

**FINANCE COMMITTEE
Wednesday, February 27, 2002**

The Finance Committee met on Wednesday, February 27, 2002, at 10:45 a.m. in the State Office Building Auditorium, 150 Third Street, Baton Rouge, Louisiana. Chairman Roland Toups called the meeting to order. The roll was called, and a quorum was established.

COMMITTEE MEMBERS PRESENT

Roland Toups, Chair
Pat Strong
Ron Roberts
Virgil Robinson, Jr.
Clifford Smith
Artis Terrell, Jr.
Steve Johnson
Harrison Baptiste
Eunice Smith
Diane Christopher

OTHER BOARD MEMBERS PRESENT

Richard D’Aquin
Scott Brame
Robert Levy
Billy Blake
Frances Henry
Reggie Dupré

COMMITTEE MEMBERS ABSENT

Norbert Simmons

STAFF MEMBERS PRESENT

E. Joseph Savoie
Marvin Roubique
Donnie Vandal
Louise Moore

GUESTS PRESENT

Appendix A

BUDGET ADJUSTMENTS (BA-7)

Mr. Marvin Roubique, Deputy Commissioner for Finance and Facilities, presented four requests for budget adjustments (BA-7).

BA-7

<u>Institution</u>	<u>Amount</u>	<u>Source of Funds</u>	<u>Reason for Request</u>
Southern U.	\$1,994,797	State	Align land grant function budget.

On motion of Regent Robinson, seconded by Regent Strong, the Finance Committee voted unanimously to recommend that the Board of Regents approve the budget adjustment for Southern University.

So. La. C.C.	\$ 400,000	Self-Generated	Increase budget authority due to enrollment increase
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On motion of Supervisor Baptiste, seconded by Supervisor Smith, the Finance Committee voted unanimously to recommend that the Board of Regents approve the budget adjustment for South Louisiana Community College.

B.R.C.C.	\$ 600,000	Self-Generated	Increase budget authority due to enrollment increase and additional tuition cost
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On motion of Regent Robinson, seconded by Regent Strong, the Finance Committee voted unanimously to recommend that the Board of Regents approve the budget adjustment for Baton Rouge Community College.

La. Tech. College	\$3,500,000	IAT	Increase budget authority due to receipt of: TANF funds in amount of \$2,588,465; Incumbent Worker Training Program funds in amount of \$911,535.
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	\$ 112,500	Self-Generated	Increase budget authority due to increased revenues from riverboat boarding fees.- LTC SOWELA campus
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	\$2,140,000	Federal	Increase budget authority due to receipt of: Youthbuild Program an amount of \$210,000; Perking III Postsecondary Leadership Grants \$1,030,000.
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On motion of Regent Strong, seconded by Regent Robinson, the Finance Committee voted unanimously to recommend that the Board of Regents

approve the budget adjustment for Louisiana Technical College.

PROPOSED DISTRIBUTION OF LCTCS INSTRUCTIONAL CAPACITY POOL FUNDS

Next, Mr. Roubique reviewed the proposed distribution to the LCTCS Instructional Capacity Pool Funds.

The Legislature appropriated \$1.5 million to be distributed to LCTCS for FY 2001-2002 to recognize growth in instructional capacity required due to: (a) the transfer of certain programs from four year institutions to two year institutions, and (b) increase in enrollment. The institutions participating in the distribution of these funds are: Louisiana Technical College, Delta Community College, South Louisiana Community College, Baton Rouge Community College, Delgado Community College, Bossier Parish Community College and Nunez Community College. The LCTCS Board approved the proposed distribution at its February 2002 meeting.

After discussion, the Committee took the following action:

On motion of Regent Johnson, seconded by Regent Strong, the Finance Committee voted unanimously to recommend that the Board of Regents approve the proposed distribution of LCTCS Instructional Capacity Pool Funds for FY 2001-2002 as presented. See Appendix B.

PROPOSED DISTRIBUTION OF EMERGING COMMUNITY COLLEGE POOL FUNDS

Mr. Roubique presented the plan for the distribution of the Emerging Community College Pool Funds.

The Legislature appropriated \$1.5 million to be distributed to emerging community colleges for FY 2001-2002. A total of \$1 million from this pool was provided to Delta Community College for the operating budget approved in September 2001. This distribution provides remaining funds for the following: \$300,000 to LCTCS for South Louisiana Community College, \$100,000 to Jefferson West Learning Center and \$100,000 to the Learning Center for Rapides Parish. The LCTCS Board approved the proposed distribution at its February 2002 meeting.

After discussion, the Committee took the following action:

On motion of Regent Roberts, seconded by Regent Strong, the Finance Committee voted unanimously to recommend that the Board of Regents approve the proposed distribution of Emerging Community College Pool Funds for FY 2001-2002 as presented. See Appendix C.

PROPOSED DISTRIBUTION OF GOVERNOR'S INFORMATION TECHNOLOGY INITIATIVE FUNDS TO LCTCS

The Legislature appropriated \$22.5 million for the Governor's Information Technology Initiative for FY 2001-2002. An amount of \$500,000 was directed for institutions in LCTCS to address the training and production of Information Technology certified individuals and programs that will further the Governor's initiatives in the IT area. The LCTCS Board approved this distribution at its February 2002 meeting.

After discussion, the Committee took the following action:

On motion of Regent Strong, seconded by Regent Smith, the Finance Committee voted unanimously to recommend that the Board of Regents approve the proposed distribution of Governor's Information Technology Funds to LCTCS as

presented. See Appendix D.

OTHER BUSINESS

Second Quarter Energy Report

Mr. Roubique provided the Second Quarter Energy Report. He indicated that electricity consumption for the second quarter was down approximately 19% from the First Quarter Report. Also, that the cost per kilowatt hour was down from 6.4 cents to 5.5 cents. This amount was only slightly above the base year cost of 5.3 cents. Gas consumption for the second quarter increased by 24% over the first quarter. However, the cost of gas was down from \$4.064 to \$3.964. The price for natural gas has fallen below the base year amount of \$3.70.

Preliminary Report of the Study Committee on Funding Issues Related to High School Students Attending the Louisiana Technical College

Mr. Vandal, Deputy Commissioner for Administration, reported that the study committee to study funding of high school students attending the Louisiana Technical College, which was established by Superintendent Picard and Commissioner Savoie pursuant to an authorization by the Board of Elementary and Secondary Education and the Board of Regents, had held its initial meeting on Wednesday, February 6, 2002. A status report on that meeting and plans for further study was distributed to the Finance Committee members for their review. Mr. Vandal summarized the meeting's discussion and indicated that subcommittees had been formed in the areas of finance, comparative states, and data. These subcommittees were to meet and develop information and reports which would serve as the basis for recommendations to be formulated at the next meeting of the study committee on March 6, 2002. The recommendations, once finalized would be submitted to the Board of Elementary

and Secondary Education and the Board of Regents for their consideration and disposition. Final recommendations might also be forwarded to the School Finance Commission.

ADJOURNMENT

There being no further business, the Committee adjourned at 11:08 a.m.