr. Cofer also explained that much of the discretionary money ULM received was used to increase faculty and staff salary beyond the funding appropriated for such and to strengthen retention with initiatives such as a math resource center, paid internships, and mastery learning. Dr. Cofer also discussed the pass-through funding it receives for the poison control center at LSUHSC and

the special funding it received during the legislative process for equipment and major repair at the Malone Stadium.

Dr. Horace Judson, President of Grambling State University, presented his institution's priorities which focused on new faculty and staff and additional operating support for enrollment management.

Dr. Hebert, President of McNeese State University, presented a synopsis of the impact of Hurricane Rita and its recovery efforts to date. Dr. Hebert explained that priorities for 2007-2008 included plans for faculty and staff pay increases, budget stabilization due to enrollment loss and increased attention to student retention with initiatives such as freshman foundation courses, "write to excellence" workshops, math labs, writing enriched general education courses, and increased scholarship and tuition allowances.

Dr. Steven Hulbert, President of Nicholls State University, reported that 66% of the flexible funding received by Nicholls was invested in personnel and 34% was invested in non-personnel areas. Dr. Hulbert explained that the flexible funds allowed mission critical services such as newly funded faculty positions in high need areas such as nursing, biology, physical science, mathematics, mass communications, and teacher education. It also allowed Nicholls to offer appropriate instructional and student support services by funding additional needed positions in areas such as admissions, counseling, maintenance, university police, controller's office and human resources.

Dr. Randy Webb, President of Northwestern State University reported that with its discretionary funds, Northwestern was able to reinstate new and previously frozen positions, increase faculty and staff pay beyond funds appropriated for those purposes, and increase funding for scholarships and graduate assistantships.

Dr. Webb also discussed the success of the CALL program that is being piloted at Northwestern and his extensive distance learning initiative.

In the absence of Dr. Randy Moffett, President of Southeastern State University, Dr. John Crain, Vice President for Academic Affairs, reported that the discretionary funds received by Southeastern was used for restoration of post-hurricane budget reductions, increase faculty and professional salaries in order to remain competitive with its southern peers, increase salaries for part-time faculty and graduate assistant stipends, increase positions of faculty and staff to support new and existing degree programs as well as student retention and progression. Dr. Crain also explained that Southeastern would focus on student access and success by utilizing several scholarship strategies such as transfer scholarships and progression scholarships. In addition, Southeastern is investing in one-time instructional and facility related equipment, acquisitions and maintenance.

At 5:35 p.m., the committee recessed until 8:30 a.m. Friday, October 19th.

The Finance Committee reconvened at 8:35 a.m. on Friday, October 19, 2007 in the

Board Conference Room of the Claiborne Building, 6th Floor, 1201 North Third Street,

Baton Rouge, Louisiana.

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 reported that after Katrina, enrollment

was 30,000 and two years later, because of the availability of new dollars used for expansion of services, enrollment grew to 52,635 by the Fall of 2007. In addition, Dr.

May briefed the committee on the status of Act 391, legislation establishing an alternative financing mechanism for LCTCS facilities, and the need for rapid response

funding at the System level to be able to address workforce needs in a timely manner.

Dr. Myrtle Dorsey, Chancellor of Baton Rouge Community College, reported that its discretionary dollars were used to increase faculty positions by 27 in several areas, including, but not limited to, Art, Biology, English, Math, and Library.

Baton Rouge Community College was also able to increase staff positions by 4 in the

areas of police, nursing, and archivist. In addition, Baton Rouge Community college

was able to invest in a PET lab for Process Technology, and upgrade classroom

Dr. Tom Carlton, Chancellor of Bossier Parish Community College, explained that

his institution's focus for the flexible funds was student retention. The funds received

were utilized to increase activity in the math and writing labs. In addition, Dr. Carlton

reported that BPCCC was also investing funds in the Associate of Music degree in which

currently has 42 majors and an additional 168 students taking courses from the

program. Dr. Carlton then briefed the committee on the need for funding for a Cyber

Innovation Center facility which is critically needed for an upcoming project with the

United States Military.

Dr. Tommy Warner, Chancellor of Nunez Community College, briefed the committee

on the status of Nunez in the wake of Hurricanes Katrina and Rita. Dr. Warner

expressed his frustration that the State was not further along in its recovery 2 years

after the disasters. Despite the obstacles, Nunez was able to use its flexible dollars for

faculty and staff increases.

Dr. Joe Ben Welch, River Parishes Community College, gave an overview of his campus and operations. He stated that contrary to past practice, only 50% of his

student population is from Ascension Parish and his enrollment now spans a 9 parish

area. He also reported that his was the only campus that was operating from 100%

leased space. Dr. Welch explained that under Act 391, he should be able to purchase

the campus as well as fund improvements. With the discretionary funding that was

received, River Parishes was able to hire 2 additional faculty in Art and History, reorganize professional staff to equalize workload and elevate staff, and increase operating expenditures and accreditation expenditures.

Dr. Jan Brobst, Chancellor South Louisiana Community College, informed the committee that South Louisiana Community College has been growing by 20% with

little or no marketing or advertising and that the lion's share of the college's flexible

funding was used to hire 25 additional full-time faculty to address the increased enrollment. Dr. Brobst also explained that the college would be expanding its distance

learning courses and also discussed the college's success with the EMT program.

Dr. Luke Robins, Chancellor Louisiana Delta Community College, informed the committee that his college was the newest of the colleges in Louisiana and as of yet

was not awarding federal financial aid. However, in anticipation of awarding federal

financial aid in the Fall of 2008, LDCC increased staffing in the departments of enrollment management and financial aid with it flexible dollars. Dr. Robins also briefed

the committee on the status of the new campus for LDCC.

Mr. Travis Lavigne, Chancellor of L.E. Fletcher Technical Community College reported on the history of L.E. Fletcher Technical Community College and the status of his pursuit of SACS accreditation. Mr. Lavigne also presented his use of flexible dollars which included increase in faculty and staff pay above the funds provided and partial funding for new faculty in Math and Nursing.

Dr. Andrea Miller Lewis, Chancellor of Sowela Technical Community College reported on Sowela's recovery in the wake of Hurricane Rita. She reported that progress is slow and that she is still not fully occupying her campus. Dr. Miller explained that prior to the storm, the college had submitted application for SACS accreditation. The college is in the process of resubmitting application to SACS because after the natural disaster, the first was found to be lacking in the areas of facilities, faculty, and a master plan for recovery. Despite these set backs, Dr. Lewis has focused her flexible dollars on faculty and staff salaries, enrollment services, financial aid, library acquisitions, and retention laboratories.

Jim Henderson, Senior Vice President, Career and Technical Education, for the LCTC System introduced several regional directors for the LTC regions. Among them was Kay McDaniel, Region 2, Greg Garrett, Region 3, Charles Strong, Region 7, Noreen Smith, Region 8 and Will Wainwright, Region 9. Mr. Henderson reported on the

outcome of Act 506 which divided the LTC into eight regional technical educational

centers. Mr. Henderson said that by next year, each of the technical educational centers should be accredited as a single unit. Mr. Henderson and the regional directors

stressed the need for a funding mechanism that addresses high cost technical education programs in high demand areas.

ADJOURNMENT

There being no further business to come before the Committee, the Finance Committee adjourned at 2:00 p.m.