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*Marc A. Guichard, Student*

**BOARD OF REGENTS**

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**FINANCE COMMITTEE REPORT**  
**Wednesday, September 23, 2009**

The Finance Committee met on Wednesday, September 23, 2009, at 3:30 p.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 a quorum was established.

**Committee Members Present**

Scott Brame, Chair  
Victor Stelly, Vice Chair  
Richard D'Aquin  
Ingrid Labat  
W. Clinton Rasberry, Jr.  
Mary Ellen Roy  
Harold Stokes  
Stevie Smith, LCTC System  
Lea Montgomery., SU System  
Winfred Sibille, UL System

**Staff Members Present**

Carolyn Blanchard  
Lori Parker  
Wendy Simoneaux  
Donald Vandal

**Committee Members Absent**

LSU System Representative

**Other Board Members Present**

Charlotte Bollinger  
Donna Klein  
Marc Guichard  
Robert Levy  
Maurice Durbin

**Guests**

Appendix A

UPDATE ON BUDGET REDUCTION PLANS

Mr. Donald Vandal, Deputy Commissioner for Finance and Administration, mentioned at the August Finance Committee meeting, that the Regents staff had requested preliminary budget reduction summary information from the systems and institutions in order to assess budget actions in advance of the normal budget review process. Mr. Vandal then introduced Mrs. Lori Parker, Assistant Commissioner for Budget Analysis and she reviewed the summary report of the budget reduction actions for each budget unit in higher education, as well as the summary of the statewide impacts. Mrs. Parker stated that the financial tables of the budget reduction report were reflected in the standard “functional” categories used in higher education budgeting practice by the National Association of College and University Business Officers (NACUBO). Those functional budget categories are: (1) Instruction; (2) Research; (3) Public Service; (4) Academic Support (including Libraries); (5) Student Services; (6) Institutional Support; (7) Scholarships and Fellowships; (8) Operation and Maintenance; (9) Total Educational & General Expenditures (E&G); (10) Hospitals, Transfers, Athletics, and Other; and (11) Total Expenditures.

Mrs. Parker also discussed data that reflected the impacts projected specifically for personnel as “Laid Off /Separated”, “Furloughed” and “Funded Vacancies Eliminated or Frozen”. She reviewed the narrative details from the institutions that explained the impact of specific reductions or adjustments and a discussion on these topics ensued.

UPDATE ON FUNDING FORMULA

Next Mr. Vandal updated the Committee on the status of the funding formula. He said the “formula” is a required component of the Master Plan, as is specified in Article VIII., Section 5(D)(4) of the Louisiana Constitution. He continued by stating that the formula also

serves by statute (R.S. 39:32.1) as the budget request instrument for institutions included under the formula by the Board of Regents. Mr. Vandal mentioned that in preparation for the budget request process for the ensuing fiscal year, FY2010-11, which officially begins with budget submissions due November 1<sup>st</sup>, he felt it appropriate to review the status of the formula in its latest configuration and to discuss future directions.

#### ADJOURNMENT

There being no further business to come before the Committee, Chair Brame declared the meeting adjourned at 4:25 p.m.