

FINANCE COMMITTEE
Wednesday, June 23, 2004

The Finance Committee met on Wednesday, June 23, 2004, at 2:10 p.m. in the Louisiana Purchase Room of the Claiborne Building, 1201 North Third Street, Baton Rouge, Louisiana.

Vice Chair Virgil Robinson, Jr. called the meeting to order. The roll was called, and a quorum was established.

COMMITTEE MEMBERS PRESENT

Virgil Robinson, Jr., Vice Chair
Scott Brame
Richard D'Aquin
W. Clinton Rasberry, Jr.
Walter Guidry, SU System
Winfred Sibille, UL System
John Delaney, LCTCS System

STAFF MEMBERS PRESENT

E. Joseph Savoie
Donnie Vandal
Louise Moore

OTHER BOARD MEMBERS PRESENT

Roland Toups
Artis Terrell
Jeraul Mackey
Frances Henry
William Oliver
Reggie Dupré

COMMITTEE MEMBERS ABSENT

Pat Strong, Chair
Billy Blake
Roderick West

GUESTS PRESENT

Appendix A

ENERGY SURCHARGE REVIEW AND CONSIDERATION

In accordance with the recommendations of the Council of Student Body Presidents (COSBP) Resolution, the energy surcharge provisions are due to sunset in August of this year. Regents staff has had under review utility surcharges and costs as reported by institutions. The review and analysis of the utility data has been conducted consistent with the guidelines stipulated in the COSBP Resolution which are:

- Surcharge is to be capped at 75% of the actual costs over the base year of 1999-2000
- Increase in utility costs attributable to increases in space or consumption would not be recoverable
- Surcharge excludes auxiliary cost increases
- Surcharge is to be assigned on a student credit hour basis, not on headcount
- Surcharge revenue is to be handled as restricted funds with appropriate accounting maintained
- Quarterly reports to be provided
- Surcharge would decrease if energy costs decrease
- Surcharge should be subject to three year sunset

Based upon the staff analysis of the utility data for the current fiscal year and in consideration of the current climate for energy costs, the need for continuation of the surcharge is evident.

After discussion the Committee took the following action:

On motion of Regent Oliver, seconded by Regent Brame, the Finance Committee unanimously recommended that the Board of Regents recommend that the management boards continue to address the energy issues of their respective institutions under the conditions stipulated by the Resolution of the Council of Student Body Presidents, inclusive of the provision of quarterly reports on utility costs and reductions in rates if energy costs decrease, and that the three-year sunset provision be extended until July 1, 2007.

INITIAL DISTRIBUTION OF COMMUNITY AND TECHNICAL COLLEGE GROWTH AND DEVELOPMENT POOL

The General Appropriations Bill contains an appropriation of \$5 million to the Board of Regents for the Community and Technical College Development Pool from the Higher Education Initiatives Fund. The funding provided by this appropriation is designed to support the continued development and growth of the Two-Year institutions of the state.

An initial distribution of 60% of the appropriation equal to an amount of \$3 million is proposed to be allocated in accordance with the schedule attached as Appendix B.

After discussion the Committee took the following action:

On motion of Regent D'Aquin, seconded by Regent Brame, the Finance Committee voted unanimously to recommend that the Board of Regents approve the initial distribution of the Community and Technical College Growth and Development Pool as reflected in Appendix B.

ADJOURNMENT

There being no further business to come before the Committee, the chair declared the meeting adjourned at 2:30 p.m.