

---

LSU BOARD OF SUPERVISORS MEETING PACKET  
TABLE OF CONTENTS

*Friday, September 13, 2019 | Time: 9:30 a.m. - 2:30 p.m. CT*

---

| <b>CONTENT</b>   | <b>PAGE NO.</b> |
|--|-----------------|
| Agenda .....   | 1 - 4           |
| Academic & Research Committee .....                      | 6 - 36          |
| Finance Committee .....                                  | 38 - 68         |
| Athletics Committee .....                                | 70 - 86         |
| Property & Facilities Committee .....                    | 88 - 366        |
| Affiliated Organization Oversight Committee .....        | 368 - 390       |
| Ad Hoc Committee on Revenue .....                        | -               |
| Healthcare and Medical Education Committee .....         | -               |
| Legal Committee .....                                    | 394 - 395       |
| Audit Committee .....                                    | 397 - 431       |
| Minutes of the Board Meeting held on June 28, 2019 ..... | 432 - 442       |
| Personnel Actions Requiring Board Approval .....         | 444             |
| Reports to the Board .....                               | 445 - 499       |

---

LSU BOARD OF SUPERVISORS MEETING  
*University Administration Building Board Room  
Louisiana State University  
3810 W. Lakeshore Drive, Baton Rouge, LA 70808  
Friday, September 13, 2019 | Time: 9:30 a.m. – 2:30 p.m. CT*

---

- I. Call to Order and Roll Call
- II. Invocation and Pledge of Allegiance
- III. Public Comment
- IV. Committee Meetings
  - A. Academic & Research Committee
    1. Request from Pennington Biomedical for Expansion of Mission to Include Treatment of Patients
    2. Request from LSU A&M, Eunice, and Shreveport to Approve the Proposed Action Plans for Student Success in Gateway Courses
    3. Request from LSU Health Sciences Center – Shreveport to Establish the Doctorate of Philosophy in Rehabilitation Science
    4. Request from LSU Alexandria for a Letter of Intent for a Bachelor of Science in Computer Science
    5. CONSENT AGENDA
      - a. Request from LSU A&M to Name the Eastman Interdisciplinary Study Area
      - b. Request from LSU Health Sciences Center – New Orleans to Reconfigure the Kenneth Ardoin/Pfizer Superchair into Two Distinct Endowed Chairs
      - c. Request from LSU Eunice to Establish an Endowed Scholarship for Two-Year Workforce Scholarship
  - B. Finance Committee
    1. Request to Approve Implementation of the Supplier Diversity Program as a University Policy
    2. Recommendation to Approve the FY 2019-2020 Operating Budget
    3. Request from LSU Health Sciences Center New Orleans for Authorization to Waive Charges related to Interest and Late Fees for a Limited Number of Prior Students whose Student Loans were not Judiciously Billed and which Involves Several Prior Years
    4. Request from LSU Shreveport to Authorize Scholarships for Student Government Association Executive Council
    5. Request from LSU Shreveport to Increase the Total Scholarships Awarded per Athletic Team by \$15,000
    6. Request from LSU Shreveport to Authorize a Change to Institutionally Funded Scholarships for First-Time Freshmen
    7. Request from LSU Shreveport to Authorize Partial Tuition Waivers for Students Exhibiting Financial Need
    8. Request by LSU First Health Plan to Establish a Date for Prohibition of Certain Prescriptions
  - C. Athletics Committee
    1. Request from LSUE to Approve Employment Contract for Jaime Gonzales, Head Coach Women's Basketball

2. Request from LSUE to Approve Employment Contract for Meghan Collins, Head Softball Coach
  3. Request from LSU A&M to Approve Employment Contract for Charles Winstead, Head Men's Golf Coach
- D. Property & Facilities Committee
1. KPMG Update on the University Operations and Facilities Assessment
  2. Request for Approval of the FY 2020-21 Five-Year Capital Outlay Budget Request and First Year Prioritized Categories for Louisiana State University
  3. Request from LSU Shreveport for the LSU Real Estate and Facilities Foundation to Acquire Existing On-Campus Student Housing
  4. Request from LSU A&M to Accept a Donation of Land for the Rural Life Museum
  5. Request from LSU AgCenter to Approve a First Amendment to Ground Lease Agreement for Solar Energy Generation and a Servitude Agreement related thereto at Southeast Research Station, Washington Parish, Franklinton, Louisiana
  6. Request from LSU AgCenter to Approve an ExxonMobil Pipeline Right of Way Iberville and East Baton Rouge Parishes, Louisiana
  7. Request from LSU AgCenter to Approve a Lease of Mississippi Batture Property Central Research Station, East Baton Rouge Parish Baton Rouge, Louisiana
  8. Request from LSU AgCenter to Enter into a Contract for Mitigation Banking
  9. Request from LSU AgCenter to Authorize the Board of Supervisors to Enter into a Contract with Bring the Wall to our Veterans, Inc. to Develop a Veterans Memorial Area in Washington Parish, Louisiana
- E. Affiliated Organization Oversight Committee
- ~~1. Discussion on Proposed Uniform Agreement Request to Approve the Uniform Affiliation Agreement~~
- F. Ad Hoc Committee on Revenue
1. Report on Information Related to Revenue Generation
- G. Healthcare and Medical Education
1. Update on the Joint Venture Arrangement between LSU Health Shreveport and Ochsner Health System
- H. Legal Committee
1. Request to Authorize the President to Enter Litigation
- I. Audit Committee
- The Audit Committee Meeting will be held at 8:30 AM in Conference Room 112*
1. 4<sup>th</sup> Quarter Audit Summary
  2. FY 2019 Internal Audit Annual Report
  3. Request to Approve Revised Internal Audit Charter
- The Audit Committee may enter into Executive Session in accordance with the provisions of LA R.S. 42:17*
- V. Reconvene Board Meeting
- VI. Approval of the Minutes of the Board Meeting held on June 28, 2019
- VII. Committee Reports
- VIII. Chair's Reports
- IX. Oath of Office for Board Chair for 2019-2020
- X. Election of Chair-Elect for 2019-2020 and Administration of Oath
- XI. Personnel Actions Requiring Board Approval

*The Board may enter into Executive Session in accordance with the provisions of LA R.S. 42:17*

- XII. Reports from Council of Staff Advisors and Council of Faculty Advisors
- XIII. President's Report
- XIV. Reports to the Board
  - 1. 4<sup>th</sup> Quarter Informational Board Report
  - 2. FY19 4th Quarter Consolidated Investment Report
  - 3. FY19 Semi-Annual Financial Report for the period ending June 30, 2019
  - 4. Revised 2019-20 Board Meeting Dates
- XV. Adjournment

---

LSU BOARD OF SUPERVISORS AUDIT COMMITTEE MEETING

*University Administration Building | Conference Room 112*

*3810 W Lakeshore Drive, Baton Rouge, LA 70808*

*Friday, September 13, 2019 | 8:30 AM CT*

---

1. 4th Quarter Audit Summary
2. FY 2019 Internal Audit Annual Report
3. Revised Internal Audit Charter

*The Audit Committee may enter into Executive Session in accordance with the provisions of LA R.S. 42:17.*



---

# Board of Supervisors

## SECTION A

# ACADEMIC & RESEARCH COMMITTEE

*BOARD OF SUPERVISORS MEETING | SEPTEMBER 13, 2019*



## **Request from Pennington Biomedical for Expansion of Mission to Include Treatment of Patients**

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

### **1. Significant Board Matter**

Pursuant to Article VII, Section 1, Paragraph L of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- L. Such other matters that are not expressly delegated herein or hereafter by the Board to the President or a Chancellor and which reasonably should be considered to require Board approval as generally defined above, or which the Board hereafter determines to require Board approval.

### **2. Summary of Matter**

Pennington Biomedical Research Center is seeking approval to expand its mission to include the treatment of patients. Previously, Pennington Biomedical's mission has been "to discover the triggers of chronic diseases through innovative research that improves human health across the lifespan."

Pennington Biomedical Research Center recently entered into a cooperative endeavor agreement with the Louisiana Department of Health (LDH) to develop an innovative model clinic for diabetes prevention, reversal, and treatment for patients in the state of Louisiana. The model is informed by diabetes prevention and remission research and can be described as a weight-centric treatment program delivered to members of underserved populations, with Medicaid insurance, who have been diagnosed with type 2 diabetes within the last 5 years or for pre-diabetes. Louisiana Department of Health Secretary Rebekah Gee recommended the creation of such a clinic to the Louisiana Board of Regents and LSU leadership. This Medicaid pilot demonstration clinic is a pragmatic example of translating a research-informed, evidence-based program with potential application in primary care settings.

The objective of the Pennington Biomedical Model Diabetes Clinic is to create a successful business model for delivery of cutting edge approaches to diabetes prevention and remission in private practice, thus translating Pennington Biomedical Research Center's research into practical applications that ultimately help the citizens of Louisiana.

The program emphasizes optimizing initial weight loss and then long-term maintenance of that weight loss through evidence-based principles of intensive behavior change. Weight loss is considered to be foundational to the management of type 2 diabetes and for the prevention of diabetes. Historically, third party payors have been reluctant to reimburse for behavioral and medical treatments for weight loss. However, there are emerging comprehensive approaches that have been shown to be effective in improving health outcomes and cost outcomes in targeted populations.

The **Pennington Biomedical Model Diabetes Clinic** program will utilize evidence and guideline-based procedures and best practices. The program will be designed to allow translation into primary care medical practices. Historically, Pennington Biomedical has been a research only institution.

To accomplish our new goal, Pennington Biomedical will become Medicaid certified and will develop an independent medical practice arm to establish, evaluate efficacy and subsequently operationalize the clinic. Pennington Biomedical's certification application is currently in process. While working through the certification, we will recruit 35 patients for this pre-pilot phase, funded by the State and Managed Care Organizations. We anticipate enrolling 200 patients for the pilot phase.

### **3. Review of Documents Related to Referenced Matter**

- a. The CEA with the Louisiana Department of Health (Exhibit A attached)
- b. **Anticipated Agreements**
  - i. Agreement with LCMC for Epic EMR (electronic medical record) software
  - ii. Agreement with State and Management Care Organizations for pre-pilot and pilot phase

## **RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors does hereby approve the request from Pennington Biomedical Research Center to expand its mission to include the treatment of patients, which will include the billing of third party insurance and government insurance programs.



Amendment #1  
LDH# 061921  
LaGov # 2000351471

Effective Date of Amendment: 6/7/2019

**1<sup>ST</sup> AMENDMENT TO COOPERATIVE ENDEAVOR AGREEMENT**

**State of Louisiana**  
**Department of Health**  
Office of the Secretary &  
Office of Management and Finance  
AND  
**Louisiana State University and Agricultural and Mechanical College**  
**Pennington Biomedical Research Center**  
6400 Perkins Road  
Baton Rouge, LA 70808

---

This *FIRST AMENDMENT TO COOPERATIVE ENDEAVOR AGREEMENT* (“Amendment”), made and entered into as of the date of final signature, as provided below, by and between the Department of Health, State of Louisiana, Office of the Secretary and Office of Management and Finance, officially domiciled at 628 N. Fourth Street, Baton Rouge, LA 70821, hereinafter referred to as the “State”, and/or “Agency” and/or LDH and Louisiana State University and Agricultural and Mechanical College, Pennington Biomedical Research Center, domiciled at 6400 Perkins Road, Baton Rouge, LA 70808 hereinafter referred to as “Contracting Party”.

WHEREAS, Agency entered into a Cooperative Endeavor Agreement with PBRC, effective June 1, 2018 (“CEA”);

WHEREAS, Agency wishes to modify the provisions of the CEA as follows:

**Amendment Provisions**

**A. CHANGE FROM:**

*Article I, Section 1.3 originally reads as follows:*

**1.3** WHEREAS, pursuant to Act 59 of the 2018 Regular Session of the Louisiana Legislature, LDH was provided the sum of \$1,000,000 for the express purpose of collaborating with PBRC to develop an innovative model for medical management delivery that uses a weight-centric treatment program for Type 2 diabetes and pre-diabetes in an underserved population of Medicaid recipients;

**CHANGE TO:**

*Article I, Section 1.3 now reads as follows:*

**1.3** WHEREAS, pursuant to Act 59 of the 2018 Regular Session of the Louisiana Legislature, LDH was provided the sum of \$1,000,000, and pursuant to Act 50 of the 2019 Regular Session of the Louisiana Legislature, LDH was provided an additional sum of \$1,000,000, for the express purpose of collaborating with PBRC to implement an innovative model for medical management delivery that uses a weight-centric treatment program for Type 2 diabetes and pre-diabetes in an underserved population of Medicaid recipients;

**B. CHANGE FROM:**

*Article IV, PAYMENT TERMS and INVOICES, Section 4.1, first paragraph, originally reads as follows:*

4.1 In consideration of the services described above, LDH hereby agrees to pay the Contractor a maximum fee of one million dollars (\$1,000,000). Payment will be made by approval of the Invoices by LDH Director of Special Projects, the LDH contract monitor.

**CHANGE TO:**

*Article IV, PAYMENT TERMS and INVOICES, Section 4.1, first paragraph, now reads as follows:*

4.1 In consideration of the services described above, LDH hereby agrees to pay the Contractor a maximum fee of two million dollars (\$2,000,000). Payment will be made by approval of the Invoices by LDH Director of Special Projects, the LDH contract monitor.

**C. CHANGE FROM:**

*Article XI, TERMS OF AGREEMENT, Section 13.1, originally reads as follows:*

13.1 This agreement shall begin on June 1, 2018 and shall terminate on June 30, 2019, unless sooner terminated as provided in Sections V and VI.

**CHANGE TO:**

*Article XI, TERMS OF AGREEMENT, Section 13.1, now reads as follows:*

13.1 This agreement shall begin on June 1, 2018 and shall terminate on June 30, 2020, unless sooner terminated as provided in Sections V and VI.

**D. NEW PROVISIONS ADDED:**

**ARTICLE XXV**

**PROHIBITION OF DISCRIMINATORY BOYCOTTS OF ISRAEL**

25.1 In accordance with Executive Order Number JBE 2018-15, effective May 22, 2018, for any contract for \$100,000 or more and for any contractor with five or more employees, Contractor, or any Subcontractor, hereby certifies it is not engaging in a boycott of Israel, and shall, for the duration of this contract, refrain from a boycott of Israel. The State reserves the right to terminate this contract if the Contracting Party, or any Subcontractor, engages in a boycott of Israel during the term of the contract.

**ARTICLE XXVI**

**COUNTERSIGNATURE**

26.1 This contract may be executed in two or more counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.

**ARTICLE XXVII**

**NO EMPLOYMENT RELATIONSHIP**

27.1 Nothing in this contract shall be construed to create an employment or agency relationship, partnership or joint venture between the employees, agents, or subcontractors of the Contracting Party and the State.

**Justification for Amendment**

This amendment is made as a result of Act 50 of the 2019 Regular Session, which provides a line item appropriation for the sum of ONE MILLION DOLLARS (\$1,000,000) for the benefit of Pennington Biomedical Research Center for FY 19 for the PBRC project of implementing an

innovative model for medical management delivery that uses a weight-centric treatment program for Type 2 diabetes and pre-diabetes in an underserved population of Medicaid recipients.

This amendment also adds the mandatory provisions relating to the prohibition of discriminatory boycotts of Israel pursuant to Executive Order Number JBE 2018-15.

This amendment further adds the ability for the agreement to be executed in two or more counterparts by the parties that, together, will constitute one and the same, original instrument.

Finally, this amendment also prevents the creation of an employment or agency relationship, partnership or joint venture between the employees, agents, or subcontractors of the Contracting Party and the State as a result of the contract.

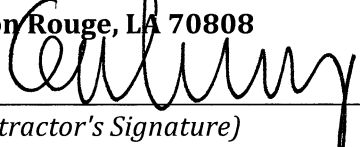
No amendment shall be valid until it has been executed by all parties and approved by the Director of the Office of State Procurement, Division of Administration.

This amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties. All other terms and provisions of the CEA remain in full force and effect.

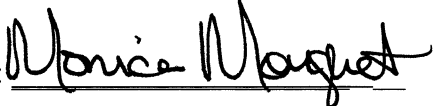
IN WITNESS THEREOF, this amendment is signed and entered into at Baton Rouge, Louisiana

on the date indicated below:

**Pennington Biomedical Research Center**  
**6400 Perkins Road**  
**Baton Rouge, LA 70808**

  
(Contractor's Signature)  
Contractor's Name: Guy LaVergne  
Contractor's Title: Associate Executive Director, Operations

6/17/2019  
(Date)

Witness: 

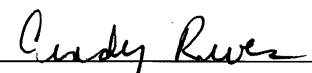
6/17/2019  
(Date)

Witness: 


6/17/19  
(Date)

IN WITNESS THEREOF, this amendment is signed and entered into at Baton Rouge, Louisiana on the date indicated below:

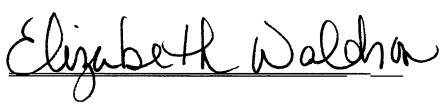
**Louisiana Department of Health**  
**Office of the Secretary**  
**Office of Management and Finance**

  
(Agency Signature)  
Agency's Name: Cindy Rives  
Agency's Title: Undersecretary

6.18.19  
(Date)

Witness: 

6-18-19  
(Date)

Witness: 

6-18-19  
(Date)

**John Bel Edwards**  
GOVERNOR



**Rebekah E. Gee MD, MPH**  
SECRETARY

**State of Louisiana**  
Louisiana Department of Health  
Office of Management and Finance

Transmittal  
LaGov# 2000351471

June 25, 2018

Mr. Paul A. Holmes  
State Procurement Director  
Professional Contracts  
Office of State Procurement  
Division of Administration  
P.O. Box 94095  
Baton Rouge, LA 70804-9095

Re: Cooperative Endeavor Agreement  
LDH and Pennington Biomedical Research Center

Dear Mr. Holmes:

The following CEA in the total contract amount of \$1,000,000.00 is being submitted to your office by the Louisiana Department of Health and Pennington Medical Research Center for review and approval in accordance with Louisiana Revised Statutes 39:1551 et seq. and the rules and regulations adopted pursuant thereto.

We appreciate your attention to this matter. Upon approval of this contract, please return consent through the PROACT system.

Your cooperation in this regard is greatly appreciated. If additional information is needed, please call me at 225-342-6726.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Reynolds", written over a horizontal line.

Jeff Reynolds  
Undersecretary  
Office of Management and Finance

## STATE OF LOUISIANA

## COOPERATIVE ENDEAVOR AGREEMENT

THIS COOPERATIVE ENDEAVOR AGREEMENT (CEA), made and entered into this 25th day of *June*, 2018, by and between the Louisiana Department of Health, hereinafter referred to as “LDH” and/or “Agency” and the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College represented by its Pennington Biomedical Research Center, hereinafter referred to as “Contracting Party” and/or “PBRC”, officially domiciled at Perkins Road in Baton Rouge, Louisiana.

**ARTICLE I****WITNESSETH:**

**1.1** WHEREAS, Article VII, Section 14(c) of the Constitution of the State of Louisiana provides that “for a public purpose, the state and its political subdivisions...may engage in cooperative endeavors with each other, with the United States or its agencies, or with any public or private association, corporation, or individual;” and

**1.2** WHEREAS, the Agency desires to cooperate with PBRC in the implementation of the Project as hereinafter provided;

**1.3** WHEREAS, pursuant to Act 59 of the 2018 Regular Session of the Louisiana Legislature, LDH was provided the sum of \$1,000,000 for the express purpose of collaborating with PBRC to develop an innovative model for medical management delivery that uses a weight-centric treatment program for Type 2 diabetes and pre-diabetes in an underserved population of Medicaid recipients;

**1.4** WHEREAS, the public purpose is described in Article 1.3 above, and also includes the vision that such collaboration will provide for better treatment modalities in the areas of diabetes and pre-diabetes; therefore, providing a possible avenue for reduction of medical expenditures in this area. Further, this CEA is necessary to expressly provide for specific deliverables and the transfer of funds as envisioned by Act 59;

**1.5** WHEREAS, LDH has a reasonable expectation of receiving a benefit or value described in detail that is at least equivalent to or greater than the consideration described in this Agreement;

**1.6** WHEREAS, the transfer or expenditure of public funds or property is not a gratuitous donation;

**1.7** WHEREAS, Louisiana has 50% higher rates of type 2 diabetes than the national average. Specifically, Louisiana’s diabetes prevalence is about 14%, which means that approximately 521,294 Louisiana residents have diabetes. Approximately 37.5% of the adult population of Louisiana, estimated at 1,272,000, have pre-diabetes that, without appropriate and effective intervention, are destined to develop type 2 diabetes;

**1.8** WHEREAS, the economic burden of type 2 diabetes is staggering in that medical expenses of diabetics are approximately 2.3 times higher than non-diabetics. The estimated costs of total direct medical expenses for diagnosed and undiagnosed diabetes, prediabetes and gestational diabetes in Louisiana is \$4.1 billion annually, with a further estimate of \$1.3 billion spent on indirect costs from lost productivity due to diabetes;

**1.9** WHEREAS, the barriers to successfully treating the above referenced conditions are being discovered by PBRC and PBRC, along with LDH, wish to explore elimination of said barriers;

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

**ARTICLE II**  
**SCOPE OF SERVICES**

**2.1** In furtherance of this CEA, PBRC shall, in collaboration and partnership with LDH, implement an innovative initiative that seeks to both prevent diabetes and potentially reverse diabetes in certain individuals. This initiative will utilize information learned from the National Institutes of Health (NIH) funded Diabetes Prevention Program, in which PBRC was a leader, which indicated that even a modest weight loss of 5-10% prevents pre-diabetes from converting to diabetes. This study also found that, with a 10% or more weight loss, blood sugar levels can be normalized. The initiative will also focus on weight loss as a mechanism for reduction in the use of certain medications, improvements in overall blood sugar levels, improvement of blood lipid level, control of blood pressure, and changing the way people with diabetes eat and live. The initiative will also track the relationship between modest weight loss and the potential reduction in medication and hospital costs.

**2.2** Deliverables:

Pennington will provide deliverables as follows:

- a. PBRC will develop a treatment program, along with protocols, a behavioral lifestyle program, a website / dashboard, and a mobile app for use with the above initiative.
- b. As part of the initiative, PBRC will develop and implement a plan for enrolling certain specified Medicaid patients that have been diagnosed with prediabetes or early stages of diabetes into its program. This implementation plan shall include using PBRC's best efforts to partner with one or more Healthy Louisiana plans, including access to electronic health records and insurance costs from involved providers, and can provide for "piloting" in certain areas and in limited numbers of recipients (The implementation plan, including the use of a pilot, shall be subject to receipt of any needed approvals from LDH and / or the Centers for Medicare and Medicaid Services (CMS).
- c. PBRC shall develop a curriculum and procedure manuals to train primary care residents and interventionists in delivery of the above referenced program.
- d. PBRC shall create a tracking and evaluation plan, subject to approval by LDH, that will analyze the outcomes of the program, this initiative and the overall CEA.
- e. PBRC shall develop an implementation plan for a statewide certification program for all interested primary care clinics. This implementation plan shall include a mechanism for training all interested clinics in the implementation of the PBRC program, the provision of any software / tracking system that is necessary for the evaluation / implementation of the program, and the mechanism by which needed financial resources can be procured.

In order to help determine whether the above deliverables have been properly submitted, PBRC shall provide to LDH written quarterly **Progress Reports** outlining the PBRC's resources, initiatives, activities, services and performance consistent with the provisions, goals and objectives of this CEA.

**ARTICLE III**  
**CONTRACT MONITOR**

**3.1** The Contract Monitor for this contract is Carrie Vogelsang, LDH Director of Special Projects

**3.2** **Monitoring Plan:** During the term of this agreement, PBRC shall discuss with LDH's Contract Monitor the progress and results of the project, ongoing plans for the continuation of the project, any deficiencies noted, and other matters relating to the project. Contract Monitor shall review and analyze PBRC's progress and results to help ensure compliance with contract requirements.

The Contract Monitor shall also review and analyze the written Progress Reports and any submitted Invoices to help ensure compliance with the Article II, Scope of Services; and shall

1. Compare the Reports to Goals/Results and Performance Measures outlined in this CEA to determine the progress made;
2. Contact Pennington to secure any missing deliverables that are overdue;
3. Maintain telephone and/or e-mail contact with Pennington on contract activity and, if necessary, make visits to the PBRC's site in order to review the progress and completion of the PBRC's services, to assure that performance goals are being achieved, and to verify information when needed; and
4. Assure that the Invoices are in compliance with approved Payment Terms. Contract Monitor shall coordinate with Agency's fiscal office for payment of Invoices to Contracting Party and shall contact Contracting Party for further details, information or documentation when necessary.

Between required performance reporting dates, Contracting Party shall inform Contract Monitor of any problems, delays or adverse conditions which will materially affect the ability to attain program objectives, prevent meeting of time schedules and goals, or preclude the attainment of project results by established time schedules and goals. Contracting Party's disclosure shall be accompanied by a statement describing the action taken or contemplated by the Contracting Party and any assistance which may be needed to resolve the situation.

**ARTICLE IV**  
**PAYMENT TERMS and INVOICES**

**4.1** In consideration of the services described above, LDH hereby agrees to pay the Contractor a maximum fee of one million dollars (\$1,000,000). Payment will be made by approval of the Invoices by LDH Director of Special Projects, the LDH contract monitor.

If progress and/or completion to the reasonable satisfaction of the agency is obtained, payments are scheduled as follows:

- *20 % due upon execution of this CEA*
- *20% end of each quarter thereafter—progress report shall be submitted with invoice*

**4.2** Travel expenses, if any, are included in the Contracting Party's approved compensation, budget or allocated amount and then only in accordance with the LSU's Travel Regulations.

**4.3** Disbursements or payment of Invoices under this agreement will be allowed only for expenditures or

services occurring between and including the dates of execution of the CEA on June 1, 2018 and June 30, 2019, and this project and all of the Contracting Party's services shall be completed by that date, unless terminated or amended by the parties. Payment is contingent upon the availability of funds and upon the approval of this agreement by the Office of State Procurement.

**4.5** Additional Costs and Expenses. No additional costs or expenses incurred by the Contracting Party in performance of this Agreement shall be reimbursed or paid by the LDH and/or Agency unless agreed upon in writing by the parties.

**ARTICLE V**  
**TERMINATION FOR CAUSE**

**5.1** LDH may terminate this agreement for cause based upon the failure of Contracting Party to comply with the terms and/or conditions of the agreement; provided that the LDH shall give Contracting Party written notice specifying Contracting Party's failure. If within thirty (30) days after receipt of such notice, Contracting Party shall not have either corrected such failure or, in the case which cannot be corrected in thirty (30) days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then LDH may, at its option, place Contracting Party in default and the agreement shall terminate on the date specified in such notice. Contracting Party may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of LDH to comply with the terms and conditions of this agreement; provided that the Contracting Party shall give LDH written notice specifying the LDH's failure and a reasonable opportunity for the LDH to cure the defect.

**ARTICLE VI**  
**TERMINATION FOR CONVENIENCE**

**6.1** LDH may terminate the agreement at any time by giving thirty (30) days written notice to Contracting Party. Upon receipt of notice, Contracting Party shall, unless the notice directs otherwise, immediately discontinue the work and placing of orders, for materials, facilities, services and supplies in connection with the performance of this Agreement. Contracting Party shall be entitled to payment for deliverables in progress, to the extent work has been performed satisfactorily.

**ARTICLE VII**  
**OWNERSHIP AND CONFIDENTIALITY**

**7.1** The parties acknowledge and agree that (i) each party retains all rights, title and interest in and to its pre-existing intellectual property and any intellectual property that the party creates outside the scope of this CEA, and (ii) neither party transfers to the other party by operation of this CEA, except as expressly set forth in this CEA, any of its intellectual property rights in or to its pre-existing or non-CEA related intellectual property. All work product, including records, reports, documents and other material delivered or transmitted to PBRC by LDH shall remain the property of LDH, and shall be returned by Contracting Party to LDH, at termination or expiration of this agreement. All work product including records, reports, documents, or other material related to this agreement and/or obtained or prepared by Contracting Party in connection with performance of the services contracted for herein shall become the property of the PBRC

**7.2** Furthermore, at any time during the term of this Agreement, and finally at the end of this engagement, LDH shall have the right to require the Contracting Party to furnish copies of any and all documents, memoranda, notes, or other material, obtained or prepared in connection with this Agreement within thirty (30) days of receipt of written notice issued by the Agency.

**7.3** Confidentiality. The above referenced work product shall be held confidential by the Contracting Party and shall not be shared with any other entity without the express consent of the Agency.



**ARTICLE VIII**  
**NON-ASSIGNMENT**

**8.1** Contracting Party shall not assign any interest in this agreement and shall not transfer any interest in same (whether by assignment or novation), without prior written consent of the LDH, provided however, that claims for money due or to become due to Contracting Party from the LDH may be assigned to a bank, trust company, or other financial institution without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the LDH.

**ARTICLE IX**  
**FINANCIAL DISCLOSURE**

**9.1** Each recipient shall be audited in accordance with R.S. 24:513. If the amount of public funds received by the provider is below the amount for which an audit is required under R.S. 24:513, the transferring agency shall monitor and evaluate the use of the funds to ensure effective achievement of the goals and objectives.

**ARTICLE X**  
**AUDITOR'S CLAUSE AND RECORD RETENTION**

**10.1** It is hereby agreed that the Legislative Auditor of the State of Louisiana, and/or the Office of the Governor, Division of Administration auditors shall have the option of auditing all records and accounts of Contracting Party which relate to this agreement.

**10.2** Contracting Party and any subcontractors paid under this agreement shall maintain all books, records, and any other documents pertaining to or relevant to this agreement and the funds expended hereunder for a period of five years after the date of final payment under the prime contract and any subcontract entered into under this agreement, or as required by applicable Federal law if Federal funds are used to fund this contract, whichever period is longer.

**ARTICLE XI**  
**AMENDMENTS IN WRITING**

**11.1** Any alteration, variation, modification, or waiver of provisions of this agreement shall be valid only when it has been reduced to writing, executed by all parties and approved by the Director of the Office of State Procurement, Division of Administration.

**ARTICLE XII**  
**FISCAL FUNDING CLAUSE**

**12.1** The continuation of this agreement is contingent upon the appropriation of funds to fulfill the requirements of the agreement by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of the agreement, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the agreement, the agreement shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

**ARTICLE XIII**  
**TERM OF AGREEMENT**

13.1 This agreement shall begin on June 1, 2018 and shall terminate on June 30, 2019, unless sooner terminated as provided in Sections V and VI

**ARTICLE XIV**  
**DISCRIMINATION CLAUSE**

14.1 The Contracting Party agrees to abide by the requirements of the following as applicable: Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and Contracting Party agrees to abide by the requirements of the Americans with Disabilities Act of 1990. Contracting Party agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, sexual orientation, age, national origin, disability, political affiliation, veteran status, or any other non-merit factor. Any act of discrimination committed by Contracting Party, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this agreement.

**ARTICLE XV**  
**INDEMNIFICATION; INSURANCE**

15.1 Each party hereto agrees to indemnify, defend and to hold the other, its officers, directors, agents and employees, harmless from and against any and all losses, liabilities, demands, suits, judgments and claims, including reasonable attorney's fees, to the extent that such losses, liabilities, demands, suits judgments, claims or fees arise out of or result from the willful act, fault, omission, or negligence of the indemnifying party, or of its employees, servants or agents, in performing its obligations under this agreement, provided, however, that neither party hereto shall be liable to the other for any consequential damages arising out of its willful act, fault, omission or negligence. Each Party shall provide and bear the expense of all personal and professional insurance related to its duties under this Agreement.

**ARTICLE XVI**  
**PARTIAL INVALIDITY; SEVERABILITY**

16.1 If any term, covenant, condition, or provision of this Agreement or the application thereof to any person or circumstances shall, at any time or to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term, covenant, condition or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant, condition, and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

**ARTICLE XVII**  
**ENTIRE AGREEMENT; MODIFICATION**

17.1 This Agreement, including any attachments that are expressly referred to in this Agreement, contains the entire agreement between the parties and supersedes any and all agreements or contracts previously entered into between the parties. No representations were made or relied upon by either party, other than those that are expressly set forth. This Agreement may be modified or amended at any time by mutual consent of the parties, provided that, before any modification or amendment shall be operative and valid, it shall be reduced to writing and signed by both parties.

**ARTICLE XVIII**  
**CONTROLLING LAW**

18.1 The validity, interpretation, and performance of this Agreement shall be controlled by and construed in accordance with the laws of the State of Louisiana. Venue of any action brought with regard to this Agreement shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

**ARTICLE XIX**  
**LEGAL COMPLIANCE**

19.1 The Agency shall comply with all federal, state, and local laws and regulations, including, specifically, the Louisiana Code of Governmental Ethics (R.S. 42:1101, *et seq.*) in carrying out the provisions of this Agreement.

**ARTICLE XX**  
**FORCE MAJEURE**

20.1 Neither party to this Agreement shall be responsible to the other party hereto for any delays or failure to perform caused by any circumstances reasonably beyond the immediate control of the party prevented from performing, including, but not limited to, acts of God.

**ARTICLE XXII**  
**ACKNOWLEDGMENT OF EXCLUSION OF WORKER'S COMPENSATION COVERAGE**

22.1 The Agency and the Contracting Party expressly agree that the Contracting Party is an independent contractor as defined in R.S. 23:1021(7) and, as such, expressly agree that the specific Agency named in this Agreement shall not be liable to the Contracting Party or to anyone employed by the Contracting Party for any benefits or coverage as provided by the Worker's Compensation Law of the State of Louisiana

**ARTICLE XXIII**  
**COVENANT AGAINST CONTINGENT FEES**

23.1 The Contracting Party warrants that it has not employed or retained any entity or person, other than a bona fide employee working solely for the Contracting Party, to solicit or secure this Agreement, and that it has not paid or agreed to pay any entity or person, other than a bona fide employee working solely for the Contracting Party any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the Agency shall have the right to annul this Agreement without liability or, in Agency's discretion, to deduct from the contract price or consideration, or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

**ARTICLE XXIV**  
**NOTICES**

24.1 All notices and other communications pertaining to this Agreement shall be in writing and shall be transmitted either by personal hand-delivery (and receipted for) or deposited in the United States mail, as certified mail, return receipt requested and postage prepaid, to the other party, addressed as follows:

**If Notice to LDH**

Louisiana Department of Health  
Attention: Carrie Vogelsang  
P.O. Box 3836  
Baton Rouge, Louisiana 70821

**If Notice to PBRC**

Guy LaVergne, Associate Executive Director for Operations(  
6400 Perkins Road  
Baton Rouge, LA 70808

The parties shall maintain telephone, in person, and/or e-mail communications (not limited to the Contact Persons designated in this Section 22.1. Any change in the mailing address or contact person of the Contracting Party is to be given to the Agency within seven (7) days.

{Signature Page to Follow}

THUS DONE AND SIGNED AT Baton Rouge, Louisiana on the 25 day, of Month, Year.

**WITNESSES:**

**Agency Name**

[Signature]  
[Signature]

[Signature] Under Sec  
*Agency Head Name, Title*

THUS DONE AND SIGNED AT Baton Rouge, Louisiana on the 25 June, 2018

**WITNESSES:**

**Pennington Biomedical Research Center**

[Signature]  
Momoi Mougout

[Signature]  
*Authorized Person, Title*  
Guy Lavergne  
Associate Executive Director, Operations

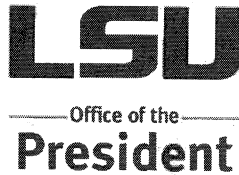
**ATTACHMENT LIST**

List of Attachments

Attachment A : Attachment List

Attachment B: Delegation of Authority

Attachment C: Late Letter



ATTACHMENT B  
PENNINGTON

January 24, 2017

To whom it may concern:

Effective immediately, Dr. John Kirwan, Executive Director of Pennington Biomedical Research Center, is authorized to sign on my behalf any agreements, contracts, and gifts as related to sponsored projects and external laboratory usage. This delegation of signature authority provides broad authority to execute agreements defined under Sections 5-4, 6-1, and 6-2 of the Regulations of the LSU Board of Supervisors, as well as LSU Permanent Memorandum 36.

With the consent of Dr. Kirwan, sub-delegation of this presidential authority is also extended to Guy LaVergne, Associate Executive Director of Operations and Chief of Staff for Pennington Biomedical Research Center. Within parameters and policies of Pennington Biomedical, sub-delegation of presidential signature authority is also extended to the Monica Mougeot, Director of Fiscal Operations, and Leigh Lamonica, Director of Legal & Regulatory Affairs. Further sub-delegation of presidential signature authority is not permitted unless specifically indicated.

Sincerely,

A handwritten signature in black ink that reads "F. King Alexander". The signature is written in a cursive style with a large, sweeping flourish at the end.

F. King Alexander  
LSU President

John Bel Edwards  
GOVERNOR



Rebekah E. Gee MD, MPH  
SECRETARY

**State of Louisiana**  
Louisiana Department of Health  
Office of Management and Finance

ATTACHMENT C  
LAGOV# 2000351471  
PENNINGTON

*PENNINGTON*

June 25, 2018

Ms. Pamela Bartfay Rice, Esq.  
Assistant Director, Professional Contracts  
DOA-Office of State Procurement  
P. O. Box 94095  
Baton Rouge, Louisiana 70804-9095

Dear Ms. Rice:

Re: Late Letter for LDH and Pennington Biomedical Research Center

Dear Ms. Rice:

Please consider this justification for the Louisiana Department of Health to enter into a Cooperative Endeavor Agreement with Pennington Biomedical Research Medical Center. This contract is submitted late due to late notice to LDH for services and other end of fiscal year emergencies taking priority over the last two weeks.

Your cooperation in this regard is greatly appreciated. If additional information is needed, please call me at 225-342-6726.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Reynolds".

Jeff Reynolds  
Undersecretary  
Office of Management and Finance



**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION  
BA-22 (REV. 10/2005)**

Date: 6/25/2018

Dept/Budget Unit: 09/307

Agy/Prog Name: Office of the Secretary/Office of Mgt & Fin

OCR/CFMS Contract #: \_\_\_\_\_

BA-22 #: GEN 006

Agency Contract #: \_\_\_\_\_

Fiscal Year for this BA-22: 2018-2019 BA-22 Start/End Dates: 07/01/18 06/30/19  
(yyyy-yy) (Start Date) (End Date)

Multi-year Contract (Yes/No): \_\_\_\_\_ If "Yes", provide contract dates:  
(Start Date) (End Date)

Pennington Biomedical Research Center 72600084800  
(Contractor/Vendor Name) (Contractor/Vendor No.)

LDH and Pennington Biomedical Research Center in collaboration to develop an innovative model for medical management delivery that uses a weight-centric treatment program for Type 2 diabetes and pre-diabetes in an underserved population of Medicaid Recipients.

Contract Amendment (Yes/No): No Amendment Start/End Dates: \_\_\_\_\_  
(Start Date) (End Date)  
 Contract Cancellation (Yes/No): No Date of Cancellation: \_\_\_\_\_

(Provide rationale for amendment or cancellation)

| This information is to be provided at the Agency/Program Level |                       |             |                       |             |
|--|-----------------------|-------------|-----------------------|-------------|
| MEANS OF FINANCING*  | AMOUNT                |             |                       |             |
|  | Current Year          | %           | Total Contract        | %           |
| State General Fund   | \$1,000,000.00        | 100%        | \$1,000,000.00        | 100%        |
| Interagency Transfers  | \$0.00                | 0%          | \$0.00                | 0%          |
| Fees and Self Gen.   | \$0.00                | 0%          | \$0.00                | 0%          |
| Statutory Dedication   | \$0.00                | 0%          | \$0.00                | 0%          |
| Federal  | \$0.00                | 0%          | \$0.00                | 0%          |
| <b>TOTALS</b>  | <b>\$1,000,000.00</b> | <b>100%</b> | <b>\$1,000,000.00</b> | <b>100%</b> |

\*Specify Source (i.e., grant name, fund name, IAT sending agency and revenue source, fee type and source, etc.)

Are revenue collections for funds utilized above in line with budgeted amounts? (Yes/No) Yes  
 If not, explain. \_\_\_\_\_

| This information is to be provided at the Agency/Program Level |  |
|--|--|
| Name of Object Code/Category:                                  | <u>OMF General - PROF SERV/OTH CHARGES</u> |
| Object Code/Category Number:                                   | <u>3460 - 4320,4940</u>                    |
| Amount Budgeted:   | <u>\$33,809,066</u>                        |
| Amount Previously Obligated:                                   | <u>\$ -</u>                                |
| Amount this BA-22:   | <u>\$1,000,000</u>                         |
| Balance:   | <u>\$32,809,066</u>                        |

The approval of the aforementioned contract will not cause this agency to be placed in an Object Category deficit.

Agency Contact:  
 Name: Kevin Suire  
 Title: Asst. Budget Director  
 Phone: 225 342-4302

Reviewed/Approved By: Kevin Suire  
 Name: Kevin Suire  
 Title: Asst. Budget Director  
 Phone: 225 342-4305

**FOR AGENCY USE ONLY**

| AGENCY | PROGRAM | ACTIVITY | ORGN | OBJECT | REPT CAT | AMOUNT         |
|--------|---------|----------|------|--------|----------|----------------|
| 307    | 1000    |          | 0030 | 4900   |          | \$1,000,000.00 |
|        |         |          |      |        |          |                |
|        |         |          |      |        |          |                |

307-015

### 2019 Request for Expenditures

This form should accompany all P-Card Statements to LDH Budget and Planning, HR2s to LDH Human Resources, and Payment Requests to LDH Fiscal Management

This form-Section A-should be sent to the LDH Budget Office for expenditure approval from the Undersecretary

|  |                       |
|--|-----------------------|
| Agency Number and Name<br>09-307 Office of the Secretary | Date<br>June 25, 2018 |
|--|-----------------------|

|                              |   |                                   |
|------------------------------|---|-----------------------------------|
| Preparer Name<br>Kevin Suire | Preparer Title<br>Assistant Budget Director | Preparer Phone Number<br>342-4305 |
|------------------------------|---|-----------------------------------|

|   |                        |
|---|------------------------|
| Assistant Secretary, Medicaid Director, or Executive Director Signature<br><i>Monique Cross</i> | Date<br><i>6/25/18</i> |
|---|------------------------|

**SECTION A. This section is to be used for expenditures that ARE SUBJECT TO THE FREEZE as per Executive Order JBE 16-03. Approval from the Undersecretary is REQUIRED for these expenditures.**

Category of Request (Double-click a checkbox, and then choose *Checked* under *Default value*.)

Operating Services   
  Professional Services   
  Supplies   
  Acquisitions  
 Salaries (T.O.)   
  Other Comp (Non-T.O.)

Position # \_\_\_\_\_ Position Name \_\_\_\_\_ Date of Vacancy \_\_\_\_\_

Budget Activity Associated with the Position \_\_\_\_\_  
 Total # of Positions included in the budget activity \_\_\_\_\_ Total vacancies in the budget Activity \_\_\_\_\_  
 If the position has been vacant for > 4 months, how have these duties been absorbed? \_\_\_\_\_

Travel Purpose of Travel \_\_\_\_\_

How many persons are going to the same destination at the same time? \_\_\_\_\_  
 Why is this travel critical to the agency? \_\_\_\_\_

What is the benefit to the agency as a result of the travel? \_\_\_\_\_

Source of Funding (Double-click a checkbox, and then choose *Checked* under *Default value*.)

State General Fund   
  IAT   
  Fees/Self Gen   
  Statutory Dedication   
  Federal

| Agency Number | Organization | Object | FY 19 Dollar Amount |
|---------------|--------------|--------|---------------------|
| 307           | 0030         | 4900   | 1,000,000           |
|               |              |        |                     |

Description AND Justification for Expenditure (If additional space is needed, please include on the back of this form)

LDH and Pennington Biomedical Research Center in collaboration to develop an innovative model for medical management delivery that uses a weight-centric treatment program for Type 2 diabetes and pre-diabetes in an underserved population of Medicaid Recipients.

|  |                        |
|--|------------------------|
| Undersecretary Signature<br><i>Cindy River</i> | Date<br><i>6.25.18</i> |
|--|------------------------|

Approved by Undersecretary   
  Disapproved by Undersecretary



**Request from LSU A&M, Eunice, and Shreveport to Approve the Proposed Action Plans for Student Success in Gateway Courses**

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

**1. Significant Board Matter**

Pursuant to Article VII, Section 1, Paragraph L of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- L. Such other matters that are not expressly delegated herein or hereafter by the Board to the President or a Chancellor and which reasonably should be considered to require Board approval as generally defined above, or which the Board hereafter determines to require Board approval.

**2. Summary of Matter**

On June 19, 2019, the Louisiana Board of Regents requested institutions with passage rates (grades C or better) below 60% in entry-level, college-level English and mathematics to submit a management board-approved action plan for improving student outcomes for immediate Fall 2019 implementation.

Although no LSU institution had passage rates below 60% in English, LSU A&M, Eunice, and Shreveport did not meet the threshold for math courses, of which four courses were included in data analysis: Contemporary Mathematics, Applied Algebra, Finite Math, and College Algebra. Therefore, these institutions have now submitted action plans to remediate these low passage rates.

LSU A&M

Although LSU A&M produced passage rates of 87% for students below the required ACT minimum (Math score <19) and 89% for those with ACT math scores of 19-20 in Contemporary Math, the passage rate was much lower (42% and 57%, respectively) in College Algebra. To remediate, the plan - to begin with immediacy - for fall 2019 entails:

- Revising prerequisite MATH 1021: College Algebra in three academic programs to MATH 1029: Contemporary Math, which is more aligned with the curricula and has higher success rates.
- Creating five new sections of MATH 1021 with co-requisite work, including increased instructional time, 50% more lab time outside the classroom, and the use of highly experienced instructors from the Department of Mathematics.
- Intrusively advising students placed in these sections and a remediation plan for students who do not attend the first two weeks of class

### LSU Eunice

LSU Eunice had low passage rates in both Applied Algebra and College Algebra (55% and 11% for students with an ACT Math score below 19). In fall 2018, LSUE provided co-requisite support (MATH 0016 and 0022) that paralleled and expanded upon content in Applied Algebra and College Algebra. For fall 2019, the institution will:

- Continue this support but include different delivery formats: traditional, online, and modular. Modular formats allow students to complete such remediation in a single semester.
- Require students with ACT math scores below 19 to take a five hour course (MATH 1020) as a pre-requisite for College Algebra.

### LSU Shreveport

LSU Shreveport had low passage rates in both Contemporary Math and College Algebra (44% and 29%, respectively for students with an ACT Math score below 19). In fall 2018, the institution took a variety of steps to increase these rates by hiring a Director of First-Year Experience, requiring mandatory advising for students in co-requisite math sections, issuing a peer mentor for each student in these co-requisite courses, and limiting space per section to 25 students. For fall 2019, LSUS will:

- Develop separate co-requisite lab sections for Contemporary Math and College Algebra.
- Require Accuplacer to identify skill gaps in individual students.
- Require all students with less than minimum Math and English ACT scores to receive advising directly from the Dean of Students
- Provide proactive appointments with tutors.
- Explore the possibility of learning communities to place students into groups of classes that are bundled to form a cohort.

### **3. Review of Documents Related to Referenced Matter**

The following documents are on file with the LSU Office of Academic Affairs:

- An action plan from LSU A&M approved by the Vice Provost of Academic Affairs and the Executive Vice President and Provost
- An action plan from LSU Eunice approved by the Vice Chancellor for Academic Affairs and Chancellor
- An action plan from LSU Shreveport approved by the Interim Vice Provost and Vice Chancellor for Academic Affairs and Chancellor

### **RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the LSU Board of Supervisors does hereby approve the Action Plans for Student Success in Gateway Courses for LSU A&M, LSU Eunice, and LSU Shreveport.



**Request from LSU Health Sciences Center - Shreveport to Establish the  
Doctorate of Philosophy in Rehabilitation Science**

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

**1. Significant Board Matter**

Pursuant to Article VII, Section 1, Paragraph I of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- I. Any new academic degree program

**2. Summary of Matter**

Description and Need

LSU Health Sciences Center - Shreveport is requesting approval to establish a Doctorate of Philosophy in Rehabilitation Science (PhD). The Letter of Intent was approved by the Board of Regents on September 26, 2018.

The Institute of Medicine defines “Rehabilitation Science” as a field of study that encompasses basic and applied aspects of the health sciences, social sciences, and engineering to restore functional capacity in a person and improving their interactions with the surrounding environment. Therefore, the purpose of this degree program is to respond to current and acute national needs to produce scientists and academic faculty equipped to face the challenges of modern educational and healthcare environments. The degree is designed to transition clinicians to academia in order to meet the demand for research-trained faculty in rehabilitation science programs such as occupational therapy, physical therapy, and speech-language pathology.

The PhD program will be a research-focused degree with three areas of concentration in Movement Science, Speech-Language Pathology, and Neurocognitive Rehabilitation. A minimum total of 58 credit hours is required for this degree. This program will be offered in a hybrid fashion with traditional courses, online courses, and weekend courses to accommodate potential students who work full-time. Most of the prospective students will have earned clinical degrees in the Rehabilitation Sciences.

As the rising need for allied healthcare providers coincides with a shortage of qualified faculty to teach them, the need for doctoral-level Rehabilitation Sciences faculty is increasing. This need exists across the disciplines of allied health inclusive of Occupational Therapy (OT), Physical Therapy (PT), Speech-Language Pathology (SLP), Physician Assistant (PA), and Medical Laboratory Scientist, among others. There are not enough qualified faculty in academic programs to meet this rising need. According to the Association for Academic Healthcare Centers (AAHC) 77% of the schools of allied health administrators declared faculty shortages to be a problem. More recently, the 2013 Communication Sciences and Disorders (CSD) Education Survey

predicted that 29% of faculty openings between 2014 and 2019 would remain unfilled. In 2016-17, the Commission on Accreditation in Physical Therapy Education (CAPTE) indicated that of 2,503 full-time faculty positions, 141 (5%) of them were vacant. In OT, the most recent faculty survey conducted by the American Occupational Therapy Association (AOTA) found that 52% of faculty in OT programs are 50 years of age or older, and a significant number of current faculty (35%) report that they will be retiring within the next decade. This trend will create a significant void among OT faculty ranks unless qualified individuals are trained to replace them.

In addition to the practical need for doctoral-level faculty, accreditation guidelines of individual disciplines require a certain cohort of doctoral-level faculty in order for programs to retain accreditation. These accreditation standards must be upheld for each discipline in the rehabilitation sciences so that each program maintains compliance with their respective national accrediting body. Failure to prepare such faculty will threaten accreditation of programs so critical in producing the workforce of these highly sought-after health professionals.

The number of universities in Louisiana offering academic programs in these professions continues to increase, as well, further complicating the state's need to address the faculty shortage. At present, no university in Louisiana offers a PhD in Rehabilitation Sciences. Furthermore, a survey of the greater Southern region revealed that neither Arkansas, Mississippi nor Tennessee currently has such a program. There are only three programs in the South offering a PhD in Rehabilitation Sciences: Texas Tech in Lubbock, University of Alabama, Birmingham and University of Texas, Medical Branch in Houston. A similar program offers a PhD in Allied Health Sciences with an emphasis in Rehabilitation Sciences at the University of Oklahoma Health Sciences Center. As such, a PhD in Rehabilitation Sciences would be a unique offering within the state of Louisiana and one of only five similar programs in the entire Southern region.

### Students

In March 2019, LSUHSC-S surveyed current students and clinical instructors in existing programs at both LSUHSC-S and LSUHSC-NO, ULM, ULL, LaTech, Southeastern, and LSU A&M. 78% of those surveyed (N = 146 responses) agreed with the need for this program and 39% were interested in pursuing this degree. Based on the survey results and the commitment from other campuses, the program expects to enroll four students each year for the first two years and two additional students a year afterwards. By 2024, the program should hold steady with 14-15 students enrolled in various stages of completion.

### **3. Review of Business Plan**

The proposed program will be housed in the Department of Rehabilitation Sciences within the School of Allied Health Professions. Currently, the department consists of three entry-level clinical programs for Communication Disorders, Occupational Therapy, and Physical Therapy. The proposed program would be led by the Chair of Rehabilitation Sciences and managed by the same faculty who serve these three programs, along with assistance from faculty with interest in other programs and schools on campus. This program will be initiated primarily within the existing resources available to the School of Allied Health Professions, including faculty, space, teaching, and research equipment. In the first year, tuition revenue will pay teaching stipends to existing faculty for the additional course responsibilities. However, the program would need to

recruit a full-time (\$200,000) chair of the program in year one, which would be an upfront cost to the program, but if that individual also served in an administrative role, some of that cost could be absorbed by the School. In years 4 and 5, the program begins to approach a breakeven point with 12 to 15 students enrolled.

#### **4. Review of Documents Related to Referenced Matter**

The following documents are on file with the LSU Office of Academic Affairs:

1. Board of Regents Program Proposal and budget forms
2. Letters of support from other LSU Campuses
3. Internal and External Reviews of Proposed Program

### **RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors does hereby approve the request to establish a Doctorate of Philosophy in Rehabilitation Science at LSU Health Sciences Center - Shreveport, subject to approval by the Louisiana Board of Regents.



## Request from LSU Alexandria for a Letter of Intent for a Bachelor of Science in Computer Science

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

### **1. Significant Board Matter**

Pursuant to Article VII, Section 1, Paragraph I of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- I. Any new academic degree program

### **2. Summary of Matter**

#### Description and Need

LSU Alexandria is seeking approval of a Letter of Intent for a Bachelor of Science program in Computer Science. LSU Alexandria currently offers a Bachelor of Science in Mathematics, with 14 students enrolled in the existing concentration in computer science. The existing concentration continues to have healthy enrollment especially given the fact that the existing curriculum requires computer science courses and upper-level math courses. The addition of the stand-alone computer science degree would allow the university to better serve those students who wish to acquire a more comprehensive foundation in the discipline while providing competitive skillsets needed for well-paid positions.

Key components of the proposed curriculum include algorithms, data structures, programming, database systems, operating systems, software development, hardware systems, and computer networks. Courses will be offered in traditional, hybrid, and online formats. Graduates will be able to apply knowledge in computer programming, math, data structures, and algorithms to solve a variety of computational problems, and they will be able to apply knowledge in computer organization and design, software, and databases to design, implement, and evaluate computer-based systems.

Within the State of Louisiana, several large employers are already finding it challenging to staff computer science positions with qualified individuals. Such employers include CenturyLink in Monroe, the IBM Client Innovation Center in Baton Rouge, DXC Technology in New Orleans, and organizations affiliated with the Cyber Innovation Center in Bossier City. The Bureau of Labor Statistics' location quotient, which quantifies how concentrated a specific industry or occupation is in a region compared to national averages, indicates a very low concentration (0.35) in computer and mathematical occupations in Louisiana – lower than Mississippi, Arkansas, Oklahoma, Alabama, and Texas. In Central Louisiana, the location quotient is even lower (0.19), identifying a dire need for qualified individuals. Employers such as CLECO, Proctor and Gamble, Crest Industries, Fort Polk, Plastipak, RoyOMartin, Union Tank Car, Rapides Regional Medical Center, and Red River Bank in the Alexandria/Pineville area are



having trouble filling positions affiliated with computer science skillsets. The annual median wage for computer science-related occupations in the Alexandria area is \$61,910.

Therefore, LSU Alexandria would like to begin supplying the much needed demand for computer science-skilled applicants, who currently must transfer to other universities outside of the region to attain such a degree. Students often settle in the areas in which they graduate, further weakening the economy of Central Louisiana. The ability of LSUA students to earn a computer science degree in their region and their subsequent employment in the region will have significant economic impact on Central Louisiana.

#### Students

Based on current enrollment levels of the computer science concentration, survey results indicating widespread student interest, and an enormous external interest - approximating 900 queries from individuals around the nation, the university projects 46 enrolled students by Year 5.

### **3. Review of Business Plan**

The Department of Mathematics and Physical Sciences will administer the program, drawing existing faculty from the department to teach the courses needed for the program, at no additional costs for the first two years. Based on enrollment numbers, the university will hire a tenure-track professor in the third or fourth year. Classroom and lab space already exist; therefore, there will be minimal costs to initiate this program.

### **4. Review of Documents Related to Referenced Matter**

A complete Board of Regents Letter of Intent to Develop a New Academic Program form is on file with the LSU Office of Academic Affairs.

## **RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors does hereby approve the Letter of Intent to develop a proposal for a Bachelor of Science in Computer Science at LSU Alexandria, subject to approval by the Louisiana Board of Regents.



## Request from LSU A&M to Name the Eastman Interdisciplinary Study Area

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

### **1. Significant Board Matter**

Pursuant to Article VII, Section 1, Paragraph L of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- L. Such other matters that are not expressly delegated herein or hereafter by the Board to the President or a Chancellor and which reasonably should be considered to require Board approval as generally defined above, or which the Board hereafter determines to require Board approval.

### **2. Summary of Matter**

LSU A&M is requesting approval to name the student lounge area in Room 1228 Patrick F. Taylor Hall the “Eastman Interdisciplinary Study Area.”

Eastman Chemical is a steadfast partner of the LSU College of Engineering, providing support in order to enrich the educational experience of students. The LSU College of Engineering commends Eastman Chemical’s commitment to the Department of Chemical Engineering and several academic and student programs such as the Senior Design projects and the American Institute of Chemical Engineers.

### **3. Review of Documents Related to Referenced Matter**

The following documents are on file with the LSU Office of Academic Affairs:

- A letter of request from the College of Engineering Dean Judy Wornat with supporting materials
- A letter of approval from Dr. Ann Sumner Holmes, Chair of the Naming University Facilities and Academic Unit Committee
- A letter of support from Dr. Stacia Haynie, Executive Vice President and Provost and approval by President F. King Alexander

## **RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the LSU Board of Supervisors does hereby approve the request from LSU A&M to name the student lounge areas in Room 1228 Patrick F. Taylor Hall the “Eastman Interdisciplinary Study Area”.



**Request from LSU Health Sciences Center – New Orleans to  
Reconfigure the Kenneth Ardoin/Pfizer Superchair into Two Distinct  
Endowed Chairs**

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

**1. Significant Board Matter**

Pursuant to Article VII, Section 1, Paragraph L of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- L. Such other matters that are not expressly delegated herein or hereafter by the Board to the President or a Chancellor and which reasonably should be considered to require Board approval as generally defined above, or which the Board hereafter determines to require Board approval.

**2. Summary of Matter**

LSU Health Sciences Center – New Orleans proposes to reconfigure the Kenneth Ardoin/Pfizer Superchair of Basic Cardiovascular Research into the Kenneth Ardoin/Pfizer Chair in Translational Biomedical Research and the Kenneth Ardoin/Pfizer Chair in Basic Cardiovascular Research. The Superchair has remained vacant despite strategic realignment efforts by the School of Medicine following Hurricane Katrina in 2005; however, there is still great need for the research affiliated with the Superchair. Therefore, LSUHSC-NO is broadening the scope of the research objectives of the philanthropic gift and expanding the focus into two distinct areas of research for cardiovascular disease. Representatives of Pfizer are supportive of this reconfiguration.

**3. Review of Documents Related to Referenced Matter**

A memo from the campus head requesting the reconfiguration of these professorships is on file at the LSU Office of Academic Affairs, and the donor agreements are on file at the appropriate foundation.

**RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby approve the request from LSU Health Sciences- New Orleans to reconfigure the Kenneth Ardoin/Pfizer Superchair in Basic Cardiovascular Research into two chairs:

- 1) Kenneth Ardoin/Pfizer Chair in Translational Biomedical Research
- 2) Kenneth Ardoin/Pfizer Chair in Basic Cardiovascular Research



**Request from LSU Eunice to Establish an Endowed Scholarship for  
Two-Year Workforce Scholarship**

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

**1. Significant Board Matter**

Pursuant to Article VII, Section 1, Paragraph L of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

- L. Such other matters that are not expressly delegated herein or hereafter by the Board to the President or a Chancellor and which reasonably should be considered to require Board approval as generally defined above, or which the Board hereafter determines to require Board approval.

**2. Summary of Matter**

The competitive Board of Regents Endowed Two-Year Student Workforce Scholarship Subprogram provides scholarship opportunities for students on two-year campuses to enter the Louisiana workforce in the following ways: (a) train students for immediate entrance into selected, high-demand, four- and five-star jobs, including positions in nursing and allied health; and/or (b) prepare students to become job-ready in STEM fields after completing degrees on four-year campuses. Non-state contributions combined with a BoRSF match will produce permanent endowments. This subprogram replaces the Enhancement Subprogram for Two-Year Institutions. LSU Eunice is therefore requesting approval to establish the following:

- a) Crowley Rotary Club Endowed Scholarship  
Contributions have been made to the Crowley Rotary Club Endowed Scholarship for a student in nursing, allied health or STEM field who plans to transfer to obtain a four-year degree.

**3. Review of Documents Related to Referenced Matter**

A memo from the LSU Eunice Chancellor's Office requesting the establishment of the Crowley Rotary Club Endowed Scholarship is on file at the LSU Office of Academic Affairs, and the donor agreements are on file at the appropriate foundation.

## **RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby approve the request from LSU Eunice to establish the Crowley Rotary Club Endowed Scholarship; and

**BE IT FURTHER RESOLVED** that the President, as may be appropriate, is hereby authorized and directed to execute any documents required to obtain the matching gift and otherwise complete the establishment of the Crowley Rotary Club Endowed Scholarship.



---

# Board of Supervisors

SECTION B

FINANCE COMMITTEE

*BOARD OF SUPERVISORS MEETING | SEPTEMBER 13, 2019*



## Request to Implement the LSU Supplier Diversity Program as a University Policy

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

This is a significant Board matter pursuant to the Board's Bylaws, Article VII, Section 1:

- A. Any matter having a significant or long-term impact, directly or indirectly, on the finances or the academic, educational, research, and services missions of the University or any of its campuses.

### 1. Summary of Matter

In early 2017, the Board directed the university administration to develop a program to enhance and ensure the economic participation of minority/women-owned, disadvantaged, and small business enterprises ("Diverse Suppliers") in LSU procurement and other business opportunities. The goal of this diversity initiative is to identify, connect, and strengthen the University's partnerships with these diverse suppliers that result in a meaningful economic impact for LSU and the broader community in which the university participates. While LSU's procurement and other business opportunities are open to all vendors, diverse suppliers and other small businesses may not have had the knowledge and background of how to effectively participate and compete for them. This program seeks to provide that guidance, education, and visibility necessary to ensure a level playing field for all.

The Supplier Diversity Program was established within the LSU Office of Procurement Services, with the initial focus on the development of operating policies and procedures, identifying and creating a database of diverse suppliers, and conducting outreach and educational activities with diverse suppliers and campus departments<sup>1</sup>. A manager and support staff were hired to lead the program on a full-time basis. While the initial program focus was on the LSU Baton Rouge campus, the ultimate intent has been to make it a University-wide program. In early 2019, the Supplier Diversity Program was relocated organizationally to the office of the LSU Executive Vice President for Finance & Administration/CFO to enhance its visibility and prominence on a University-wide level and to ensure that it was being implemented equally at all LSU campuses and entities.

### 2. Review of Documents Related to Referenced Matter

N/A

### ATTACHMENTS

I. N/A

---

<sup>1</sup> <https://www.lsu.edu/administration/ofa/procurement/supplierdiversity/index.php>

## **RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board") affirms the goals and objectives of the Supplier Diversity Program ("Program") as wholly congruent with the values of the University and has determined that it should be University-wide policy ("Policy"); and,

**BE IT FURTHER RESOLVED** that the Board directs F. King Alexander, in his capacity as President of LSU, to implement the Program as Policy, and to take such steps as necessary to ensure its effective implementation at each LSU campus and entity; and,

**BE IT FURTHER RESOLVED** that the Board directs F. King Alexander, in his capacity as President of LSU, or his designee, to provide the Board with quarterly status reports on the Program.





## Recommendation to Approve the Fiscal Year 2019-20 Operating Budget

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

This is a significant Board matter pursuant to the Board's Bylaws, Article VII, Section 1:

A. Any matter having a significant or long term impact, directly or indirectly, on the finances or the academic, educational, research, and services missions of the University or any of its campuses.

### 1. Summary of Matter

Each year an operating budget is developed that details the expected revenues and expenditures of the University for the fiscal year. These budgets are prepared in accordance with budget guidelines issued by the Board of Regents and the Division of Administration.

Pursuant to Board of Regents' guidelines, the University's operating budgets will be submitted to the Board of Regents on September 6<sup>th</sup>, with a caveat that they are being submitted contingent upon action by the LSU Board of Supervisors at its September 13<sup>th</sup> meeting. The Board of Regents will hold their annual hearings on the FY 2019-20 operating budget submissions from each postsecondary education management board and other higher education entities on September 24<sup>th</sup>.

As noted in **Attachment I**, the total beginning unrestricted operating budget for Fiscal Year 2019-20, including the LSU Health Care Services Division, is \$1.06 billion. This represents an increase of \$5.7 million or 0.5% from the final FY 2018-19 budget. Estimated restricted revenues including auxiliary enterprise operations total \$1.51 billion. The total Fiscal Year 2019-20 operating budget, including estimated restricted revenues, is \$2.57 billion.

This year, state funding for LSU campuses was essentially held flat compared with FY 2018-19 levels. A summary of FY 2019-20 budget priorities by campus is presented in **Attachment II**.

### 2. Review of Documents Related to Referenced Matter

LSU campuses have submitted the Fiscal Year 2019-20 operating budget in the format requested by the Board of Regents and the Division of Administration.

### ATTACHMENTS

- I. Summary of Fiscal Year 2019-20 Operating Budget Information
- II. Summary of Fiscal Year 2019-20 Campus Priorities
- III. Support materials for this item are available on the LSU Administration's web page.

## RESOLUTION

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College does hereby approve the operating budget for the fiscal year ending June 30, 2020, providing:

- (a) Final approval and commitment authorization of funds for unrestricted educational and general, medical, and related expenses in the amount of \$1,059,809,225 for the campuses shown below.

- LSU A&M
- LSU Agricultural Center
- LSU Alexandria
- LSU Eunice
- LSU Shreveport
- LSU Health Sciences Center, New Orleans
- LSU Health Sciences Center, Shreveport
- LSU Pennington Biomedical Research Center
- The Hospital and Central Office of the LSU Health Care Services Division

- (b) Commitment authorizations for auxiliary enterprises, grants and contracts, and other restricted funds estimated to be \$1,506,811,653.
- (c) Transactions included or referred to in the operating budget that otherwise require Board approval are not approved by mere inclusion in the operating budget.

**BE IT FURTHER RESOLVED** that each campus shall prepare a semi-annual financial report that is in accordance with a format approved by the President. The format of the report will include the following:

1. Budget and actual for unrestricted revenues by source of funds
2. Actual for unrestricted expenditures by object and by function
3. Beginning account balances and actual revenues and expenditures/transfers for restricted operations
4. Any significant changes in the budget that should be brought to the attention of the President and Board
5. An explanation of any significant reduction in anticipated revenues or significant increase in expenditures

Any subsequent modification to the reporting format will be approved by the President with notification to the Board.

## Board of Regents

## Form BOR-1

## Revenue/Expenditure Data

Consolidated Louisiana State University System  
INCLUDES Health Care Services Division

| Revenue/Expenditure   | Actual    | Budgeted *           | Budgeted             | Over/(Under)          | %              |
|---|-----------|----------------------|----------------------|-----------------------|----------------|
|   | 2018-2019 | 2018-2019            | 2019-2020            | Budgeted<br>2018-2019 | Change         |
| <b>Revenues By Source:</b>  |           |                      |                      |                       |                |
| <b>State Funds:</b>   |           |                      |                      |                       |                |
| General Fund Direct   | 0         | 386,427,617          | 385,557,008          | (870,609)             | -0.23%         |
| General Fund - Restoration Amount                                     | 0         | 0                    | 0                    | 0                     | N/A            |
| <b>Statutory Dedicated:</b>   | <b>0</b>  | <b>30,421,269</b>    | <b>29,874,793</b>    | <b>(546,476)</b>      | <b>-1.80%</b>  |
| Higher Education Initiatives Fund                                     | 0         | 0                    | 0                    | 0                     | N/A            |
| Support Education in Louisiana First (SELF)                           | 0         | 20,128,504           | 19,567,239           | (561,265)             | -2.79%         |
| Tobacco Tax Health Care Fund  | 0         | 5,845,116            | 5,990,293            | 145,177               | 2.48%          |
| Equine Fund   | 0         | 750,000              | 750,000              | 0                     | 0.00%          |
| Fireman Training Fund   | 0         | 3,487,649            | 3,357,261            | (130,388)             | -3.74%         |
| Two Percent Fire Insurance Fund                                       | 0         | 210,000              | 210,000              | 0                     | 0.00%          |
| Medical & Allied Health Scholarship & Loan Fund                       | 0         | 0                    | 0                    | 0                     | N/A            |
| Shreveport Riverfront & Convention Center & Independence Stadium Fund | 0         | 0                    | 0                    | 0                     | N/A            |
| Overcollections Fund  | 0         | 0                    | 0                    | 0                     | N/A            |
| <b>Funds Due From Management Board or Regents:</b>                    | <b>0</b>  | <b>0</b>             | <b>0</b>             | <b>0</b>              | <b>N/A</b>     |
| Other   | 0         | 0                    | 0                    | 0                     | N/A            |
| <b>Funds Due to Institutions:</b>                                     | <b>0</b>  | <b>0</b>             | <b>0</b>             | <b>0</b>              | <b>N/A</b>     |
| Other   | 0         | 0                    | 0                    | 0                     | N/A            |
| Other   | 0         | 0                    | 0                    | 0                     | N/A            |
| <b>Total State Funds</b>  | <b>0</b>  | <b>416,848,886</b>   | <b>415,431,801</b>   | <b>(1,417,085)</b>    | <b>-0.34%</b>  |
| <b>Interagency Transfers</b>  | <b>0</b>  | <b>22,190,144</b>    | <b>25,230,963</b>    | <b>3,040,819</b>      | <b>13.70%</b>  |
| <b>Non-Recurring Self-Generated Carry Forward</b>                     | <b>0</b>  | <b>0</b>             | <b>0</b>             | <b>0</b>              | <b>N/A</b>     |
| <b>Self Generated Funds</b>   | <b>0</b>  | <b>597,251,912</b>   | <b>601,277,520</b>   | <b>4,025,608</b>      | <b>0.67%</b>   |
| <b>Federal Funds</b>  | <b>0</b>  | <b>17,818,611</b>    | <b>17,868,941</b>    | <b>50,330</b>         | <b>0.28%</b>   |
| <b>Interim Emergency Board</b>  | <b>0</b>  | <b>0</b>             | <b>0</b>             | <b>0</b>              | <b>N/A</b>     |
| <b>Total Revenues</b>   | <b>0</b>  | <b>1,054,109,553</b> | <b>1,059,809,225</b> | <b>5,699,672</b>      | <b>0.54%</b>   |
| <b>Expenditures by Function:</b>                                      |           |                      |                      |                       |                |
| Instruction   | 0         | 338,850,571          | 326,996,594          | (11,853,977)          | -3.50%         |
| Research  | 0         | 133,012,428          | 137,261,007          | 4,248,579             | 3.19%          |
| Public Service  | 0         | 40,127,284           | 41,770,082           | 1,642,798             | 4.09%          |
| Academic Support**  | 0         | 107,103,490          | 116,082,914          | 8,979,424             | 8.38%          |
| Student Services  | 0         | 27,026,855           | 27,416,215           | 389,360               | 1.44%          |
| Institutional Services  | 0         | 120,477,814          | 129,256,589          | 8,778,775             | 7.29%          |
| Scholarships/Fellowships  | 0         | 110,077,743          | 114,896,322          | 4,818,579             | 4.38%          |
| Plant Operations/Maintenance  | 0         | 108,187,911          | 105,192,917          | (2,994,994)           | -2.77%         |
| <b>Total E&amp;G Expenditures</b>                                     | <b>0</b>  | <b>984,864,096</b>   | <b>998,872,640</b>   | <b>14,008,544</b>     | <b>1.42%</b>   |
| Hospital  | 0         | 70,160,630           | 66,485,566           | (3,675,064)           | -5.24%         |
| Transfers out of agency   | 0         | (915,173)            | (5,548,981)          | (4,633,808)           | 506.33%        |
| Athletics   | 0         | 0                    | 0                    | 0                     | N/A            |
| Other   | 0         | 0                    | 0                    | 0                     | N/A            |
| <b>Total Expenditures</b>   | <b>0</b>  | <b>1,054,109,553</b> | <b>1,059,809,225</b> | <b>5,699,672</b>      | <b>0.54%</b>   |
| <b>Expenditures by Object:</b>  |           |                      |                      |                       |                |
| Salaries  | 0         | 470,541,226          | 475,989,387          | 5,448,161             | 1.16%          |
| Other Compensation  | 0         | 36,068,227           | 36,549,875           | 481,648               | 1.34%          |
| Related Benefits  | 0         | 235,961,697          | 239,349,335          | 3,387,638             | 1.44%          |
| <b>Total Personal Services</b>  | <b>0</b>  | <b>742,571,150</b>   | <b>751,888,597</b>   | <b>9,317,447</b>      | <b>1.25%</b>   |
| Travel  | 0         | 5,358,188            | 5,889,498            | 531,310               | 9.92%          |
| Operating Services  | 0         | 100,314,925          | 87,410,752           | (12,904,173)          | -12.86%        |
| Supplies  | 0         | 31,625,178           | 33,492,448           | 1,867,270             | 5.90%          |
| <b>Total Operating Expenses</b>                                       | <b>0</b>  | <b>137,298,291</b>   | <b>126,792,698</b>   | <b>(10,505,593)</b>   | <b>-7.65%</b>  |
| Professional Services   | 0         | 23,079,625           | 24,452,336           | 1,372,711             | 5.95%          |
| Other Charges   | 0         | 121,616,809          | 128,689,363          | 7,072,554             | 5.82%          |
| Debt Services   | 0         | 260,866              | 260,039              | (827)                 | -0.32%         |
| Interagency Transfers   | 0         | 18,315,415           | 20,209,411           | 1,893,996             | 10.34%         |
| <b>Total Other Charges</b>  | <b>0</b>  | <b>163,272,715</b>   | <b>173,611,149</b>   | <b>10,338,434</b>     | <b>6.33%</b>   |
| General Acquisitions  | 0         | 9,249,158            | 5,924,501            | (3,324,657)           | -35.95%        |
| Library Acquisitions  | 0         | 1,284,038            | 1,211,538            | (72,500)              | -5.65%         |
| Major Repairs   | 0         | 434,201              | 380,742              | (53,459)              | -12.31%        |
| <b>Total Acquisitions and Major Repairs</b>                           | <b>0</b>  | <b>10,967,397</b>    | <b>7,516,781</b>     | <b>(3,450,616)</b>    | <b>-31.46%</b> |
| Unallotted  | 0         | 0                    | 0                    | 0                     | N/A            |
| <b>Total Expenditures</b>   | <b>0</b>  | <b>1,054,109,553</b> | <b>1,059,809,225</b> | <b>5,699,672</b>      | <b>0.54%</b>   |

\* This column should reflect the last approved BA-7 in FY 18-19

\*\*Library costs are included in the function of academic support and are detailed on the BOR-4A.

**Board of Regents  
Form BOR-2**

**Consolidated Louisiana State University System  
Includes Health Care Services Division**

**Financing Other Than State Funds Appropriations**

| <b>Source:</b>  | <b>ACTUAL<br/>2018-2019</b> | <b>BUDGETED<br/>2018-2019</b> | <b>BUDGETED<br/>2019-2020</b> | <b>OVER /UNDER<br/>2018-2019</b> |
|---|-----------------------------|-------------------------------|-------------------------------|----------------------------------|
| <b>Interagency Transfers:</b>                               |                             |                               |                               |                                  |
| Medicaid  | 0                           | 2,394,653                     | 2,394,653                     | 0                                |
| Uncompensated Care  | 0                           | 10,806,021                    | 13,705,498                    | 2,899,477                        |
| Hospital Contracts  | 0                           | 0                             | 0                             | 0                                |
| Lab School  | 0                           | 7,472,774                     | 7,614,116                     | 141,342                          |
| Other Total   | 0                           | 1,516,696                     | 1,516,696                     | 0                                |
| <b>Total Other Interagency Transfers</b>                    | <b>0</b>                    | <b>22,190,144</b>             | <b>25,230,963</b>             | <b>3,040,819</b>                 |
| <b>Non-Recurring Self-Generated Carry Forward</b>           | <b>0</b>                    | <b>0</b>                      | <b>0</b>                      | <b>0</b>                         |
| <b>Self-Generated Funds:</b>                                | 0                           | 0                             | 0                             | 0                                |
| <b>Student Fees:</b>  | 0                           | 0                             | 0                             | 0                                |
| General Registration Fees                                   | 0                           | 362,859,617                   | 364,039,683                   | 1,180,066                        |
| Non-Resident Fees   | 0                           | 92,532,139                    | 92,779,323                    | 247,184                          |
| Academic Excellence Fee                                     | 0                           | 17,830,603                    | 18,192,073                    | 361,470                          |
| Operational Fee   | 0                           | 7,092,015                     | 7,086,217                     | (5,798)                          |
| Academic Enhancement Fee                                    | 0                           | 0                             | 0                             | 0                                |
| Building Use Fee  | 0                           | 0                             | 0                             | 0                                |
| Building Use Fee - Act 426                                  | 0                           | 0                             | 0                             | 0                                |
| Student Services Fee  | 0                           | 0                             | 0                             | 0                                |
| Technology Fee  | 0                           | 0                             | 0                             | 0                                |
| Energy Surcharge  | 0                           | 0                             | 0                             | 0                                |
| University Self-Assessed Fees                               | 0                           | 54,419,097                    | 55,651,237                    | 1,232,140                        |
| Student Self-Assessed Fees                                  | 0                           | 0                             | 0                             | 0                                |
| All Other Mandated Fees                                     | 0                           | 2,460,000                     | 2,415,000                     | (45,000)                         |
| All Other Student Fees                                      | 0                           | 16,489,873                    | 17,083,971                    | 594,098                          |
| <b>Total Student Fees:</b>                                  | <b>0</b>                    | <b>553,683,344</b>            | <b>557,247,504</b>            | <b>3,564,160</b>                 |
| Hospital - Commercial/Self-Pay                              | 0                           | 15,472,658                    | 15,670,284                    | 197,626                          |
| Sales and Services of Educational Activities                | 0                           | 7,730,630                     | 7,745,773                     | 15,143                           |
| State Grants and Contracts                                  | 0                           | 0                             | 0                             | 0                                |
| Organized Activities Related to Instruction                 | 0                           | 0                             | 0                             | 0                                |
| Athletics Other than Student Fees                           | 0                           | 0                             | 0                             | 0                                |
| Other Self-Generated Funds                                  | 0                           | 20,365,280                    | 20,613,959                    | 248,679                          |
| <b>Total Self-Generated Funds</b>                           | <b>0</b>                    | <b>597,251,912</b>            | <b>601,277,520</b>            | <b>4,025,608</b>                 |
| <b>Federal Funds:</b>                                       | 0                           | 0                             | 0                             | 0                                |
| Federal Program Admin.                                      | 0                           | 0                             | 0                             | 0                                |
| Medicare  | 0                           | 4,800,336                     | 4,850,666                     | 50,330                           |
| <b>Grants:</b>  | 0                           | 0                             | 0                             | 0                                |
| Pell  | 0                           | 0                             | 0                             | 0                                |
| Other   | 0                           | 13,018,275                    | 13,018,275                    | 0                                |
| <b>Total Federal Funds</b>                                  | <b>0</b>                    | <b>17,818,611</b>             | <b>17,868,941</b>             | <b>50,330</b>                    |
| <b>Interim Emergency Board</b>                              | <b>0</b>                    | <b>0</b>                      | <b>0</b>                      | <b>0</b>                         |
| <b>Total Revenues Other Than State Funds Appropriations</b> | <b>0</b>                    | <b>637,260,667</b>            | <b>644,377,424</b>            | <b>7,116,757</b>                 |

|   | BUDGETED 2018-2019   |               |                      |               |                      |               | BUDGETED 2019-2020   |               |                      |               |                      |               |
|---|----------------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|---------------|
| Source:   | UNRESTRICTED         | % OF TOTAL    | RESTRICTED           | % OF TOTAL    | TOTAL                | % OF TOTAL    | UNRESTRICTED         | % OF TOTAL    | RESTRICTED           | % OF TOTAL    | TOTAL                | % OF TOTAL    |
| <b>State Funds:</b>   |                      |               |                      |               |                      |               |                      |               |                      |               |                      |               |
| General Fund Direct   | 386,427,617          | 100.0%        | 0                    | 0.00%         | 386,427,617          | 15.5%         | 385,557,008          | 100.0%        | 0                    | 0.00%         | 385,557,008          | 15.0%         |
| General Fund - Restoration Amount   | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| Statutory Dedicated   | <b>30,421,269</b>    | <b>100.0%</b> | <b>0</b>             | <b>0.00%</b>  | <b>30,421,269</b>    | <b>1.2%</b>   | <b>29,874,793</b>    | <b>100.0%</b> | <b>0</b>             | <b>0.00%</b>  | <b>29,874,793</b>    | <b>1.2%</b>   |
| Higher Education Initiative Fund  | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| Support Education in Louisiana First (SELF)                               | 20,128,504           | 100.0%        | 0                    | 0.00%         | 20,128,504           | 0.8%          | 19,567,239           | 100.0%        | 0                    | 0.00%         | 19,567,239           | 0.8%          |
| Tobacco Tax Health Care Fund  | 5,845,116            | 100.0%        | 0                    | 0.00%         | 5,845,116            | 0.2%          | 5,990,293            | 100.0%        | 0                    | 0.00%         | 5,990,293            | 0.2%          |
| Calcasieu Parish Fund   | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| Calcasieu Parish Higher Education Improvement Fund                        | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| Pari-Mutiel Live Racing Facility Gaming Control Fund                      | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| Southern University Agricultural Program Fund                             | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| Equine Fund   | 750,000              | 100.0%        | 0                    | 0.00%         | 750,000              | 0.0%          | 750,000              | 100.0%        | 0                    | 0.00%         | 750,000              | 0.0%          |
| Fireman Training Fund   | 3,487,649            | 100.0%        | 0                    | 0.00%         | 3,487,649            | 0.1%          | 3,357,261            | 100.0%        | 0                    | 0.00%         | 3,357,261            | 0.1%          |
| Two Percent Fire Insurance Fund   | 210,000              | 100.0%        | 0                    | 0.00%         | 210,000              | 0.0%          | 210,000              | 100.0%        | 0                    | 0.00%         | 210,000              | 0.0%          |
| Health Excellence Fund  | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| La. Educational Quality Support Fund (LEQSF)                              | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| Proprietary School Fund   | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| Workforce Rapid Response  | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| Rockefeller Scholarship Fund  | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| Orleans Excellence Fund   | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| TOPS Fund   | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| Medical & Allied Health Scholarship & Loan Fund                           | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| Shreveport Riverfront and Convention Center and Independence Stadium Fund | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| Overcollections Fund  | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| <b>Funds Due From Management Board or Regents:</b>                        | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| Other   | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| <b>Funds Due to Institutions:</b>   | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| Other   | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| Other   | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| <b>Total State Funds</b>  | <b>416,848,886</b>   | <b>100.0%</b> | <b>0</b>             | <b>0.00%</b>  | <b>416,848,886</b>   | <b>16.7%</b>  | <b>415,431,801</b>   | <b>100.0%</b> | <b>0</b>             | <b>0.00%</b>  | <b>415,431,801</b>   | <b>16.2%</b>  |
| <b>Interagency Transfers:</b>   |                      |               |                      |               |                      |               |                      |               |                      |               |                      |               |
| Medicaid  | 2,394,653            | 100.0%        | 0                    | 0.00%         | 2,394,653            | 0.1%          | 2,394,653            | 100.0%        | 0                    | 0.00%         | 2,394,653            | 0.1%          |
| Uncompensated Care  | 10,806,021           | 100.0%        | 0                    | 0.00%         | 10,806,021           | 0.4%          | 13,705,498           | 100.0%        | 0                    | 0.00%         | 13,705,498           | 0.5%          |
| Hospital Contracts  | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| Lab School  | 7,472,774            | 100.0%        | 0                    | 0.00%         | 7,472,774            | 0.3%          | 7,614,116            | 100.0%        | 0                    | 0.00%         | 7,614,116            | 0.3%          |
| Other Total   | 1,516,696            | 100.0%        | 0                    | 0.00%         | 1,516,696            | 0.1%          | 1,516,696            | 100.0%        | 0                    | 0.00%         | 1,516,696            | 0.1%          |
| <b>Total Interagency Transfers</b>  | <b>22,190,144</b>    | <b>100.0%</b> | <b>0</b>             | <b>0.00%</b>  | <b>22,190,144</b>    | <b>0.9%</b>   | <b>25,230,963</b>    | <b>100.0%</b> | <b>0</b>             | <b>0.00%</b>  | <b>25,230,963</b>    | <b>1.0%</b>   |
| <b>Non-Recurring Self Generated Carry Forward</b>                         | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| <b>Student Fees:</b>  |                      |               |                      |               |                      |               |                      |               |                      |               |                      |               |
| <b>General Registration Fees:</b>   | 362,859,617          | 96.7%         | 12,571,552           | 3.35%         | 375,431,169          | 15.1%         | 364,039,683          | 95.4%         | 17,465,127           | 4.58%         | 381,504,810          | 14.9%         |
| Non-Resident Fees:  | 92,532,139           | 100.0%        | 0                    | 0.00%         | 92,532,139           | 3.7%          | 92,779,323           | 100.0%        | 0                    | 0.00%         | 92,779,323           | 3.6%          |
| Academic Excellence Fee:  | 17,830,603           | 100.0%        | 0                    | 0.00%         | 17,830,603           | 0.7%          | 18,192,073           | 100.0%        | 0                    | 0.00%         | 18,192,073           | 0.7%          |
| Operational Fee:  | 7,092,015            | 100.0%        | 0                    | 0.00%         | 7,092,015            | 0.3%          | 7,086,217            | 100.0%        | 0                    | 0.00%         | 7,086,217            | 0.3%          |
| Student Athletic Fees   | 578,000              | 15.0%         | 3,285,370            | 85.04%        | 3,863,370            | 0.2%          | 0                    | 0.0%          | 3,267,338            | 100.00%       | 3,267,338            | 0.1%          |
| Other Total   | 72,790,970           | 64.8%         | 39,564,013           | 35.21%        | 112,354,983          | 4.5%          | 75,150,208           | 65.6%         | 39,424,986           | 34.41%        | 114,575,194          | 4.5%          |
| <b>Total Student Fees:</b>  | <b>553,683,344</b>   | <b>90.9%</b>  | <b>55,420,935</b>    | <b>9.10%</b>  | <b>609,104,279</b>   | <b>24.5%</b>  | <b>557,247,504</b>   | <b>90.3%</b>  | <b>60,157,451</b>    | <b>9.74%</b>  | <b>617,404,955</b>   | <b>24.1%</b>  |
| Hospital - Commercial/Self-Pay  | 15,472,658           | 98.2%         | 278,608              | 1.77%         | 15,751,266           | 0.6%          | 15,670,284           | 100.0%        | 0                    | 0.00%         | 15,670,284           | 0.6%          |
| Physician Practice Plans  | 0                    | 0.0%          | 12,118,000           | 100.00%       | 12,118,000           | 0.5%          | 0                    | 0.0%          | 12,357,000           | 100.00%       | 12,357,000           | 0.5%          |
| Sales and Services of Educational Activities                              | 7,730,630            | 16.5%         | 39,072,400           | 83.48%        | 46,803,030           | 1.9%          | 7,745,773            | 15.6%         | 41,857,445           | 84.38%        | 49,603,218           | 1.9%          |
| State Grants and Contracts  | 0                    | 0.0%          | 60,151,240           | 100.00%       | 60,151,240           | 2.4%          | 0                    | 0.0%          | 70,775,528           | 100.00%       | 70,775,528           | 2.8%          |
| Organized Activities Related to Instruction                               | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| Athletics Other than Student Fees   | 0                    | 0.0%          | 129,166,500          | 100.00%       | 129,166,500          | 5.2%          | 0                    | 0.0%          | 134,263,320          | 100.00%       | 134,263,320          | 5.2%          |
| Auxiliaries (Excluding Athletics)   | 0                    | 0.0%          | 128,575,066          | 100.00%       | 128,575,066          | 5.2%          | 0                    | 0.0%          | 138,207,088          | 100.00%       | 138,207,088          | 5.4%          |
| Endowment Income  | 0                    | 0.0%          | 7,580,227            | 100.00%       | 7,580,227            | 0.3%          | 0                    | 0.0%          | 8,797,589            | 100.00%       | 8,797,589            | 0.3%          |
| Gifts, Grants, and Contracts  | 0                    | 0.0%          | 257,688,095          | 100.00%       | 257,688,095          | 10.4%         | 0                    | 0.0%          | 632,437,108          | 100.00%       | 632,437,108          | 24.6%         |
| Other Self-Generated Funds  | 20,365,280           | 9.8%          | 187,426,625          | 90.20%        | 207,791,905          | 8.3%          | 20,613,959           | 9.2%          | 204,219,465          | 90.83%        | 224,833,424          | 8.8%          |
| <b>Total Self-Generated Funds</b>   | <b>597,251,912</b>   | <b>40.5%</b>  | <b>877,477,696</b>   | <b>59.50%</b> | <b>1,474,729,608</b> | <b>59.2%</b>  | <b>601,277,520</b>   | <b>31.6%</b>  | <b>1,303,071,994</b> | <b>68.43%</b> | <b>1,904,349,514</b> | <b>74.2%</b>  |
| <b>Federal Funds:</b>   |                      |               |                      |               |                      |               |                      |               |                      |               |                      |               |
| Federal Program Admin.  | 0                    | 0.0%          | 36,461,500           | 100.00%       | 36,461,500           | 1.5%          | 0                    | 0.0%          | 7,000                | 100.00%       | 7,000                | 0.0%          |
| Medicare  | 4,800,336            | 30.3%         | 11,041,000           | 69.70%        | 15,841,336           | 0.6%          | 4,850,666            | 100.0%        | 0                    | 0.00%         | 4,850,666            | 0.2%          |
| <b>Grants:</b>  |                      |               |                      |               |                      |               |                      |               |                      |               |                      |               |
| Pell  | 0                    | 0.0%          | 35,232,000           | 100.00%       | 35,232,000           | 1.4%          | 0                    | 0.0%          | 38,100,000           | 100.00%       | 38,100,000           | 1.5%          |
| Other   | 13,018,275           | 2.7%          | 474,990,795          | 97.33%        | 488,009,070          | 19.6%         | 13,018,275           | 7.3%          | 165,632,659          | 92.71%        | 178,650,934          | 7.0%          |
| <b>Total Federal Funds</b>  | <b>17,818,611</b>    | <b>3.1%</b>   | <b>557,725,295</b>   | <b>96.90%</b> | <b>575,543,960</b>   | <b>23.1%</b>  | <b>17,868,941</b>    | <b>8.1%</b>   | <b>203,739,659</b>   | <b>91.94%</b> | <b>221,608,600</b>   | <b>8.6%</b>   |
| <b>Interim Emergency Board</b>  | 0                    | 0.0%          | 0                    | 0.00%         | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          | 0                    | 0.0%          |
| <b>Total Revenues</b>   | <b>1,054,109,553</b> | <b>42.3%</b>  | <b>1,435,202,991</b> | <b>57.7%</b>  | <b>2,489,312,544</b> | <b>100.0%</b> | <b>1,059,809,225</b> | <b>41.3%</b>  | <b>1,506,811,653</b> | <b>58.71%</b> | <b>2,566,620,878</b> | <b>100.0%</b> |

**FY 2019-2020 OPERATING BUDGET PRIORITIES SUBMITTED BY CAMPUSES****Louisiana State University and Agricultural and Mechanical College**

LSU will continue to ensure that high quality instruction, research, and service are its enduring contribution to the State and nation. In addition, the campus must continue to keep investments in faculty and staff as one of its top priorities in order to provide the quality of education analogous with other national flagship universities. Unfortunately, LSU does not have the revenues available to include a merit increase program in the FY 2019-20 operating budget for its faculty or professional staff. In light of being 10% behind in faculty pay at our Carnegie Land Grant peers, forgoing a merit increase program will continue to make it difficult to recruit and retain top faculty and staff.

Looking forward, we believe that LSU will have a bright future and continue to improve its performance and service to Louisiana and the nation if:

- The Governor and Legislature commit to addressing the state funding deficit compared to peer institutions.
- The State continues to allow public colleges and universities to set fee rates and retain tuition and other self-generated revenues in order to successfully meet institutional needs and priorities.
- The State consistently and fully funds the TOPS program.
- LSU is consistently able to support and invest in its most valuable asset – the faculty and staff.

**Louisiana State University Agricultural Center**

The AgCenter's FY 2018-2019 budget priorities are to try to balance programs and funding in order to accomplish its core missions:

- Continue to maintain an appropriate extension presence in parishes.
- Continue to refine the commodity-based staffing plan for agricultural agents and develop supporting training strategies and web-based material.
- Examine the delivery of 4-H programs with the goal of increasing effectiveness, efficiency and use of technology.
- Provide a critical mass of faculty at priority branch stations and in academic departments, including adequate faculty to teach in the College of Agriculture.
- Provide research and extension faculty to support Louisiana's principal agricultural commodities and emerging areas, in particular, digital media.
- Provide adequate staff, operating support and infrastructure to support faculty programs.
- Capitalize on major grant-funded nutrition initiatives by maintaining adequate faculty to conduct general nutrition education.

**Louisiana State University Alexandria**

The top priority going in to the new fiscal year is the continued emphasis on recruiting, enrollment and retention. As the university becomes more dependent upon self-generated revenue, more funding has to be directed to resources that will result in new students and more students retained. Currently over \$2.3M is dedicated in this area of the university, including institutional scholarship dollars.

Along with continuing to grow enrollment, the university must also continue to build back up auxiliary account balances that were previously drained. FY19 saw a significant decrease in auxiliary balances for two reasons: 1) Athletics continues to be a serious concern, with a fiscal year deficit of over \$300,000, and cumulative deficit of over \$1.1M, and 2) the shortfall in unrestricted revenue had to be covered from auxiliary accounts.

These are the only priorities that current appropriations and self-generated funds will allow for. Deferred maintenance continues to grow and currently stands at over \$13M. While not a part of the FY20 operating budget, campus flooding caused by lack of proper drainage remains a critical issue. Federal flood mitigation dollars made available after the 2016 Louisiana floods have been awarded to LSUA, yet funding has yet to be released to Facility Planning and Control.

As mentioned above, while Athletics is not a direct part of the unrestricted operating budget, a high priority going in to FY20 is to stabilize revenue and expenditures within the Athletic department. Fiscal year 2019 resulted in the seventh consecutive year with a fund balance decrease. Athletics will go in to the FY20 year with a \$1.1M+ deficit.

**Louisiana State University Eunice**

The immediate priority is to create a transparent budget for the campus that creates a common understanding of Eunice's assets and liabilities for the current academic year as well as to project for upcoming years.

The number one facilities priority that will have the greatest impact on increasing enrollment is the addition of student housing at the Eunice Campus. Almost 150 students were not able to be admitted due to the lack of housing. The second priority is to complete an accurate assessment of the Science Building in order to move forward with a request for the upcoming legislative session.

While LSUE improved its financial position through increases in enrollment and fees in 2018-19, enrollment for the Fall 2019 is expected to be flat or slightly down from Fall 2018.

The promise of additional self-generated revenue predicted for 2018-19 was realized to some extent but not as projected in earlier reports and forecasts. Academic year 2019-20 will be one of analysis and data gathering in order to implement a true enrollment management plan that provides for growth based on improved student success and meeting the needs of the local community. Both major hospital partners, Lafayette and Opelousas, have expressed the need for a Medical Laboratory Technology program. LSUE will strive to increase course completions, program completions and graduation rates over the next academic year.

Other initiatives include increasing university-wide marketing and advertising, improving residential and student life, improving the diversity of LSUE employees to better reflect the student population, renovating critical facilities to improve the efficiency and the physical appearance of the campus and enhancing resources for campus safety and security. In addition, LSUE will continue to invest in its employees to provide a positive, friendly, and diverse working environment reflective of LSUE's mission and values.

### **Louisiana State University Shreveport**

There are a number of new initiatives and/or changes associated with our new fiscal year. These include:

- Salary increases for classified staff (up to 4%).
- The addition of 43 new positions for full-time faculty and staff members. The breakdown of those hired is approximately 13 tenure-track or tenured faculty, 14 non-tenure-track faculty, and 16 staff or administrative position. This has been critical to restoring lost faculty positions over previous years and to meet program accreditation expectations with the enrollment now at approximately 7,600 students. LSUS was careful to hire non-tenured faculty versus all tenure-track faculty as we are always aware that our graduate on-line enrollment could decline.
- The Health & Physical Education building will finally receive a new roof this year. There were delays in the project due to the increased cost of the roof. LSUS will be responsible for approximately \$650,000 of the cost while the state will cover the remaining cost.
- The Cybercollaboratory will be completed in August 2019 and begin functioning to serve not only the STEM disciplines within the College of Arts & Sciences, but also the K-12 community.
- The new Design Thinking Center, based upon the Stanford University Model, will open this fall and programming relative to the strategic initiatives of the College of Arts & Sciences will begin.
- Upon approval by the BOS, LSUS will buy out the remaining 14 years on the lease with Campus Living Villages for student housing. LSUS will take over the operations associated with the apartments. Minor upgrades and renovations will occur, including installing Wi-Fi that will allow our students to complete study assignments without leaving their rooms.
- Designs for a walking/bike path around the campus are being worked on to improve the health and well-being of our campus and community.
- Renovations for a new Psychology Lab in the Business Education Building are underway and will increase the capacity for counseling two-fold.
- Renovations on the third floor of the Business Educations Building are underway to create office space for 12 new faculty offices.
- The split of the College of Business, Education & Human Development into two Colleges has taken place and this will be the first academic year that they operate separately. The Dean search for the College of Education and Human Development is almost complete and we look forward to new leadership that will allow us to more effectively recruit students and work with the K-12 community to make sure our programs are relevant for today's education.



### **LSU Pennington Biomedical Research Center**

Given the current funding situation at the federal level, it is important that Pennington Biomedical researchers continue their preeminently successful quest for regular federal grant awards. We continue to stress diversity in our research portfolio and focus on grant applications from the private sector and other foundations. We are continuing a trend toward changing the institutional model, and striving for more industry partnerships toward our goal to increase revenue generation. We are also continuing our implementation of initiatives for clinical services, most notably to include treatment. Pennington Biomedical management will continue to look for any opportunities to expand research programs and fund new scientists and directors.

### **LSU Health Sciences Center in New Orleans**

The Fiscal Year 2019-20 appropriation for the LSU Health Sciences Center in New Orleans Campus (LSUHSC-NO) is \$148.5 million. This represents a net increase of \$4.1 million in comparison to the final appropriation of \$144.4 million for Fiscal Year 2018-19. It should be noted, however, that actual revenue received in FY 2018-19 was only \$143.7 million, a shortage of approximately \$713 thousand. The shortage consisted of \$226 thousand in Statutory Dedicated SELF funds and \$487 thousand in fees and self-generated funds. The LSUHSC-NO's FY 2019-20 appropriation was increased in large part due to approximately \$3.2 million in estimated fees and self-generated revenue mainly attributable to the Fall 2019 tuition increases approved in January 2019, in addition to an increase in State General Fund revenue of approximately \$900 thousand to address mandated cost increases.

LSUHSC-NO has identified the following spending priorities for FY 2019-2020:

#### **Salary Adjustments**

##### *Civil Service Market Adjustments:*

Pursuant to changes in the civil service rules, annual performance adjustments/merit increases were abolished effective July 1, 2018 and instead all eligible classified employees receive an annual increase in accordance with the new Market Adjustment Rule (CSR 6.32). Effective July 15th of each fiscal year, eligible classified employees receive a market adjustment. A market adjustment is an adjustment to an employee's base pay based upon the employee's position within his/her pay range.

In order to be eligible for a market adjustment, a classified employee must have been employed (at a state entity) six months preceding the disbursement date of July 15th of each year. The following employees shall not be eligible for market adjustments:

- Any classified employee who received an overall performance evaluation of Needs Improvement/Unsuccessful on their last official performance evaluation.
- When Actually Employed (WAE) employees.

Eligible classified employees will receive a base pay increase through a market adjustment annually on July 15th. The Percentage amount granted to an employee will be determined by identifying where their current hourly rate falls within his/her pay range. Eligibility percentages are below:

| Hourly Rate at Minimum up to 1 <sup>st</sup> Quartile | Hourly Rate above 1 <sup>st</sup> Quartile up to the Midpoint | Hourly Rate above the Midpoint up to the 3 <sup>rd</sup> Quartile | Hourly Rate above 3 <sup>rd</sup> Quartile up to the Maximum |
|---|---|---|--|
| 4%  | 3%  | 2%  | 2%   |

*Faculty Promotion and Tenure Adjustments:*

Effective July 1, 2019, the Health Sciences Center granted salary increases for faculty who have earned promotions in rank. Increases range between 5% and 12%.

*Targeted Merit Adjustments:*

Effective July 1, 2019, the Health Sciences Center granted salary increases for targeted meritorious performance for various employees as requested by the Chancellor, Deans or Vice Chancellor.

*Cost of Living Adjustments:*

As a preeminent leader in health care education, the Health Sciences Center recognizes that its employees are one of its primary assets and its principal source of competitive advantage. To this end, the Chancellor and leadership of the Health Sciences Center, upon approval of the FY 2019-20 Operating Budget by the Board of Supervisors, will provide a University-Wide Cost of Living Adjustment (COLA) to all eligible employees effective October 1, 2019. This increase will be centrally funded in FY 2019-20 by non-appropriated revenue to the extent in which external grants and contracts are not able to sustain this fiscal year and subsequently funded by the various schools and departments beginning in FY 2020-21 with both appropriated and non-appropriated revenue. The cost of the COLA is estimated as follows for FY 2019-20 and beyond:

| Total Base Salary | FY 2019-20 Increase with Benefits | Annualized Increase With Benefits |
|-------------------|-----------------------------------|-----------------------------------|
| \$131,015,070     | \$4,215,410                       | \$5,620,549                       |

Because leadership is well aware of the State’s fiscal condition, our University has placed an emphasis on creating and enhancing alternative sources of funding:

- LSUHSC-NO continues to seek new and/or expanded relationships with private and not-for-profit health care entities. We anticipate increases in revenue from clinical contracts this fiscal year.
- LSUHSC-NO will receive capital outlay appropriations and other self-generated funds to repurpose the LSU Interim Hospital for the purpose of enhancing the LSUHSC-NO footprint including the construction and operation of a Center for Advanced Learning and Simulation.

- LSUHSC-NO continues to explore new and innovative public-private partnerships to maximize revenue and utilize the transferred buildings including parking in support of repurposed buildings, housing for residents, students, and faculty, and clinics in support of Graduate Medical Education.

The University also continues to focus on:

- Advancing a learning environment of excellence
- Enhancing the quality of educational programs
- Growing our reputation as a national leader in biomedical research
- Improving access and quality of care to citizens, while promoting disease prevention and health awareness
- Building strong community partner relationships

### **LSU Health Science Center in Shreveport**

LSU Health Sciences Center in Shreveport's path forward to financial stability and reducing the dependence on State Funding is to expand the clinical operations and increase the revenue generated from these operations. For the Education and Research programs, the goal is to maximize non-SGF revenue and ensure we are focused on the core activities necessary for us to successfully meet our mission.

#### **Clinical Operations Growth with Hospital Partner**

- Open and expand Outpatient Medical Services at Margaret Place Properties (MPP; Former Christus Hospital). The following clinics are scheduled to be open in SFY 20/21:
  - Gastroenterology, Neurosurgery, Neurology, Orthopaedics, Oral & Maxillofacial Surgery, Ophthalmology, Imaging & Laboratory Services, Ambulatory Surgery Center, Short Stay Unit, General Dentistry and other units to be determined.
- Continue to address the \$150.0 million of deferred maintenance at Kings Highway Facilities
  - Budgeted to spend \$30.0 million a year for the next 5 years.
  - Convert double occupancy rooms to single occupancy rooms
- Incorporate the School of Allied Health Clinical Operations into the OLHS-NL Partnership
  - Grow clinical faculty to improve access to rehabilitation services and increase revenue across the system; co-location with high volume service needs
  - Create inpatient rehabilitation facility to decrease length of stay and prepare for a Physical Medicine and Rehabilitation residency
- Open Urgent Care & Outpatient clinics across the Shreveport market
  - Schedule to open an Urgent Care Clinic in Shreveport and Bossier City
  - Open clinics in underserved areas of Shreveport
- Grow outpatient & inpatient operations in Monroe
  - Open Urgent Care Clinic and Outpatient clinics
  - Expand Cancer services
  - Expand Healthcare Facilities and Services at Monroe campus

## **Education**

- Expand the incoming Medical class size from 135 to 150 students.
- Ground breaking for construction of New Medical Education and Wellness Building (Projected Opening January 2023)
  - With the new Education Building, LSUHSC-S will have the facilities to expand the Medical School class size from 150 to 200 students per year.
- Create a Department of Medical Education
  - LSUHSC-S is in the process of creating a Department of Medical Education within the School of Medicine; the goal of the new Department is to identify the core LSU employees responsible for Medical Education and ensure they have the necessary resources to work with the other Departments to ensure the optimal Medical Education experience for our students.
- Start working on the entrepreneurial education enrichment track for biomedical sciences
  - The School of Graduate Studies is creating an education enrichment track for students wishing to pursue entrepreneurial endeavors involving biomedical sciences.
- Create the Department of Biomedical Informatics
  - LSUHSC-S is in the process of creating the Department of Biomedical Informatics within the School of Graduate Studies and the School of Medicine to address growing needs of large-scale biomedical informatics, machine learning, and neural network processing of medical, biological, and molecular databases that will influence the future of medical diagnosis and care.
- Strategic Growth of Allied Health Programs
  - Consider PA and PT program capacity for strategic cohort size increases or distance offerings (expansion campuses); PA after 2024 for accreditation reasons.
  - Initiate a PhD in Rehabilitation Sciences program; Letter of Intent approved by Board of Regents in 9/2018, full proposal under consideration 9/2019; projected start date 9/2020; will enhance infrastructure for grant success of these programs and supply qualified faculty.

## **Research**

- Recruit a new Cancer Center Director along with translational and basic science cancer researchers.
- Recruit new research faculty in both the clinical and basic science departments across research areas involving established centers
- Establish a clinical and translational research center focusing on health disparities and population health
  - Centralize clinical and translational research efforts under one central organization structure
  - Identify a medical director and administrative support overseeing operations of the center
- Establish a large animal research facility enabling federal and clinical translational research
  - Augment the LSU Health Shreveport large animal facility with state-of-the-art infrastructure (located in Stonewall, LA.)
  - Identify a director of research activities overseeing the animal facility and its operations
- Expand Technology Transfer and commercialization of biomedical discoveries

- Create both educational and development programs increasing tech transfer awareness and submissions that continue growth of institutional tech transfer
- Identify and establish public-private partnerships that will enhance commercialization of institutional technology into the private sector

### **LSU Health Care Service Division**

For FY2020, the LSU Health Care Services Division (HCSD) is appropriated a budget of \$62,118,880. Major changes in the budget are as follows:

- Lallie Kemp Regional Medical Center (LAKMC) was provided with twelve months of funding in the FY2020 budget. State General Fund changed from \$30,478,413 to \$23,981,083 for FY2020.
- HCSD's central office operations were moved off budget and therefore does not have a budget appropriation.
- As a result of the public-private partnership, several legacy costs remain with HCSD. Retiree's group insurance and risk management make up the majority of these costs for FY2019. Other legacy costs include, but are not limited to, record storage, interagency fees, personnel cost, and legal fees. \$19,803,163 was added to the FY2020 budget to cover these costs. \$22,437,424 is the projected legacy cost for FY2020 for HCSD. This leaves \$2.6M in unfunded legacy costs.

Additionally:

- During 2013 and 2014, HCSD transitioned six of its seven hospitals to public-private partnerships. The partnerships are designed to support the HCSD mission by providing new resources for patient care and teaching. It is HCSD's priority to provide supportive services to our partners to ensure that the mission is upheld. These services include IT systems and support, and accountable care services.
- It is a priority of HCSD to maintain "existing programs at current levels" meaning the services available for patients and the staffing levels for the service areas and continued access to quality care at LAKMC.
- HCSD is requesting a 3% merit increase for all unclassified employees effective 10/1/2019 at total cost of \$222,698.



**Request from LSU Health Sciences Center New Orleans for Authorization to Waive Charges Related to Interest and Late Fees for a Limited Number of Prior Students whose Student Loans were not Judiciously Billed and Which Involves Several Prior Years**

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

Pursuant to Article VII, Section 1 of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant Board matter.

A. Any matter having a significant or long-term impact, directly or indirectly, on the finances or the academic, educational, research, or service missions of the University or any of its campuses.

**1. Summary of the Matter and Review of Business Plan**

The LSU Health Sciences Center- New Orleans requests authority to waive past due interest and late fees on a case-by-case basis, up to a cumulative amount not to exceed \$100,000, related to a limited number of outstanding campus-based student loans, primarily Federal Perkins and Health Resources & Services Administration (HRSA) loans, currently in repayment from former students who experienced delays in billing or intermittent billings for amounts due on their loans during repayment primarily between 2001 and 2018. Additionally, LSUHSC-NO requests authority to reimburse students on a case-by-case basis who paid past due interest and/or late fees and to reimburse the respective lending programs as required for any past due interest and/or late fees that is waived on a case-by-case basis, up to a cumulative amount not to exceed \$100,000.

LSUHSC-NO was contracted with Affiliated Computer Services (ACS) between September 2001 and June 2018 to manage the campus-based student loan repayment process. Beginning in July 2018, LSUHSC-NO began using Heartland Educational Computer Systems Inc. (Heartland) to perform campus-based student loan servicing functions going forward.

Not long after the change to Heartland, the Bursar's Office was contacted by a former student in November of 2018 who had noticed an unpaid student loan balance on their credit report. The student contacted the Bursar's Office for clarification. The Bursar was able to locate the records and confirm that the student loan funds had been disbursed to the student, but the loan had not been repaid. The Master Promissory Note (MPN) could not be located, but was thought to be an isolated situation. However, within several weeks, two more former students whose accounts were included in the transfer from ACS to Heartland inquired about similar billings they had received on outstanding loan amounts due as a result of Heartland beginning to work accounts not consistently worked by ACS. While their account histories and other documents were on file, one student's MPN could not be located either.

After reviewing available ACS billing records, it was determined that a number of student accounts were either not billed or were billed in an inconsistent manner by ACS over several years, thus, resulting in the confusion for some former students regarding whether they had outstanding loan amounts due. Although ACS was contracted to manage the process, the Bursar's Office did not exercise sufficient oversight or monitoring of ACS's performance under the contract, which resulted in intermittent billings and unnecessary delays in setting up some student loans for repayment.

Just before the long-time Manager of Bursar Operations retired in January of 2019, LSUHSC-NO began an initiative to determine if there were other missing MPNs. In February, LSUHSC-NO administration conferred with LSU general counsel regarding the emerging issue. General Counsel advised the administration to gather as much information as possible on the scope of the issue.

After a thorough search of campus and offsite storage facilities, it was determined in March 2019 that a total of 106 MPNs were not on file for student loans that were in repayment. During the search, an additional 35 Perkins loans were found that had never been submitted to ACS for loan servicing and were also missing MPNs. Submission of these 35 to Heartland was deferred until the review could be completed. These were subsequently submitted to Heartland in August 2019.

In all cases, other supporting documentation evidencing the student loans was on file. After collaborating with the General Counsel's Office it was determined that outside counsel with special knowledge in this area should be engaged to provide support and direction in responding to the issue. In working with outside counsel, beginning in April 2019, all supporting documentation was gathered regarding the 141 student loans with missing MPNs and affidavits were prepared following close examination of related supporting loan documents. With the affidavits in place and with the other supporting documentation, loan repayment is enforceable.

The remaining issue to resolve was how to address past due interest and late fees, should former students challenge these amounts that accrued during periods of delayed or intermittent billings. Through July 2019, LSUHSC-NO has only received three inquiries from prior students challenging outstanding campus-based student loan balances related to the prior billing issues with ACS. One prior student has been working with the federal Ombudsman and we have been advised by outside counsel and the Ombudsman to refund the past due interest and late fees already paid by this student related to the billing issues discussed above.

LSUHSC-NO has determined that of 770 outstanding campus-based student loans in repayment, as many as 168 may have been impacted by delays in billing or intermittent billings over a number of years. Estimated past due interest and late fees for these loans currently totals \$335,000. While former students had an equal obligation to inquire about the status of their loans and/or make payments on time, as is outlined in their loan documents, the Bursar should have more closely monitored the performance of ACS in managing the campus-based loan servicing program and its billing practices.

## **2. Fiscal Impact**

Waivers granted, on a case-by-case basis, to students with past due interest and/or late fees related to delayed or intermittent billings by ACS could total up to a cumulative amount not to exceed \$100,000. Additionally, LSUHSC-NO may reimburse students on a case-by-case basis who paid past due interest and/or late fees and would reimburse the respective lending programs as required for any past due interest and/or late fees that is waived on a case-by-case basis, up to a cumulative amount not to exceed \$100,000.

## **3. Description of Competitive Process**

N/A

## **4. Review of Legal Documents**

N/A

## **5. Parties of Interest**

N/A

## 6. Related Transactions

On August 15, 2019, the LSU Board of Supervisors' Office of Internal Audit was notified of the discovery and summary results of the review of inconsistent billing practices of ACS, the prior contracted campus-based loan servicing vendor.

## 7. Conflicts of Interest

N/A

## ATTACHMENTS

N/A

## RESOLUTION

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby authorize F. King Alexander, President of the Louisiana State University, or his designee, to waive past due interest and/or late fees due from prior students on a case-by-case basis, up to a cumulative amount not to exceed \$100,000, related to a limited number of campus-based student loans in repayment that were not judiciously billed primarily between 2001 and 2018 and;

**BE IT FURTHER RESOLVED** that F. King Alexander, President of the Louisiana State University, or his designee is duly authorized to reimburse prior students on a case-by-case basis who paid past due interest and/or late fees and to reimburse the respective lending programs as required for any past due interest and/or late fees that is waived on a case-by-case basis, up to a cumulative amount not to exceed \$100,000 and;

**BE IT FURTHER RESOLVED** that F. King Alexander, President of the Louisiana State University, or his designee, is duly authorized by and empowered for and on behalf of and in the name of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College to implement these waivers and/or process reimbursements to students or lending programs for past due interest and/or late fees which will result in no expectation of revenue recognition or collection from said prior students.





## Request from LSU Shreveport to Authorize Scholarships for Student Government Association Executive Council

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

This is a significant board matter pursuant to Bylaws Art. VII, Section 9:

A.1 Any matter having a significant or long term impact, directly or indirectly, on the finances or the academic, educational, research, and service missions of the University or any of its campuses.

### **1. Summary of Matter**

Student Government serves a vital role at LSU Shreveport through its charge to advocate for students and provide input into campus policies and initiatives. From the full Senate each Spring, the student body elects an Executive Council who provide the Senate guidance and represent the Senate to LSU Shreveport administration. The Executive Council consists of a President, Vice-President, and Executive Secretary. The Executive Council attends conferences throughout the state and attends various political events as student representatives of LSUS. To enhance our ability to recruit committed and high achieving students as executive members, we propose a scholarship for the executive council members. Recruitment and election of executive members take place during a spring term for a commitment throughout the following academic year.

### **2. Review of Business Plans**

LSUS would award the executive council a scholarship for the fall and spring terms of the academic year following the spring election. All council members must meet the following criteria:

- Have a cumulative grade point average at LSUS of no less than 2.5 for undergraduate students and no less than 3.25 for graduate students.
- Not on academic or disciplinary probation.
- Be enrolled as a full time student as defined by their college.
- Have completed at least 24 semester hours for credit at LSUS.
- Must have served one year in the Senate immediately prior to the election.

Renewal Criteria would be Election to the SGA Executive Council

### **3. Fiscal Impact**

The scholarship would be \$1,600 per semester term; excluding summer terms. A total of \$3,200 per academic year. There are three executive council members. Therefore the total fiscal impact per academic year would be \$9,600.

### **4. Description of Competitive Process**

The Full Senate of Student Government Association elects the Executive Council.

### **5. Review of Legal Documents**

No legal documents are provided.

**6. Parties of Interest**

N/A

**7. Related Transactions**

N/A

**8. Conflicts of Interest**

N/A

**ATTACHMENTS**

- I. Letter from Chancellor Larry Clark

**RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College does hereby authorize President F King Alexander or his designee to allow LSU Shreveport to offer scholarships to each member of the Executive Council of the Student Government Association of LSU Shreveport in the amount of \$1,600 per semester term, excluding the summer semesters for a total of \$3,200 per academic year.



---

Office of the Chancellor  
318.797.5200 (Fax) 318.797.5180

---

One University Place  
Shreveport, LA 71115-2399

**To:** Erica Pino  
**From:** Larry Clark  
**cc:**  
**Date:** 08/14/2019  
**Re:** Approval of Scholarship Requests

---

I approve the following scholarship requests.

- **Request from LSU Shreveport to Authorize Scholarships for Student Government Association Executive Council**
- **Request from LSU Shreveport to Authorize a Change to Institutionally Funded Scholarships for First-Time Freshmen**
- **Request from LSU Shreveport to Authorize Partial Tuition Waivers for Students Exhibiting Financial Need**
- **Request from LSU Shreveport to increase the total Scholarships awarded per Athletic team by \$15,000**
- **Award Name: LSUS Grants; Athletics/Marathon Funds; Athletic Foundation**

A handwritten signature in black ink, appearing to be "Larry Clark", written over a horizontal line.

A handwritten date "8/14/19" in black ink, written to the right of the signature.

Larry Clark, Chancellor



## Request from LSU Shreveport to Increase the Total Scholarships Awarded per Athletic Team by \$15,000

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

This is a significant board matter pursuant to Bylaws Art. VII, Section 9:.

A.1 Any matter having a significant or long term impact, directly or indirectly, on the finances or the academic, educational, research, and service missions of the University or any of its campuses.

### **1. Summary of Matter**

The mission of the Athletic Department at LSUS is to provide an athletic program that inspires academic and athletic excellence assisting student-athletes in the development of the whole person in hopes of helping prepare them for life. One of the ways to accomplish this is by offering scholarships to student-athletes to help offset the cost of attending college. The current LSUS athletic scholarship budget falls below the 25<sup>th</sup> percentile of all NAIA institutions which makes it difficult to attract high quality student-athletes. To enhance our ability to recruit and build athletic teams that excel both in the classroom and in their sport, we propose a scholarship increase of \$15,000 *per team per academic year*. It is important to note that this has been presented and approved by the LSUS Athletics Council. This increase will come from the Athletic Budget and not the unrestricted general fund.

### **2. Review of Business Plans**

LSUS would increase the scholarship budget of the six athletic teams to enhance the ability to recruit athletes that excel in their sport and in the classroom.

- Men & Women's Basketball
- Men & Women's Soccer
- Baseball
- Tennis

Award Criteria: A student athlete must have athletic ability in his/her sport and potential for academic achievement at LSUS. A student athlete must show personal qualities of character and conduct that will enable the student to be a credit to LSUS and the athletic department. A student athlete must agree to cooperate fully with the rules, regulations, and training codes established by each head coach and to put forth his/her best efforts in the intercollegiate sport(s) he/she participates in.

### **3. Fiscal Impact**

The fiscal impact of increasing each team's scholarship totals by \$15,000 amounts to a total of \$90,000 per academic year. The funds would come from the Athletic Auxiliary Budget.

### **4. Description of Competitive Process**

A student athlete must have athletic ability in his/her sport and potential for academic achievement at LSU. A student athlete must show personal qualities of character and conduct that will enable the student to be a credit to LSU and the athletic department. A student athlete must agree to cooperate fully with the rules, regulations, and training codes established by each head coach and to put forth his/her best efforts in the intercollegiate sport(s) he/she participates in.

**5. Review of Legal Documents**

No legal documents are provided

**6. Parties of Interest**

N/A

**7. Related Transactions**

N/A

**8. Conflicts of Interest**

N/A

**ATTACHMENTS**

- I. Published Athletic Scholarship Criteria
- II. Letter from Chancellor Larry Clark

**RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College does hereby authorize President F King Alexander or his designee to allow LSU Shreveport to increase the Athletic Scholarship offerings for each of its athletic teams: Men & Women's Basketball, Men and Women's Soccer, Baseball, and Tennis, by \$15,000 per team per academic year to be paid out of the Athletic Auxiliary Budget.

## ATTACHMENT I

### UNIVERSITY SCHOLARSHIP

**Award Name:** LSUS Grants; Athletics/Marathon Funds; Athletic Foundation

**Award Value:** The amount of the award may vary depending upon the amount of money available for the sport and other criteria included in the standards. Once these standards are met and upon the recommendations of the coach to the Athletic Director, grants for financial aid are to be presented to the Athletic Council who approves and awards the grants to the student athletes.

**Funding Source:** University Athletic Department

**Preferred Selection Criteria:** A student athlete must have athletic ability in his/her sport and potential for academic achievement at LSUS. A student athlete must show personal qualities of character and conduct that will enable the student to be a credit to LSUS and the athletic department. A student athlete must agree to cooperate fully with the rules, regulations, and training codes established by each head coach and to put forth his/her best efforts in the intercollegiate sport(s) he/she participates in.

**Retention Criteria:** A student athlete must maintain a satisfactory citizenship record as a representative of LSUS and the athletic department. The head coach will review the grant each term and determine both the continuance of and the amount of the award.

**Purpose:** This award is designed to reward students for athletic prowess.

**Recipient Selection:** Recipients recommended by Athletic Department and approved by Athletic Council.

**Restriction:** Undergraduate or Graduate degree. Award can be used for the fall, spring, and/or summer terms. LSUS Financial Aid Office holds the right to adjust in value or cancel scholarship if recipient is receiving other LSUS scholarships or Title IV Federal Student Aid.

---

Office of the Chancellor  
318.797.5200 (Fax) 318.797.5180



---

One University Place  
Shreveport, LA 71115-2399

**To:** Erica Pino  
**From:** Larry Clark  
**cc:**  
**Date:** 08/14/2019  
**Re:** Approval of Scholarship Requests

---

I approve the following scholarship requests.

- Request from LSU Shreveport to Authorize Scholarships for Student Government Association Executive Council
- Request from LSU Shreveport to Authorize a Change to Institutionally Funded Scholarships for First-Time Freshmen
- Request from LSU Shreveport to Authorize Partial Tuition Waivers for Students Exhibiting Financial Need
- Request from LSU Shreveport to increase the total Scholarships awarded per Athletic team by \$15,000
- Award Name: LSUS Grants; Athletics/Marathon Funds; Athletic Foundation

A handwritten signature in black ink, appearing to be "Larry Clark", written over a horizontal line.

A handwritten date "8/14/19" in black ink, written to the right of the signature.

Larry Clark, Chancellor



## Request from LSU Shreveport to Authorize a Change to Institutionally Funded Scholarships for First-Time Freshmen

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

This is a significant board matter pursuant to Bylaws Art. VII, Section 9:

A.1 Any matter having a significant or long term impact, directly or indirectly, on the finances or the academic, educational, research, and services missions of the University or any of its campuses.

### **1. Summary of Matter**

LSUS First Time Freshmen scholarships help to generate an attractive financial aid package for the recruitment of high school seniors. Having worked extensively with the Ruffalo Noel Levitz consultant group looking at financial aid predictive modeling, it was suggested that our scholarship program would result in higher enrollments if the Shreveport scholarship ACT requirements were adjusted downwards by two points. This would generate a higher yield of students falling into the middle scholarship category.

### **2. Review of Business Plans**

For the Fall 2020, the Shreveport scholarship would be promoted on the new 22 ACT requirement. These scholarships are guaranteed to any student that is admitted to LSU Shreveport.

Current format:

Louisiana Scholarship – Tuition & Fees plus book allowance  
30 ACT, and 3.5 high school GPA

Red River Scholarship - \$1,800 per semester  
26 ACT and 3.0 high school GPA

Shreveport Scholarship - \$1,500 per semester  
24 ACT and 3.0 high school gpa

Purple & Gold Scholarship - \$1,000 per semester  
20 ACT and 2.5 high school gpa

For Fall of 2020, under the financial predictive modeling work with Ruffalo Noel Levitz, the proposal is to change the Shreveport Scholarship to the following, and maintain all other levels of requirements:

Shreveport Scholarship - \$1,500 per semester  
22 ACT and 3.0 high school gpa



**3. Fiscal Impact**

The prediction is a net increase in 2020 of 30 students (10% gain) in the Shreveport Scholarship category resulting in additional cost to the university of \$30,000. However, once the student paid tuition and fees for the year the actual gain to the university would be \$120,000 from the additional tuition of the 30 additional students.

**4. Description of Competitive Process**

All students who are admitted to LSUS qualify for these scholarships based on their ACT score and High School GPA.

**5. Review of Legal Documents**

No legal documents are provided

**6. Parties of Interest**

N/A

**7. Related Transactions**

N/A

**8. Conflicts of Interest**

N/A

**ATTACHMENTS**

- I. Letter from Chancellor Larry Clark

**RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College does hereby authorize President F King Alexander or his designee to allow LSU Shreveport to lower the requirements for the Shreveport Scholarship from a 24 ACT to a 22 ACT with no additional changes to the required grade point average.



---

Office of the Chancellor  
318.797.5200 (Fax) 318.797.5180

---

One University Place  
Shreveport, LA 71115-2399

**To:** Erica Pino  
**From:** Larry Clark  
**cc:**  
**Date:** 08/14/2019  
**Re:** Approval of Scholarship Requests

---

I approve the following scholarship requests.

- **Request from LSU Shreveport to Authorize Scholarships for Student Government Association Executive Council**
- **Request from LSU Shreveport to Authorize a Change to Institutionally Funded Scholarships for First-Time Freshmen**
- **Request from LSU Shreveport to Authorize Partial Tuition Waivers for Students Exhibiting Financial Need**
- **Request from LSU Shreveport to increase the total Scholarships awarded per Athletic team by \$15,000**
- **Award Name: LSUS Grants; Athletics/Marathon Funds; Athletic Foundation**

A handwritten signature in black ink, appearing to be "Larry Clark", written over a horizontal line.

A handwritten date "8/14/19" in black ink, positioned to the right of the signature.

Larry Clark, Chancellor



## Request from LSU Shreveport to Authorize Partial Tuition Waivers for Students Exhibiting Financial Need

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

This is a significant board matter pursuant to Bylaws Art. VII, Section 9:.

A.1 Any matter having a significant or long term impact, directly or indirectly, on the finances or the academic, educational, research, and service missions of the University or any of its campuses.

### **1. Summary of Matter**

Approximately 70% of LSUS's incoming freshmen class has been identified through the FAFSA process as exhibiting financial need. In order to capitalize on the number of high school graduates who perceive the cost of earning a college degree to be too high for them to afford (alternatively enrolling in a community college, or not attending post-secondary education at all), LSUS is proposing to assist any pell-grant eligible incoming freshmen in covering the remaining tuition dollars that are not covered by institutional scholarship aid, or federal aid. This will help elevate the importance of education in this region and allow for greater access and opportunity to underserved populations.

### **2. Review of Business Plans**

Approximately 70% of an incoming freshman class receive a pell grant annually. Of this group, even after they receive their pell grant and academic/foundation scholarships, one quarter of them owe tuition dollars to LSUS. LSUS will waive the remaining tuition bill for this sub-group of students so that they can enroll in college tuition-free. First-time freshmen who enroll at LSUS will go through the normal channels of applying for scholarships and federal aid, after the census day and all applied aid is calculated, the remaining tuition balance will be waived from the students' accounts.

### **3. Fiscal Impact**

Based on 2018 numbers, the impact of waiving tuition dollars not covered by other aid would be \$70,000 for fall 2020. The number will grow as the class size increases.

### **4. Description of Competitive Process**

There is no competitive process, this is open to all students who show financial need.

### **5. Review of Legal Documents**

No legal documents are provided

### **6. Parties of Interest**

N/A

### **7. Related Transactions**

N/A

**8. Conflicts of Interest**

N/A

**ATTACHMENTS**

- I. Letter from Chancellor Larry Clark

**RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College does hereby authorize President F King Alexander or his designee to allow LSU Shreveport to waive remaining tuition dollars after all institutional and federal aid has been calculated for students who show need as per the federal guidelines.

---

Office of the Chancellor  
318.797.5200 (Fax) 318.797.5180



---

One University Place  
Shreveport, LA 71115-2399

**To:** Erica Pino  
**From:** Larry Clark  
**cc:**  
**Date:** 08/14/2019  
**Re:** Approval of Scholarship Requests

---

I approve the following scholarship requests.

- **Request from LSU Shreveport to Authorize Scholarships for Student Government Association Executive Council**
- **Request from LSU Shreveport to Authorize a Change to Institutionally Funded Scholarships for First-Time Freshmen**
- **Request from LSU Shreveport to Authorize Partial Tuition Waivers for Students Exhibiting Financial Need**
- **Request from LSU Shreveport to increase the total Scholarships awarded per Athletic team by \$15,000**
- **Award Name: LSUS Grants; Athletics/Marathon Funds; Athletic Foundation**

A handwritten signature in black ink, appearing to be "Larry Clark", written over a horizontal line.

A handwritten date "8/14/19" in black ink, written to the right of the signature.

Larry Clark, Chancellor



---

# Board of Supervisors

SECTION C

ATHLETICS COMMITTEE

*BOARD OF SUPERVISORS MEETING | SEPTEMBER 13, 2019*



**Request from LSU Eunice to Approve Employment Contract with Jaime Gonzales, Head Coach Women’s Basketball**

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

Pursuant to Article II, Section 5 of the Regulations of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

A.1. Appointments and all other personnel actions relating to the President, Head Coaches and Athletic Directors.

**1. Summary of the Matter**

This resolution seeks approval of the proposed amendment to the employment contract for Jaime Gonzales, Head Coach Women’s Basketball. The key terms of the proposed contract are summarized below:

|                 |                | Total Certain Compensation <sup>a</sup> |          |          |
|-----------------|----------------|---|----------|----------|
| Contract Action | Effective Date | Current                                 | Proposed | Increase |
| New Hire        | 7/6/2019       | N/A                                     | \$44,000 | N/A      |

Notes:

- (a) Total Certain Compensation includes all compensation which the coach is contractually guaranteed to receive annually. It does not include the value of any fringe benefits, such as car and cell phone allowances, nor any one-time amounts, such as contract buy-outs or relocation allowances.

**2. Review of Business Plan**

Not applicable.

**3. Fiscal Impact**

The Athletic Department currently expects that all funds relating to this employment contract will be paid from revenues generated by the Athletic Department. It is not expected that any foundation dollars will be needed to provide for any of the supplemental compensation. No state general fund or tuition dollars are used.

**4. Review of Documents Related to Referenced Matter**

The Office of General Counsel has reviewed the proposed contract.

**ATTACHMENTS**

- I. Memorandum of Agreement: Jaime Gonzales, Head Coach Women’s Basketball

**RECOMMENDATION:**

Based on the recommendation of the Chancellor, it is recommended that the Board authorize the President to sign the proposed contract with the listed coach.

**RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College authorizes Dr. F. King Alexander, President, or his designee, to sign the contract with Jaime Gonzales as described in this item, and to include in such amendments any terms and conditions as he, in consultation with the General Counsel, deems to be in the best interests of LSU.





PER 40

EMPLOYMENT CONTRACT FOR UNCLASSIFIED EMPLOYEES

TO: Jaime Gonzales

It is our pleasure to offer you, subject to administrative approval, an appointment at the rank of Head Women's Basketball in the department of Athletics in coach

This is a: [X] full-time appointment [ ] part-time appointment at % effort.

The appointment is effective 07/06/2018 with an initial salary of \$44,000 on [X] Academic Year Basis [ ] Fiscal Year Basis. This position will not lead to tenure.

\*See reverse side for explanation of unclassified employment.

Your initial duties are outlined on the attached job description which you are to initial and return with this contract. Your duties are subject to change, depending on department needs, and such a change shall not be grounds for rescission of this contract. In any event, financial exigency may justify the cancellation or amendment of this contract.

In accepting this appointment you are entitled to the appropriate benefits of and agree to abide by the regulations of the University, the Board of Supervisors, the laws of Louisiana, which include but are not limited to mandatory enrollment in a retirement system and execution of the loyalty oath required by the State of Louisiana and assignment of patents and copyrights to the University under prescribed conditions.

Your employment is contingent upon a satisfactory background check, approvals through appropriate administrative channels (including the Office of Human Resource Management), and completion of a valid Employment Authorization Document (I-9) in accordance with federal regulations.

Your employment is for an indefinite term and may be terminated at any time and for any reason subject to the Regulations of the Board of Supervisors and Louisiana law. Special provisions of the appointment are (Salary: \$44,000 plus a \$1500.00 stipend)-10 month position

Administrative Approvals [as required]

Other/ Direct Supervisor Date

[Signature] 8/1/19 Dean/Division Head Date

Vice Chancellor for Academic Affairs Date

[Signature] 8/2/19 Vice Chancellor for Business Affairs Date

[Signature] 8.5.19 Chancellor Date




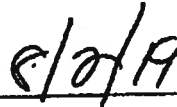
AUG 02 2019

CHANCELLOR'S OFFICE LSU EUNICE

**Employee Acceptance of Approved Offer**

I hereby accept the offer and the conditions of employment as stated above. I acknowledge that any representations or conditions not stated above or incorporated by reference are not binding on the University and do not form part of this employment contract. I also understand that, as a condition of employment, La. R.S. 42:31 requires that all unclassified employees earning \$100,000 or more annually must provide proof of a valid Louisiana driver's license and that all vehicles titled in their name have been registered in the state of Louisiana.

  
\_\_\_\_\_  
Employee Signature

  
\_\_\_\_\_  
Date

I. La. R.S. 42:31 requires that all unclassified employees earning \$100,000 or more annually must provide proof of a valid Louisiana driver's license and that all vehicles titled in their name have been registered in the state of Louisiana. Failure to comply with La. R.S. 42:31 within 30 days will result in the termination of employment with Louisiana State University.

II. SECTION 3 OF THE REGULATIONS OF THE LSU BOARD OF SUPERVISORS CURRENTLY PROVIDE IN PART:

**Section 3b.**

"Unclassified Employees. Unclassified employees hold their positions at the pleasure of the Board. Services of unclassified employees may be terminated by giving such employees reasonable notice with the approval of the Chancellor of the campus or, for LSU, the President or his designee. "Reasonable notice" shall be interpreted to mean written notice given at the time the action is instituted by the employee's immediate supervisor and effective after a period of time equivalent in days to the usual payroll period of the employee."

III. THE POLICIES OF THE LSU BOARD OF SUPERVISORS RELATING TO INSURANCE AND RETIREMENT INCLUDE THE FOLLOWING:

- 1) group insurance programs;
- 2) other group life insurance or benefit programs;
- 3) retirement plans;



BENGAL ATHLETICS

PO Box 1129  
Eunice, LA 70535-1129

Office Phone: (337) 550-1417  
Fax (337) 550-1425  
www.lsuhebengals.net

May 18, 2019

Mr. Jaime Gonzales

1009 Elkins Lake

Huntsville, TX 77340

Dear Mr. Gonzales,

This is to confirm our conversation on Thursday, May 16, 2019, and my recommendation that you be appointed as Head Women's Basketball Coach at a salary of \$44,000 on a 10-month contract plus a \$1,500 Summer Stipend for Women's Basketball Coaching duties for the 2019-2020 academic year. Your appointment will be contingent on a clear background check as well as a clear drug screen.

Your return of this letter with your signature will indicate acceptance of this offer. Please also understand these terms and offer are pending the approval of the LSU Board of Supervisors.

The Bylaws and Regulations of the Louisiana State University System, LSU Eunice Personnel Handbook, and benefit information are located at [www.lsu.edu/hr](http://www.lsu.edu/hr). We must also receive your official transcripts issued directly to you or Human Resources prior to your first day of employment.

I am glad that you have accepted the position and I look forward to working with you as the Women's Basketball Program strives for success. If I can assist you in any way, please do not hesitate to contact me.

Sincerely,

Jeff Willis

Athletic Director

Louisiana State University Eunice

PO Box 1129

Eunice, LA 70535

Accepted,

A handwritten signature in black ink, appearing to read "Jaime Gonzales", written over a horizontal line.

Mr. Jaime Gonzales

5/19/19

Date



**Request from LSU Eunice to Approve Employment Contract with Meghan Collins, Head Coach Softball**

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

Pursuant to Article II, Section 5 of the Regulations of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

A.1. Appointments and all other personnel actions relating to the President, Head Coaches and Athletic Directors.

**1. Summary of the Matter**

This resolution seeks approval of the proposed amendment to the employment contract for Meghan Collins, Head Coach Softball. The key terms of the proposed contract are summarized below:

|                 |                | Total Certain Compensation <sup>a</sup> |          |          |
|-----------------|----------------|---|----------|----------|
| Contract Action | Effective Date | Current                                 | Proposed | Increase |
| New Hire        | 8/1/2019       | N/A                                     | \$41,000 | N/A      |

Notes:

- (a) Total Certain Compensation includes all compensation which the coach is contractually guaranteed to receive annually. It does not include the value of any fringe benefits, such as car and cell phone allowances, nor any one-time amounts, such as contract buy-outs or relocation allowances.

**2. Review of Business Plan**

Not applicable.

**3. Fiscal Impact**

The Athletic Department currently expects that all funds relating to this employment contract will be paid from revenues generated by the Athletic Department. It is not expected that any foundation dollars will be needed to provide for any of the supplemental compensation. No state general fund or tuition dollars are used.

**4. Review of Documents Related to Referenced Matter**

The Office of General Counsel has reviewed the proposed contract.

**ATTACHMENTS**

- I. Memorandum of Agreement: Meghan Collins, Head Coach Softball

**RECOMMENDATION:**

Based on the recommendation of the Chancellor, it is recommended that the Board authorize the President to sign the proposed contract with the listed coach.

## **RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College authorizes Dr. F. King Alexander, President, or his designee, to sign the contract with Meghan Collins as described in this item, and to include in such amendments any terms and conditions as he, in consultation with the General Counsel, deems to be in the best interests of LSU.



## BENGAL ATHLETICS

PO Box 1129  
Eunice, LA 70535-1129

Office Phone: (337) 550-1417  
Fax (337) 550-1425  
www.lsuibengals.net

July 15, 2019

Ms. Meghan Collins

14 Apple Lane

Hayden, AL 35079

Dear Ms. Collins,

It is our pleasure to offer you a Head Softball Coach position. This is a 10 month appointment, effective August 1, 2019 through May 31, 2020 with a salary of \$41,000 plus a \$1,500 Summer Stipend for Softball Coaching duties for the 2019-2020 academic year. This is a full time appointment on a monthly pay basis.

The Bylaws and Regulations of the Louisiana State University System, LSU Eunice Personnel Handbook, and benefit information are located on the LSUE Office of Human Resource Management's website ( ).

Please note that Louisiana Revised Statute 42:31 requires that all unclassified employees earning \$100,000 or more annually must provide proof of a valid Louisiana driver's license and that all vehicles titled in their name have been registered in the state of Louisiana within 30 days of hire or upon reaching that salary threshold.

This offer is contingent upon administrative approvals and satisfactory pre-employment background check and drug screen. Please also understand these terms and offer are pending the approval of the LSU Board of Supervisors. We must also receive your official transcripts issued directly to Human Resources prior to your first day of employment. Your return of this letter with your signature will indicate acceptance of this offer. Please indicate your acceptance below and return to me by July 17, 2019.

I look forward to working with you as the Softball Program strives for success. If I can assist you in any way, please do not hesitate to contact me.

Sincerely,

Jeff Willis

Athletic Director

Louisiana State University Eunice

PO Box 1129

Eunice, LA 70535

Accepted,

Ms. Meghan Collins

Date

**EMPLOYMENT CONTRACT FOR UNCLASSIFIED EMPLOYEES**

TO: Meghan Collins

It is our pleasure to offer you, subject to administrative approval, an appointment at the rank of Head Softball Coach in the department of Athletics.

This is a:  full-time appointment  
 part-time appointment at \_\_\_\_\_ % effort.

The appointment is effective 08/01/2019 with an initial salary of \$ 41,000 on  Academic Year Basis  Fiscal Year Basis. This position will not lead to tenure.

*\*See reverse side for explanation of unclassified employment.*


Your initial duties are outlined on the attached job description which you are to initial and return with this contract. Your duties are subject to change, depending on department needs, and such a change shall not be grounds for rescission of this contract. In any event, financial exigency may justify the cancellation or amendment of this contract.

In accepting this appointment you are entitled to the appropriate benefits of and agree to abide by the regulations of the University, the Board of Supervisors, the laws of Louisiana, which include but are not limited to mandatory enrollment in a retirement system and execution of the loyalty oath required by the State of Louisiana and assignment of patents and copyrights to the University under prescribed conditions.

Your employment is contingent upon a satisfactory background check, approvals through appropriate administrative channels (including the Office of Human Resource Management), and completion of a valid Employment Authorization Document (I-9) in accordance with federal regulations.

Your employment is for an indefinite term and may be terminated at any time and for any reason subject to the Regulations of the Board of Supervisors and Louisiana law. Special provisions of the appointment are: (Salary - \$41,000 plus a \$1500.00 stipend) - 10 mth position

**Administrative Approvals [as required]**

|                          |      |  |               |
|--------------------------|------|--|---------------|
|                          |      |  | <u>8/5/19</u> |
| Other/ Direct Supervisor | Date | Dean/Division Head   | Date          |

|                                      |      |  |               |
|--------------------------------------|------|--|---------------|
|                                      |      |  | <u>8/2/19</u> |
| Vice Chancellor for Academic Affairs | Date | Vice Chancellor for Business Affairs   | Date          |

|   |               |
|---|---------------|
|  | <u>8.5.19</u> |
| Chancellor  | Date          |

**RECEIVED**

AUG 02 2019

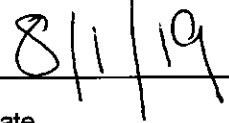
CHANCELLOR'S OFFICE  
LSU EUNICE

**Employee Acceptance of Approved Offer**

I hereby accept the offer and the conditions of employment as stated above. I acknowledge that any representations or conditions not stated above or incorporated by reference are not binding on the University and do not form part of this employment contract. I also understand that, as a condition of employment, La. R.S. 42:31 requires that all unclassified employees earning \$100,000 or more annually must provide proof of a valid Louisiana driver's license and that all vehicles titled in their name have been registered in the state of Louisiana.



Employee Signature



Date

I. La. R.S. 42:31 requires that all unclassified employees earning \$100,000 or more annually must provide proof of a valid Louisiana driver's license and that all vehicles titled in their name have been registered in the state of Louisiana. Failure to comply with La. R.S. 42:31 within 30 days will result in the termination of employment with Louisiana State University.

II. SECTION 3 OF THE REGULATIONS OF THE LSU BOARD OF SUPERVISORS CURRENTLY PROVIDE IN PART:

**Section 3b.**

**“Unclassified Employees.** Unclassified employees hold their positions at the pleasure of the Board. Services of unclassified employees may be terminated by giving such employees reasonable notice with the approval of the Chancellor of the campus or, for LSU, the President or his designee. “Reasonable notice” shall be interpreted to mean written notice given at the time the action is instituted by the employee's immediate supervisor and effective after a period of time equivalent in days to the usual payroll period of the employee.”

III. THE POLICIES OF THE LSU BOARD OF SUPERVISORS RELATING TO INSURANCE AND RETIREMENT INCLUDE THE FOLLOWING:

- 1) group insurance programs;
- 2) other group life insurance or benefit programs;
- 3) retirement plans;





**Request from LSU A&M to Approve Employment Contract with Charles Winstead, Head Coach Men’s Golf**

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

Pursuant to Article II, Section 5 of the Regulations of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

A.1. Appointments and all other personnel actions relating to the President, Head Coaches and Athletic Directors.

**1. Summary of the Matter**

This resolution seeks approval of the proposed amendment to the employment contract for Charles Winstead, Head Coach Men’s Golf. The key terms of the proposed contract is summarized below:

| Contract Action | Term      |           | Total Certain Compensation <sup>a</sup> |           |          |
|-----------------|-----------|-----------|---|-----------|----------|
|                 | Current   | Proposed  | Current                                 | Proposed  | Increase |
| Extension       | 6/30/2023 | 6/30/2024 | \$275,000                               | \$325,000 | 18%      |

Notes:

- (a) Total Certain Compensation includes all compensation which the coach is contractually guaranteed to receive annually. It does not include the value of any fringe benefits, such as car and cell phone allowances, nor any one-time amounts, such as contract buy-outs or relocation allowances.

**2. Review of Business Plan**

Not applicable.

**3. Fiscal Impact**

The Athletic Department currently expects that all funds relating to this employment contract will be paid from revenues generated by the Athletic Department. While authorized by the contract, it is not expected that any foundation dollars will be needed to provide for any of the supplemental compensation. No state general fund or tuition dollars are used.

**4. Review of Documents Related to Referenced Matter**

The Office of General Counsel has reviewed the proposed contract.

**ATTACHMENTS**

- I. Memorandum of Agreement: Charles Winstead, Head Coach Men’s Golf

**RECOMMENDATION:**

Based on the recommendation of the Athletic Director, it is recommended that the Board authorize the President to sign the proposed contract with the listed coach.

## **RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College authorizes Dr. F. King Alexander, President, or his designee, to sign the contract with Charles Winstead as described in this item, and to include in such amendments any terms and conditions as he, in consultation with the General Counsel, deems to be in the best interests of LSU.



## Summary of Athletic Coaching Contract Charles Winstead, Head Coach Men's Golf

|                                   |                    | <i>Current</i>    | <i>Proposed</i>   | <i>Change</i>    | <i>%</i>   | <i>Notes</i> |
|-----------------------------------|--------------------|-------------------|-------------------|------------------|------------|--------------|
| <i>Basic</i>                      | Term Ends          | 6/30/2023         | 6/30/2024         | 1 year           |            | a            |
|                                   | Base Salary        | \$ 250,000        | \$ 300,000        | \$ 50,000        | 20%        | a            |
|                                   | Supplemental Comp. | \$ 25,000         | \$ 25,000         | \$ -             | 0%         | a            |
| <i>Incentive</i>                  | Post-Season (max)  | \$ 145,000        | \$ 205,000        | \$ 60,000        | 41%        | b            |
|                                   | Academic (max)     | \$ 5,000          | \$ 5,000          | \$ -             | 0%         |              |
| <i>Benefits</i>                   | Automobile         | \$ 12,000         | \$ 12,000         | \$ -             | 0%         | a            |
|                                   | Other              |                   |                   |                  |            | c            |
| <b>Total Certain Compensation</b> |                    | <b>\$ 275,000</b> | <b>\$ 325,000</b> | <b>\$ 50,000</b> | <b>18%</b> | <b>d</b>     |

### Notes

(a) Coach Winstead's previous contract expires 06/30/2023. The amended contract includes a one year extension and salary increase.

(b) As per Schedule A of Coach Winstead's contract, he will receive set amounts for team achievements in SEC and post season compensation. The amended contract includes incentives for team achievements for Women's Golf.

(c) Not applicable

(d) Total Certain Compensation includes all compensation which the coach is contractually guaranteed to receive annually. It does not include the value of any fringe benefits, such as car and cell phone allowances, nor any one-time amounts, such as contract buy-outs or relocation allowances.

Recommended:

Scott Woodward, Athletic Director

Reviewed, No Objections:

\_\_\_\_\_  
Daniel T. Layzell, Executive Vice President for Finance  
and Administration/CFO

Reviewed, No Objections:

\_\_\_\_\_  
Tom Skinner, LSU General Counsel

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

**AMENDMENT TO EMPLOYMENT AGREEMENT**

This Employment Agreement (“Agreement”) between THE BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE (“LSU”) and Charles W. Winstead, Jr. (“COACH”), dated the 29th day of June 2018, and is hereby amended as of the 13<sup>th</sup> of September, 2019, as follows:

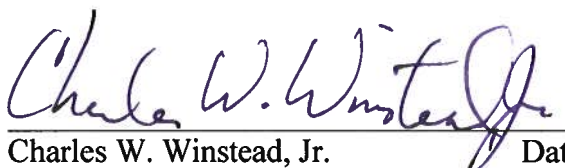
1. **Definitions.** For purposes of this Agreement, the following terms shall have the meaning shown:
  - A. “LSU A&M”: The campus of LSU which is located in Baton Rouge, Louisiana.
  - B. “President”: The President of LSU A&M.
  - C. “Athletic Director”: The Director of Athletics at LSU A&M.
  - D. “Base Salary Amount”: The annual sum of:  
  
Three Hundred Thousand and No/100ths dollars (\$300,000.00) – Effective July 1, 2019 through June 30, 2024.
  - E. “Start Date”: July 1, 2019.
  - F. “End Date”: June 30, 2024.
  - G. “Program”: The intercollegiate Golf program at LSU A&M.
  - H. “Team”: The intercollegiate Men’s Golf athletic team which is a part of the Program.
2. **Employment.** No Change
3. **Duties and Responsibilities.** No Change
4. **Term.** No Change

5. **Base Salary.** No Change
6. **Supplemental Compensation.** No Change
7. **Incentive Compensation.** No Change
8. **Retirement and Fringe Benefits.** No Change
9. **Additional Revenue.** No Change
10. **Sports Camps.** No Change
11. **Assignment and Retirement Benefits.** No Change
12. **Termination.** No Change
13. **Retention and Return of all Materials, Records, and Other Items.** No Change
14. **Non-Assignment.** No Change
15. **Entire Contract.** No Change
16. **Amendments to Contract.** No Change
17. **Severability.** No Change
18. **No Waiver of Default.** No Change
19. **Sovereign Immunity Not Waived.** No Change
20. **"Force Majeure" Clause.** No Change
21. **Governing Law and Venue.** No Change


THE PARTIES hereto, acknowledging that this Agreement is subject to approval of the Board of Supervisors, have executed this Agreement on the day, month and year first above written.

BOARD OF SUPERVISORS OF LOUISIANA  
STATE UNIVERSITY AND AGRICULTURAL  
AND MECHANICAL COLLEGE

By: \_\_\_\_\_  
F. King Alexander, Ph.D., President    Date

 8-14-19  
\_\_\_\_\_  
Charles W. Winstead, Jr.    Date

RECOMMENDED:

  
\_\_\_\_\_  
Scott Woodward, Athletic Director  
Louisiana State University and  
Agricultural and Mechanical College

\_\_\_\_\_  
Daniel T. Layzell, Executive Vice President for Finance and Administration/CFO  
Louisiana State University and  
Agricultural and Mechanical College

**Schedule A – Supplemental Terms for Charles W. Winstead, Jr.**

This Schedule A supplements and further defines the provisions of the Employment Agreement dated September 13, 2019, entered into between LSU and Charles W. Winstead, Jr., to which it is attached (the “Agreement”). In the event of a direct and clear conflict between the other provisions of the Agreement and this Schedule A, the provisions of this Schedule A shall control.

1. Subject to the terms and conditions set forth in section 7.A of the Agreement, EMPLOYEE shall receive Post-Season Incentive Compensation in the amounts, based on attaining the goals, shown below. The maximum amount of Post-Season Incentive Compensation for achievements a) through h) shall be \$120,000 per contract year:

|    |   |           |
|----|---|-----------|
| a) | SEC Champion                                    | \$ 30,000 |
| b) | Appearance in NCAA Regional                     | \$ 10,000 |
| c) | NCAA Championships (Stroke Play)                | \$ 15,000 |
| d) | NCAA Championships Final Cut Stroke Play Top 15 | \$ 10,000 |
| e) | NCAA Match Play                                 | \$ 20,000 |
| f) | NCAA Semifinal Match Play                       | \$ 10,000 |
| g) | NCAA Championship Match                         | \$ 10,000 |
| h) | NCAA National Champion                          | \$ 15,000 |

For achievements a) through h), Coach will earn one-half of the Post-Season Incentive Compensation listed above for the Women’s Team (maximum amount \$60,000).

In addition, the following incentives based on recognition (maximum amount \$25,000):

|    |   |           |
|----|---|-----------|
| i) | SEC Coach of the Year                                     | \$ 10,000 |
| j) | National Coach of the Year (as named by Golfweek or GCAA) | \$ 15,000 |

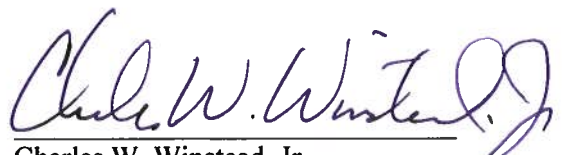
2. All other provisions of the Agreement remain unchanged by this Schedule A.

*Schedule A Approved:*

For LSU by:

F. King Alexander, Ph.D., President  
Louisiana State University System

By:

  
Charles W. Winstead, Jr.



---

# Board of Supervisors

## SECTION D

# PROPERTY & FACILITIES COMMITTEE

*BOARD OF SUPERVISORS MEETING | SEPTEMBER 13, 2019*





**Request for Approval of the 2020-2021  
Five-Year Capital Outlay Budget Request and  
First Year Prioritized Categories for  
Louisiana State University**

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

Pursuant to Article VII, Section 2 of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a “significant board matter”.

B. Capital outlay prioritization must be approved by the Board or by the Executive Committee.

**1. Summary of Matter**

The Division of Administration requires that annual Capital Outlay Budget Requests, which include projects proposed to be undertaken within the next five years, be submitted no later than November 1<sup>st</sup>. Proposed projects will renovate, repair and construct facilities and infrastructure to meet the needs of teaching, research, service and health care programs of Louisiana State University.

**2. Review of Business Plan**

To be submitted and reviewed for self-generated projects.

**3. Fiscal Impact**

Operation and maintenance cost will increase with new construction projects, deferred maintenance and utility costs will decrease with renovation projects.

**4. Description of Competitive Process**

Not applicable.

**5. Review of Legal Documents**

Campus Capital Outlay Projects Forms and 5-Year Plans are in order

**6. Parties of Interest**

None

**7. Related Transactions**

Where applicable and when appropriate, auxiliary revenue bond documents will be provided to the Board for consideration.

**8. Conflicts of Interest**

None

## ATTACHMENTS

- I. 5-Year Plan
- II. First Year Prioritized Project List

## RESOLUTION

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College that the following list of projects to be submitted to the Division of Administration in accordance with the provisions of La. R.S. 39:101 *et seq.* and first year prioritized project categories are approved and;

**BE IT FURTHER RESOLVED**, that F. King Alexander, Louisiana State University President, be and he is hereby authorized to make adjustments as necessary in this request as circumstances dictate, including technical corrections, increasing or decreasing the amount requested for individual projects by not more than twenty percent (20%) of the amount approved in this resolution, combining or renaming projects and/or changing sources of funds and to add self-generated projects with individual project costs of less than \$1 million without further approval by the Board, provided, however, that such project additions be reported to the Board.

**BE IT FURTHER RESOLVED** that transactions included or referred to in the capital outlay request that otherwise require Board approval are not approved by inclusion in the capital outlay request per Article VII, Section 2.A of the Bylaws.

# 5 YEAR CAPITAL OUTLAY PLAN

**SYSTEM NAME: LSU**
**5 YEAR CAPITAL OUTLAY PLAN**
**FY2020-2021 THRU FY2024-2025**

|     | Project Title  | 1st Yr | Inst. Priority | Funding Source | Previous Funding | FY20-21       | FY21-22       | FY22-23       | FY23-24       | FY24-25      | 5-Year Request | Total Cost           |
|-----|--|--------|----------------|----------------|------------------|---------------|---------------|---------------|---------------|--------------|----------------|----------------------|
| LSU | Life Safety and ADA Compliance   | 2019   | E-1            | G.O.           |                  | \$2,000,000   | \$2,000,000   | \$2,000,000   | \$2,000,000   | \$2,000,000  | \$10,000,000   | <b>\$10,000,000</b>  |
| LSU | Student Health Center Renovation and Addition                                | 2014   | SG-1           | S.G./R.B.      | \$4,000,000      | \$23,890,000  |               |               |               |              | \$23,890,000   | <b>\$27,890,000</b>  |
| LSU | PMAC Air Handling Unit Replacements  | 2019   | SG-2           | RB             |                  | \$4,800,000   |               |               |               |              | \$4,800,000    | <b>\$4,800,000</b>   |
| LSU | Renovate Old Engineering Shops for Art Department, Planning and Construction | 2003   | C-1            | S.G./G.O.      | \$8,792,400      | \$7,107,600   |               |               |               |              | \$7,107,600    | <b>\$15,900,000</b>  |
| LSU | LSU Memorial Tower Renovations   | 2017   | C-2            | S.G./G.O.      | \$8,000,000      | \$1,500,000   |               |               |               |              | \$1,500,000    | <b>\$9,500,000</b>   |
| LSU | Science - Strategic Capital Plan Repairs and Upgrades                        | 2018   | C-3            | S.G./G.O.      | \$15,660,000     | \$17,000,000  | \$34,335,000  | \$34,335,000  | \$34,335,000  | \$33,935,000 | \$153,940,000  | <b>\$169,600,000</b> |
| LSU | H.P. Long Field House Renovation, Planning and Construction                  | 2015   | C-4            | S.G./G.O.      | \$3,300,000      | \$17,000,000  | \$8,700,000   |               |               |              | \$25,700,000   | <b>\$29,000,000</b>  |
| LSU | Stephenson Veterinary Hospital, Planning and Construction                    | 2017   | C-5            | S.G./G.O.      | \$13,000,000     | \$0           |               |               |               |              | \$0            | <b>\$13,000,000</b>  |
| LSU | Historic Core - Strategic Capital Plan Repairs and Upgrades                  | 2019   | C-6            | S.G./G.O.      | \$2,000,000      | \$2,000,000   | \$10,000,000  | \$10,000,000  | \$10,000,000  | \$10,000,000 | \$42,000,000   | <b>\$44,000,000</b>  |
| LSU | Roadway Improvements at Innovation Park, Planning and Construction           | 2019   | C-7            | S.G./IAT       | \$1,800,000      | \$0           |               |               |               |              | \$0            | <b>\$1,800,000</b>   |
| LSU | Nicholson Gateway Infrastructure Improvements                                | 2013   | C-8            | G.O.           | \$3,042,000      | \$653,100     |               |               |               |              | \$653,100      | <b>\$3,695,100</b>   |
| LSU | Strategic Capital Plan – Deferred Maintenance for Infrastructure and Streets | 2018   | N-1            | G.O.           |                  | \$8,000,000   | \$8,000,000   | \$8,000,000   | \$8,000,000   | \$8,000,000  | \$40,000,000   | <b>\$40,000,000</b>  |
| LSU | Library-Strategic Capital Plan Repairs and Upgrades                          | 2019   | N-2            | G.O.           |                  | \$20,000,000  | \$60,000,000  | \$60,000,000  | \$60,000,000  |              | \$200,000,000  | <b>\$200,000,000</b> |
| LSU | ROTC Flight Simulator  | 2019   | N-3            | G.O.           |                  | \$50,000      |               |               |               |              | \$50,000       | <b>\$50,000</b>      |
| LSU | Veterinary Medicine Accreditation Repairs                                    | 2019   | N-4            | G.O.           |                  | \$5,000,000   |               |               |               |              | \$5,000,000    | <b>\$5,000,000</b>   |
| LSU | Veterinary Medicine Facilities Repairs                                       | 2019   | N-5            | S.G./G.O.      |                  | \$15,000,000  | \$15,000,000  |               |               |              | \$30,000,000   | <b>\$30,000,000</b>  |
|     | <b>Total</b>   |        |                |                | \$59,594,400     | \$124,000,700 | \$138,035,000 | \$114,335,000 | \$114,335,000 | \$53,935,000 | \$544,640,700  | <b>\$604,235,100</b> |

|          | Project Title  | Yr<br>Requ | Inst.<br>Priority | Funding<br>Source | Previous<br>Funding | FY20-21      | FY21-22      | FY22-23      | FY23-24      | FY24-25      | 5-Year<br>Request | Total Cost    |
|----------|--|------------|-------------------|-------------------|---------------------|--------------|--------------|--------------|--------------|--------------|-------------------|---------------|
| AgCenter | Renewable Natural Resources Building Repairs                         | 2020       | E-1               | G.O.              |                     | \$5,070,000  |              |              |              |              | \$5,070,000       | \$5,070,000   |
| AgCenter | Animal and Food Science Facilities Renovations and Modernizations    | 1983       | C-1               | G.O.              | \$29,869,800        | \$6,875,185  | \$7,345,365  | \$9,698,994  | \$5,644,390  |              | \$29,563,934      | \$59,433,734  |
| AgCenter | Livestock Education Facility   | 2012       | C-2               | G.O.              | \$282,600           | \$2,354,214  | \$1,927,649  |              |              |              | \$4,281,863       | \$4,564,463   |
| AgCenter | Martin D. Woodin Hall Renovations and Modernizations                 |            | N-1               | G.O.              |                     |              | \$4,952,000  | \$7,648,000  |              |              | \$12,600,000      | \$12,600,000  |
| AgCenter | Dairy Science Processing Facility                                    |            | N-2               | G.O.              |                     |              |              | \$2,554,000  | \$2,546,000  |              | \$5,100,000       | \$5,100,000   |
| AgCenter | Greenhouse Facilities Relocation and Departmental Renovations        |            | N-3               | G.O.              |                     |              |              | \$1,235,000  | \$13,585,000 | \$780,000    | \$15,600,000      | \$15,600,000  |
| AgCenter | Emerging Technology Center - Parker Coliseum                         |            | N-4               | G.O.              |                     |              |              |              | \$5,000,000  | \$60,000,000 | \$65,000,000      | \$65,000,000  |
| AgCenter | Biological & Agricultural Engineering Bldg                           |            | N-5               | G.O.              |                     |              |              |              | \$1,248,000  | \$14,092,000 | \$15,340,000      | \$15,340,000  |
|          | Total  |            |                   |                   | \$30,152,400        | \$14,299,399 | \$14,225,014 | \$21,135,994 | \$28,023,390 | \$74,872,000 | \$152,555,797     | \$182,708,197 |
|          | Project Title  | Yr<br>Requ | Inst.<br>Priority | Funding<br>Source | Previous<br>Funding | FY20-21      | FY21-22      | FY22-23      | FY23-24      | FY24-25      | 5-Year<br>Request | Total Cost    |
| HCSO     | Emergency Room Expansion, University Medical Center, Lafayette       | 1998       | C-1               | G.O.              | \$4,457,500         | \$0          |              |              |              |              | \$0               | \$4,457,500   |
| HCSO     | HVAC Replacements, Lallie Kemp Medical Center                        | 2019       | N-1               | G.O.              |                     | \$276,000    |              |              |              |              | \$276,000         | \$276,000     |
| HCSO     | Emergency Generator Replacement, Lallie Kemp Medical Center          | 2019       | N-2               | G.O.              |                     | \$852,000    |              |              |              |              | \$852,000         | \$852,000     |
| HCSO     | line Replacement - Lallie Kemp Medical Center                        | 2014       | N-3               | G.O.              |                     | \$906,550    |              |              |              |              | \$906,550         | \$906,550     |
| HCSO     | Parking Lot Resurfacing, Lallie Kemp Medical Center                  | 2019       | N-4               | G.O.              |                     | \$100,800    |              |              |              |              | \$100,800         | \$100,800     |
|          | Total  |            |                   |                   | \$4,457,500         | \$2,135,350  | \$0          | \$0          | \$0          | \$0          | \$2,135,350       | \$6,592,850   |
|          | Project Title  | Yr<br>Requ | Inst.<br>Priority | Funding<br>Source | Previous<br>Funding | FY20-21      | FY21-22      | FY22-23      | FY23-24      | FY24-25      | 5-Year<br>Request | Total Cost    |
| HSCNO    | Medical Education Building Laboratory Renovation and Exhaust Upgrade | 2012       | E-1               | G.O.              |                     | \$4,000,000  | \$20,500,000 | \$20,500,000 |              |              | \$45,000,000      | \$45,000,000  |
| HSCNO    | Interim Hospital Repuposing  | 2015       | C-1               | G.O.              | \$40,000,000        | \$10,000,000 | \$9,000,000  |              |              |              | \$19,000,000      | \$59,000,000  |
| HSCNO    | Health Science Center Facility Renovations                           | 2005       | C-2               | G.O.              | \$31,179,500        | \$0          |              |              |              |              | \$0               | \$31,179,500  |
| HSCNO    | Human Development Center   | 1994       | C-3               | G.O.              | \$25,189,000        | \$0          |              |              |              |              | \$0               | \$25,189,000  |
| HSCNO    | Systems Modernization and ADA Improvement                            | 2008       | N-1               | G.O.              |                     | \$1,200,000  | \$4,400,000  | \$4,400,000  |              |              | \$10,000,000      | \$10,000,000  |
| HSCNO    | Lions Eye Reroofing  | 2017       | N-2               | G.O.              |                     | \$2,000,000  |              |              |              |              | \$2,000,000       | \$2,000,000   |
| HSCNO    | AH&SON Waterproofing   |            | N-3               | G.O.              |                     |              | \$1,000,000  |              |              |              | \$1,000,000       | \$1,000,000   |
| HSCNO    | Elevated Walkway Structural, ADA, and Lighting Improvements          | 2016       | N-4               | G.O.              |                     |              |              | \$4,150,000  |              |              | \$4,150,000       | \$4,150,000   |
| HSCNO    | CSRB Waterproofing   |            | N-5               | G.O.              |                     |              |              |              | \$1,000,000  |              | \$1,000,000       | \$1,000,000   |
|          | Total  |            |                   |                   | \$96,368,500        | \$17,200,000 | \$34,900,000 | \$29,050,000 | \$1,000,000  | \$0          | \$82,150,000      | \$178,518,500 |

|      | <b>Project Title</b>   | <b>Yr<br/>Requ</b> | <b>Inst.<br/>Priority</b> | <b>Funding<br/>Source</b> | <b>Previous<br/>Funding</b> | <b>FY20-21</b> | <b>FY21-22</b> | <b>FY22-23</b> | <b>FY23-24</b> | <b>FY24-25</b> | <b>5-Year<br/>Request</b> | <b>Total Cost</b> |
|------|--|--------------------|---------------------------|---------------------------|-----------------------------|----------------|----------------|----------------|----------------|----------------|---------------------------|-------------------|
| HSCS | Medical School B-Building HVAC Replacement                     | 2013               | E-1                       | G.O.                      | \$500,000                   | \$4,600,000    |                |                |                |                | \$4,600,000               | \$5,100,000       |
| HSCS | Medical School 10th Floor B-Building HVAC Replacement          | 2014               | E-2                       | G.O.                      |                             | \$5,100,000    |                |                |                |                | \$5,100,000               | \$5,100,000       |
| HSCS | Capital Improvement Projects, Design and Engineering           | 2014               | C-1                       | G.O.                      | \$6,000,000                 | \$0            |                |                |                |                | \$0                       | \$6,000,000       |
| HSCS | Center for Medical Education & Wellness                        | 2018               | C-2                       | S.G./G.O.                 | \$31,500,000                | \$8,000,000    | \$12,500,000   | \$8,000,000    |                |                | \$28,500,000              | \$60,000,000      |
| HSCS | Inpatient Critical Care Renovation, Planning, and Construction | 2001               | C-3                       | G.O.                      | \$359,800                   | \$3,428,200    |                |                |                |                | \$3,428,200               | \$3,788,000       |
| HSCS | Patient Care HVAC Replacement, Planning, and Construction      | 2012               | C-4                       | G.O.                      | \$2,995,600                 | \$750,000      |                |                |                |                | \$750,000                 | \$3,745,600       |
| HSCS | Campus-wide Pavement Replacement                               | 2018               | N-1                       | G.O.                      |                             | \$2,398,460    |                |                |                |                | \$2,398,460               | \$2,398,460       |
| HSCS | Gross Anatomy Expansion & Modernization                        | 2019               | N-2                       | G.O.                      |                             | \$2,500,008    |                |                |                |                | \$2,500,008               | \$2,500,008       |
| HSCS | Parking Garage   | 2019               | N-3                       | S.G./G.O.                 |                             | \$20,000,000   |                |                |                |                | \$20,000,000              | \$20,000,000      |
| HSCS | Student Technology & Learning Center                           | 2019               | N-4                       | G.O.                      |                             | \$1,600,000    |                |                |                |                | \$1,600,000               | \$1,600,000       |
| HSCS | Medical School Roof Replacement (B/E Buildings)                | 2014               | N-5                       | G.O.                      |                             |                | \$700,000      |                |                |                | \$700,000                 | \$700,000         |
| HSCS | Replacement  | 2014               | N-6                       | G.O.                      |                             |                | \$2,000,000    |                |                |                | \$2,000,000               | \$2,000,000       |
| HSCS | Campus Wayfinding  | 2019               | N-7                       | G.O.                      |                             |                | \$250,000      | \$750,000      |                |                | \$1,000,000               | \$1,000,000       |
|      | <b>Total</b>   |                    |                           |                           | \$41,355,400                | \$48,376,668   | \$15,450,000   | \$8,750,000    | \$0            | \$0            | \$72,576,668              | \$113,932,068     |
|      | <b>Project Title</b>   | <b>Yr<br/>Requ</b> | <b>Inst.<br/>Priority</b> | <b>Funding<br/>Source</b> | <b>Previous<br/>Funding</b> | <b>FY20-21</b> | <b>FY21-22</b> | <b>FY22-23</b> | <b>FY23-24</b> | <b>FY24-25</b> | <b>5-Year<br/>Request</b> | <b>Total Cost</b> |
| LSUA | Infrastructure Improvements                                    | 2004               | E-1                       | G.O.                      | \$213,300                   | \$5,906,700    |                |                |                |                | \$5,906,700               | \$6,120,000       |
| LSUA | Drainage Outfall   | 2004               | E-2                       | G.O.                      | \$897,865                   | \$55,400       |                |                |                |                | \$55,400                  | \$953,265         |
| LSUA | Business and Education Building                                | 2006               | N-1                       | G.O.                      |                             | \$1,291,579    | \$12,915,788   |                |                |                | \$14,207,367              | \$14,207,367      |
| LSUA | Coughlin Hall Renovation                                       | 2013               | N-2                       | G.O.                      |                             | \$237,313      | \$2,721,009    |                |                |                | \$2,958,322               | \$2,958,322       |
| LSUA | Library Flooring Replacement and Damage Repair                 | 2005               | N-3                       | G.O.                      |                             | \$1,212,750    |                |                |                |                | \$1,212,750               | \$1,212,750       |
|      | <b>Total</b>   |                    |                           |                           | \$1,111,165                 | \$8,703,742    | \$15,636,797   | \$0            | \$0            | \$0            | \$24,340,539              | \$25,451,704      |
|      | <b>Project Title</b>   | <b>Yr<br/>Requ</b> | <b>Inst.<br/>Priority</b> | <b>Funding<br/>Source</b> | <b>Previous<br/>Funding</b> | <b>FY20-21</b> | <b>FY21-22</b> | <b>FY22-23</b> | <b>FY23-24</b> | <b>FY24-25</b> | <b>5-Year<br/>Request</b> | <b>Total Cost</b> |
| LSUE | Manuel Hall Exterior Wall & Roof Major Repairs                 | 2019               | N-1                       | G.O.                      |                             | \$1,260,000    |                |                |                |                | \$1,260,000               | \$1,260,000       |
| LSUE | Hundley Hall Roof Replacement                                  | 2018               | N-2                       | G.O.                      |                             | \$195,600      |                |                |                |                | \$195,600                 | \$195,600         |
| LSUE | Science Building Renovation                                    | 2002               | N-3                       | G.O.                      |                             | \$1,066,169    | \$11,533,831   | \$615,000      |                |                | \$13,215,000              | \$13,215,000      |
| LSUE | Water Proofing   |                    | N-4                       | G.O.                      |                             |                | \$600,000      |                |                |                | \$600,000                 | \$600,000         |
| LSUE | Library Renovations  |                    | N-5                       | G.O.                      |                             |                | \$297,275      | \$3,333,275    |                |                | \$3,630,550               | \$3,630,550       |
| LSUE | H&PE Building Renovations                                      |                    | N-6                       | G.O.                      |                             |                |                | \$316,250      | \$3,542,000    |                | \$3,858,250               | \$3,858,250       |
|      | <b>Total</b>   |                    |                           |                           | \$0                         | \$2,521,769    | \$12,431,106   | \$4,264,525    | \$3,542,000    | \$0            | \$22,759,400              | \$22,759,400      |

|         | Project Title  | Yr<br>Requ | Inst.<br>Priority | Funding<br>Source | Previous<br>Funding | FY20-21       | FY21-22       | FY22-23       | FY23-24       | FY24-25       | 5-Year<br>Request | Total Cost      |
|---------|--|------------|-------------------|-------------------|---------------------|---------------|---------------|---------------|---------------|---------------|-------------------|-----------------|
| LSUS    | Replacement  | 2018       | E-1               | G.O.              |                     | \$3,000,000   |               |               |               |               | \$3,000,000       | \$3,000,000     |
| LSUS    | Business Continuity/Disaster Recovery<br>Equipment                       | 2005       | E-2               | G.O.              |                     | \$130,000     | \$1,216,160   |               |               |               | \$1,346,160       | \$1,346,160     |
| LSUS    | Student Success Health & Wellness Center                                 | 2018       | SG-1              | RB                | \$15,935,700        | \$0           |               |               |               |               | \$0               | \$15,935,700    |
| LSUS    | HPE Renovation and Safety Compliance                                     | 2008       | N-1               | G.O.              |                     | \$1,152,900   | \$1,000,000   | \$4,000,000   | \$4,000,000   | \$1,376,100   | \$11,529,000      | \$11,529,000    |
| LSUS    | ADA Accessibility Compliance Upgrade                                     | 2017       | N-2               | G.O.              |                     | \$760,000     |               |               |               |               | \$760,000         | \$760,000       |
| LSUS    | Campus Wide Safety/Security Improvements                                 | 2017       | N-3               | G.O.              |                     | \$850,000     |               |               |               |               | \$850,000         | \$850,000       |
| LSUS    | Science Building Renovation & Lab<br>Modernization                       | 2002       | N-4               | G.O.              |                     | \$1,252,000   | \$11,268,000  |               |               |               | \$12,520,000      | \$12,520,000    |
| LSUS    | Business and Education Building Renovation                               | 2002       | N-5               | G.O.              |                     | \$1,000,000   | \$8,390,000   |               |               |               | \$9,390,000       | \$9,390,000     |
| LSUS    | Bronson Hall Building Renovation   | 2003       | N-6               | G.O.              |                     | \$1,831,663   | \$8,242,483   | \$8,242,483   |               |               | \$18,316,629      | \$18,316,629    |
| LSUS    | Technology Center Roof Replacement                                       | 2017       | N-7               | G.O.              |                     | \$630,000     |               |               |               |               | \$630,000         | \$630,000       |
| LSUS    | Science Building Roof Replacement  | 2018       | N-8               | G.O.              |                     |               | \$850,000     |               |               |               | \$850,000         | \$850,000       |
| LSUS    | Boiler Decentralization Modernization (B&E,<br>BH, TC, UC)               | 2015       | N-9               | G.O.              |                     |               | \$2,000,000   |               |               |               | \$2,000,000       | \$2,000,000     |
| LSUS    | Initiatives  | 2018       | N-10              | G.O.              |                     |               | \$2,650,000   |               |               |               | \$2,650,000       | \$2,650,000     |
|         | Total  |            |                   |                   | \$15,935,700        | \$10,606,563  | \$35,616,643  | \$12,242,483  | \$4,000,000   | \$1,376,100   | \$63,841,789      | \$79,777,489    |
|         | Project Title  | Yr<br>Requ | Inst.<br>Priority | Funding<br>Source | Previous<br>Funding | FY20-21       | FY21-22       | FY22-23       | FY23-24       | FY24-25       | 5-Year<br>Request | Total Cost      |
| PBRC    | PBRC New Clinical Research Bldg, Imaging<br>Center, & High-Tech Research | 2008       | C-1               | G.O.              | \$49,949,663        | \$50,337      |               |               |               |               | \$50,337          | \$50,000,000    |
| PBRC    | Site Security Access System Upgrade                                      | 2018       | C-2               | G.O.              | \$180,000           | \$420,000     |               |               |               |               | \$420,000         | \$600,000       |
| PBRC    | Site Safety and Building Equipment<br>Replacements                       | 2020       | N-1               | G.O.              |                     | \$1,776,600   |               |               |               |               | \$1,776,600       | \$1,776,600     |
|         | Total  |            |                   |                   | \$50,129,663        | \$2,246,937   | \$0           | \$0           | \$0           | \$0           | \$2,246,937       | \$52,376,600    |
|         | Project Title  | Yr<br>Requ | Inst.<br>Priority | Funding<br>Source | Previous<br>Funding | FY20-21       | FY21-22       | FY22-23       | FY23-24       | FY24-25       | 5-Year<br>Request | Total Cost      |
| LSU BoS | Major Repairs and Deferred Maintenance of<br>Buildings and Facilities    | 2016       | C-1               | G.O.              | \$14,830,000        | \$0           |               |               |               |               | \$0               | \$14,830,000    |
| LSU BoS | Major Repairs All Campuses   | 2019       | N-1               | G.O.              |                     | \$8,000,000   |               |               |               |               | \$8,000,000       | \$8,000,000     |
|         | Total  |            |                   |                   | \$14,830,000        | \$8,000,000   | \$0           | \$0           | \$0           | \$0           | \$8,000,000       | \$22,830,000    |
|         | <b>TOTAL ALL LSU CAMPUSES</b>  |            |                   |                   | \$328,764,728       | \$246,091,128 | \$266,294,560 | \$189,778,002 | \$150,900,390 | \$130,183,100 | \$983,247,180     | \$1,312,011,908 |

**LSU BOARD OF SUPERVISORS  
FY 2020-2021 Capital Outlay  
Recommendations In Priority Order**

Prepared August 30, 2019

| 2020-21 System Priority | Campus   | Emergency Projects  | 2020-21 System Priority | Total Project Cost  |
|-------------------------|----------|---|-------------------------|---------------------|
| E-1                     | LSUA     | Infrastructure Improvements   | \$5,906,700             | <b>\$6,120,000</b>  |
| E-2                     | LSUS     | Business Continuity/Disaster Recovery Equipment   | \$130,000               | <b>\$1,346,160</b>  |
| E-3                     | HSCNO    | Medical Education Building Laboratory Renovation and Exhaust Upgrade<br><b>(SG/GOB)</b> | \$4,000,000             | <b>\$45,000,000</b> |
| E-4                     | AgCenter | Renewable Natural Resources Building Repairs  | \$5,070,000             | <b>\$5,070,000</b>  |
| E-5                     | HSCS     | Medical School B-Building HVAC Replacement  | \$4,600,000             | <b>\$5,100,000</b>  |
| E-6                     | HSCS     | Medical School 10th Floor B-Building HVAC Replacement                                   | \$5,100,000             | <b>\$5,100,000</b>  |
| E-7                     | LSU      | Life Safety and ADA Compliance  | \$2,000,000             | <b>\$10,000,000</b> |
| E-8                     | LSUA     | Drainage Outfall  | \$55,400                | <b>\$953,265</b>    |
|                         |          | <b>TOTAL EMERGENCY PROJECTS</b>   | <b>\$26,862,100</b>     | <b>\$78,689,425</b> |

\* New First Year Request

| 2020-21 System Priority | Campus | Self-Generated/Revenue Bond Projects                         | 2020-21 System Priority | Total Project Cost  |
|-------------------------|--------|--|-------------------------|---------------------|
| SG-1                    | LSU    | Student Health Center Renovation and Addition <b>(SG/RB)</b> | \$23,890,000            | <b>\$27,890,000</b> |
| SG-2                    | LSUS   | Student Success Health & Wellness Center <b>(RB)</b>         | \$0                     | <b>\$15,935,700</b> |
| SG-3                    | *LSU   | PMAC Air Handling Unit Replacements <b>(RB)</b>              | \$4,800,000             | <b>\$4,800,000</b>  |
|                         |        | <b>TOTAL SELF-GENERATED PROJECTS</b>                         | <b>\$28,690,000</b>     | <b>\$48,625,700</b> |

\* New First Year Request

**LSU BOARD OF SUPERVISORS  
FY 2020-2021 Capital Outlay  
Recommendations In Priority Order**

Prepared August 30, 2019

| 2020-21 System Priority         | Campus   | Continuing Projects   | 2020-21 System Priority | Total Project Cost   |
|---------------------------------|----------|---|-------------------------|----------------------|
| C-1                             | LSU      | Renovate Old Engineering Shops for Art Department, Planning and Construction <b>(SG/GOB)</b>                                | \$7,107,600             | <b>\$15,900,000</b>  |
| C-2                             | LSU      | LSU Memorial Tower Renovations <b>(SG/GOB)</b>  | \$1,500,000             | <b>\$9,500,000</b>   |
| C-3                             | HSCNO    | Interim Hospital Repurposing  | \$10,000,000            | <b>\$59,000,000</b>  |
| C-4                             | LSU      | Science - Strategic Capital Plan Repairs and Upgrades <b>(SG/GOB)</b>   | \$17,000,000            | <b>\$169,600,000</b> |
| C-5                             | LSU      | H.P. Long Field House Renovation <b>(SG/GOB)</b>  | \$17,000,000            | <b>\$29,000,000</b>  |
| C-6                             | HSCS     | Center for Medical Education & Wellness <b>(SG/GOB)</b>   | \$8,000,000             | <b>\$60,000,000</b>  |
| C-7                             | AgCenter | Animal and Food Science Facilities Renovations and Modernizations   | \$6,875,185             | <b>\$59,433,734</b>  |
| C-8                             | AgCenter | Livestock Education Facility  | \$2,354,214             | <b>\$4,564,463</b>   |
| C-9                             | HSCS     | Patient Care HVAC Replacement, Planning and Construction  | \$750,000               | <b>\$3,745,600</b>   |
| C-10                            | LSU      | Historic Core - Strategic Capital Plan Repairs and Upgrades <b>(SG/GOB)</b>   | \$2,000,000             | <b>\$44,000,000</b>  |
| C-11                            | LSU      | Roadway Improvements at Innovation Park <b>(SG/IAT)</b>   | \$0                     | <b>\$1,800,000</b>   |
| C-12                            | PBRC     | Site Security Access System Upgrade   | \$420,000               | <b>\$600,000</b>     |
| C-13                            | PBRC     | PBRC New Clinical Research Bldg, Imaging Center, & High-Tech Research Instrumentation & Equipment, Planning, & Construction | \$50,337                | <b>\$50,000,000</b>  |
| C-14                            | BoS      | Major Repairs and Deferred Maintenance of Buildings and Facilities  | \$0                     | <b>\$14,830,000</b>  |
| C-15                            | LSU      | Stephenson Veterinary Hospital, Planning and Construction <b>(SG/GOB)</b>   | \$0                     | <b>\$13,000,000</b>  |
| C-16                            | HSCNO    | Health Science Center Facility Renovation - Dental School Simulation Facility   | \$0                     | <b>\$31,179,500</b>  |
| C-17                            | LSU      | Nicholson Gateway Infrastructure Project  | \$653,100               | <b>\$3,695,100</b>   |
| C-18                            | HSCS     | Capital Improvement Projects, Design and Engineering  | \$0                     | <b>\$6,000,000</b>   |
| C-19                            | HSCS     | Inpatient Critical Care Renovation, Planning, and Construction  | \$3,428,200             | <b>\$3,788,000</b>   |
| C-20                            | HSCNO    | Human Development Center  | \$0                     | <b>\$25,189,000</b>  |
| C-21                            | HCSD     | Emergency Room Expansion, University Medical Center, Lafayette  | \$0                     | <b>\$4,457,500</b>   |
|                                 |          | <b>TOTAL CONTINUING PROJECTS</b>  | <b>\$77,138,636</b>     | <b>\$609,282,897</b> |
| <b>* New First Year Request</b> |          |   |                         |                      |



**LSU BOARD OF SUPERVISORS  
FY 2020-2021 Capital Outlay  
Recommendations In Priority Order**

Prepared August 30, 2019

| 2020-21 System Priority | Campus | New Projects  | 2020-21 System Priority | Total Project Cost     |
|-------------------------|--------|---|-------------------------|------------------------|
| N-1                     | HSCNO  | Dental School Mechanical, Electrical Systems Modernization and ADA Improvement      | \$1,200,000             | \$10,000,000           |
| N-2                     | LSU    | Strategic Capital Plan – Deferred Maintenance for Infrastructure and Streets        | \$8,000,000             | \$40,000,000           |
| N-3                     | *LSUS  | Building Exterior Walls and Bridge Major Repairs                                    | \$3,000,000             | \$3,000,000            |
| N-4                     | *LSUE  | Manuel Hall Exterior Wall and Roof Major Repairs                                    | \$1,260,000             | \$1,260,000            |
| N-5                     | *HSCS  | Gross Anatomy Expansion & Modernization   | \$2,500,008             | \$2,500,008            |
| N-6                     | LSU    | Library-Strategic Capital Plan Repairs and Upgrades                                 | \$20,000,000            | \$200,000,000          |
| N-7                     | PBRC   | Site Safety & Building Equipment Replacement  | \$1,776,600             | \$1,776,600            |
| N-8                     | BOS    | Major Repairs All Campuses  | \$8,000,000             | \$8,000,000            |
| N-9                     | *LSU   | Veterinary Medicine Accreditation Repairs   | \$5,000,000             | \$5,000,000            |
| N-10                    | *HSCS  | Student Technology & Learning Center  | \$1,600,000             | \$1,600,000            |
| N-11                    | LSU    | Veterinary Medicine Facilities Repairs (SG/GOB)                                     | \$15,000,000            | \$30,000,000           |
| N-12                    | *HSCS  | Parking Garage (SG/GOB)   | \$20,000,000            | \$20,000,000           |
| N-13                    | HSCS   | Campus-Wide Pavement Replacement  | \$2,398,460             | \$2,398,460            |
| N-14                    | LSUE   | Science Building Renovation   | \$1,066,169             | \$13,215,000           |
| N-15                    | LSUS   | HPE Renovation and Safety Compliance  | \$1,152,900             | \$11,529,000           |
| N-16                    | LSUS   | Science Building Renovation & Lab Modernization                                     | \$1,252,000             | \$12,520,000           |
| N-17                    | *HSCNO | Lions Eye Roof Replacement  | \$2,000,000             | \$2,000,000            |
| N-18                    | LSUA   | Business and Education Building   | \$1,291,579             | \$14,207,367           |
| N-19                    | *HCSD  | HVAC Replacement, Lallie Kemp Medical Center  | \$276,000               | \$276,000              |
| N-20                    | *HCSD  | Emergency Generator Replacement, Lallie Kemp Medical Center                         | \$852,000               | \$852,000              |
| N-21                    | LSUS   | ADA Accessibility Compliance Upgrades   | \$760,000               | \$760,000              |
| N-22                    | LSUS   | Campus Wide Safety/Security Improvements  | \$850,000               | \$850,000              |
| N-23                    | LSUS   | Technology Center Roof Replacement  | \$630,000               | \$630,000              |
| N-24                    | LSUA   | Library Flooring Replacement and Damage Repair                                      | \$1,212,750             | \$1,212,750            |
| N-25                    | LSUS   | Business and Education Building Renovation  | \$1,000,000             | \$9,390,000            |
| N-26                    | LSUA   | Coughlin Hall Renovation  | \$237,313               | \$2,958,322            |
| N-27                    | LSUE   | Hundley Roof Replacement  | \$195,600               | \$195,600              |
| N-28                    | HCSD   | Underground Plumbing, Sewer and Storm Line Replacement - Lallie Kemp Medical Center | \$906,550               | \$906,550              |
| N-29                    | LSUS   | Bronson Hall Renovation   | \$1,831,663             | \$18,316,629           |
| N-30                    | LSU    | ROTC Flight Simulator   | \$50,000                | \$50,000               |
| N-31                    | HCSD   | Parking Lot Resurfacing and Subsurface for Drainage, Lallie Kemp Medical Center     | \$100,800               | \$100,800              |
|                         |        | <b>TOTAL NEW PROJECTS</b>   | <b>\$105,400,392</b>    | <b>\$415,505,086</b>   |
|                         |        | <b>TOTAL ALL CAMPUSES</b>   | <b>\$238,091,128</b>    | <b>\$1,152,103,108</b> |

\* New First Year Request



**Request from LSU Shreveport for Approval for the  
LSU Real Estate and Facilities Foundation to Acquire Existing On-  
Campus Housing**

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

This is a significant board matter pursuant to the Board’s Bylaws, Art. VII, Sec. 1:

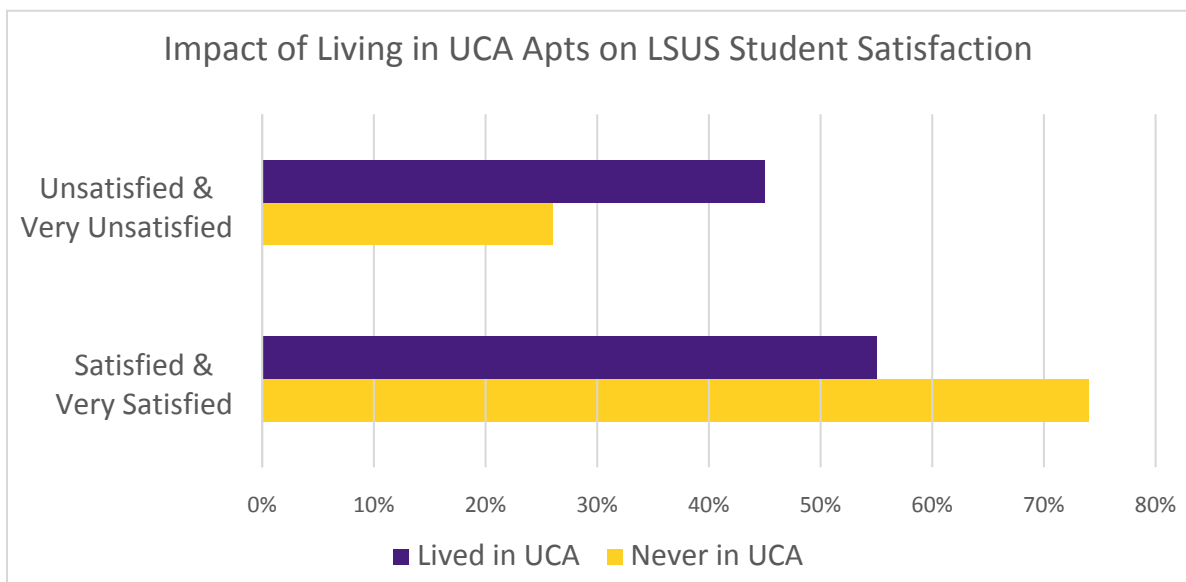
1. Lease of Immovable Property

Approval is also required by the Uniform Affiliation Agreement

**1. Summary of Matter**

In 1992, LSU executed a ground lease and related agreements for a private company to construct and operate student housing apartments on the campus of LSU at Shreveport (LSUS). After a series of industry acquisitions, the housing (known as University Court Apartments) is now owned and operated by Campus Living Villages (CLV), an Australian-based company that has extensive student housing operations in the United States. Unfortunately, for a variety of reasons the housing has never been very successful, with an average annual occupancy rate of 76% since opening. An enrollment management consultant engaged by LSUS reported that the apartments have been a major impediment to LSUS efforts to increase enrollment. In short, it is critical to the future of LSU at Shreveport that it provide a satisfying, enriching residential life experience as an option for its students. A market analysis conducted by Brailsford & Dunleavy (B&D), found that students who had ever lived in the apartments had dramatically lower satisfaction with their entire LSUS experience. As shown below, a survey of a broad cross-section of LSUS students found that of those students who had never lived in the UC Apartments, 74% were “satisfied” or “very satisfied” with their entire LSUS experience, while only 26% were neutral or dissatisfied with their experience. But for students who had spent any time living in the UC Apartments, only 55% were “satisfied” or “very satisfied” with their entire LSUS experience.

**Student Satisfaction with LSU-Shreveport Experience, in 2016**



There are 14 years left on the ground lease with CLV. Repeated efforts over the past several years to work with CLV to improve conditions at the apartments have been unsuccessful. Poor internet service, outdated carpet and fixtures, and other problems continue. The terms of the ground lease are very unfavorable to LSU. While LSUS has no financial liability for the debt associated with the apartments, it also has no tools to require better performance by CLV to improve the student experience.

The University has negotiated, subject to approval by the Board, the terms of a buy-out agreement. If approved by the Board, the LSU Real Estate and Facilities Foundation (REFF) would pay \$3.25 million to CLV to buy out the remaining 14-year term of the ground lease. REFF would also spend approximately \$2 million dollars to perform some basic repairs and improvements to the property such as installing new internet service, replacing carpets, performing other “refresh” type improvements, and helping LSUS start a new residence life program to better meet the needs of its students. REFF is expected to borrow these funds from a national bank which has significant experience with financing on-campus student housing projects.

After the buy-out of CLV, the apartments will be owned and operated very similarly to the LSU at Eunice student housing, as that transaction was approved by the Board in 2018. REFF will own the housing, and have a ground lease with LSU for the land. REFF would have legal responsibility for the operation and management of the apartments, as well as responsibility for the debt service under the loan agreement for the newly borrowed funds. REFF will simultaneously enter into a lease-back agreement with LSU under which LSUS will undertake the obligation to operate and maintain this student housing and to pay REFF rent sufficient to cover the debt service and any other operational costs incurred by REFF and approved by LSU.

This transaction will functionally allow LSUS to take over operation of the on-campus housing, which is expected to reduce operating costs significantly by eliminating the management fee and significant personnel overhead charges currently paid for CLV’s management. Under the terms of the existing ground lease, LSU has no right to stop those charges. LSUS operation of the housing will allow for greater integration of campus life activities with the residents of the apartments. LSUS will also have control over the rental rates charged, and will be better able to control the total cost of attendance.

LSUS control of the apartments will also significantly enhance the student experience. In addition to the capital improvements that will be made immediately, LSUS will be able to offer enhanced residential life services and take steps to better control the behavior of a few residents (generally, non-LSUS students) that have reduced the quality of life for all. LSUS expects to provide enhanced internet service beginning this fall semester, addressing one of the biggest complaints that residents have.

Were the campus starting from scratch, it would take a different approach to providing student housing. However, these apartments exist and LSUS has significant contractual obligations to CLV that cannot easily be undone to allow for the construction of alternative housing. The only viable option for LSUS at this point is to buy out CLV’s remaining interest in the apartments and manage them themselves. Any other solution would incur substantial legal costs and, more importantly, would take years to reach fruition, leaving LSUS students with a sub-par residential life experience that detracts, rather than enhances, their LSUS education.

#### *Analysis of Purchase Price*

The buy-out cost has been negotiated with the current owner, CLV. LSU has conducted an internal analysis and engaged B&D to review the amount, and has determined that the amount is fair and affordable, posing an acceptable level of risk to the campus. REFF will be buying out the remaining 14-year term of the existing ground lease between LSU and CLV. The lease terms have been carefully reviewed by LSU’s Office of General Counsel and other LSU staff and have been determined to be very unfavorable to LSU. While LSU has no financial risk associated with the debt service or operational costs of the apartments,

LSU also has no control over the amount of staffing provided, the quality and maintenance standards of the housing, the services provided to residents, the rental rates charged, or any other aspect of their operations. Any attempt to terminate the contract for cause would, at best, be expensive and take years to litigate, and any such effort would probably cause the living conditions for residents of the apartments to further deteriorate.

There is a clause in the contract which allows LSU to terminate upon payment of a buy-out amount calculated pursuant to a formula established in the contract. That formula is very disadvantageous to LSU, and would require LSU to pay approximately \$13 million to CLV to terminate the contract. That is far greater than the appraised value of the property, much less the value of the remaining 14 years of CLV's leasehold interest.

After extensive negotiations, CLV has agreed to accept the amount of \$3.25 million to terminate its leasehold interests and transfer ownership of the apartments to LSU, in order to promote the interests of LSUS and its students. CLV is aware that the property has been performing poorly and providing a poor experience for its residents. The figure of \$3.25 million is less than the outstanding debt for the apartments, which is approximately \$6.2 million, according to figures provided by CLV (and supported by independent review of the published financial statements).

There were several in-person meetings and exchanges of letters between CLV and LSU staff discussing whether there could be a buy-out and what amount would be reasonable. This process took over two years, in part because of a change in leadership at CLV. After a new CEO took over at CLV, the process moved quickly, and the tentative settlement was reached approximately six months after he visited the campus in January 2019.

As LSU and CLV got closer to an agreement, LSUS engaged the joint venture of Brailsford & Dunlavey/CSRS (B&D), the team that manages LSU's Public-Private Partnership process for Nicholson Gateway and other P3 housing, to conduct a detailed review of the buy-out amount and the operating costs LSUS could reasonably project to incur. This review determined that the apartments should be self-sufficient assuming a 65% occupancy rate, given the projected borrowing amount for the buy-out and some immediate renovations. Detailed figures are provided below.

The proposal is for a special-purpose entity created by REFF to purchase the apartments and remaining leasehold interest from CLV and to conduct approximately \$1.6 million in renovations over the course of the next year. REFF will borrow these funds from a financial institution selected through a competitive process; B&D is assisting REFF in order to obtain a highly competitive interest rate. We expect an initial rate of between 3 and 3.5%, locked in for 7-10 years, though this is not yet guaranteed.

#### *Condition of the Facilities*

In 2018, LSUS asked B&D/CSRS to perform an engineering analysis of the apartments to evaluate their condition. That review found the apartments to be structurally sound, but in need of items like new carpets, improved fixtures and finishes, replacement of some air conditioning condenser pads, replacement of some fencing and enclosures, and similar repairs. The roofs of the buildings are projected to last for 10-15 years. Prior to closing the buy-out from CLV, B&D/CSRS will perform a more in-depth inspection, including a review of each room in the complex. If conditions are materially worse than currently expected, LSU will seek to renegotiate the buy-out amount with CLV.

REFF will borrow approximately \$1.6 million, which is \$15/sf, to conduct immediate renovations such as new paint in the units, replacement of cabinet doors in the kitchens, and similar cosmetic items. The condition of the complex is not the driving factor in its low occupancy rate, so substantial renovations are not immediately needed. The cosmetic work planned, however, will demonstrate to potential student-

occupants that the apartments are under new management and will provide a much better student housing experience going forward.

## **2. Review of Business Plan**

The revamped lease agreements for this housing will be structured very similarly to the arrangement the Board approved in June 2018 for the LSU-Eunice student housing. REFF will own the housing improvements, having acquired them from CLV. LSUS will enter into a ground lease with REFF for the land. Similar to LSU-Eunice, REFF will enter into a facilities lease with LSUS under which LSUS agrees to be responsible for managing the financial and student life functions of the housing, including making room assignments, collecting rents, providing resident assistants, and similar functions, and for operating and maintaining the facilities as described below.

LSUS will be legally responsible for making the lease payments for the facility, which will in turn be used by REFF to make the debt service payments. Given the substantial negative effects being felt by LSUS and its students under the current agreements with CLV, this is a minimal risk to LSUS. The current negative perception of the UC Apartments is costing LSU substantially more in terms of brand reputation and reduced recruitment and retention rates, than any short-term financial loss it may experience from low occupancy rates. Moreover, the financial analysis shows that LSUS can break even at just a 65% occupancy rate, which is below the historic average for the complex.

For the immediate future, the legal agreements will provide for LSUS to be responsible for the physical maintenance and operation of the housing facilities as well. However, the agreements will be structured to allow for REFF, with approval from LSU, to contract with a property manager or other firm to be responsible for the physical operations and maintenance, should this ever become the more cost-effective way to provide such services. In the short-term, LSUS may enter into a contract with another student-housing operator to provide the on-site property manager while it evaluates its options for the long-term operation of the housing.

Drafts of the major agreements necessary to accomplish this business plan are attached. They are still being finalized by outside counsel and will be reviewed by the Office of General Counsel prior to execution by the President.

## **3. Fiscal Impact**

No adverse fiscal impact is projected on either LSUS or REFF. As noted, under the new arrangement, LSUS will be directly responsible for operations, maintenance, and debt service costs. Occupancy rates and rent collections are projected to remain sufficient to fully fund the operating expenses and debt service. LSUS will also have direct control over operational costs and can more easily adjust them to respond to changing occupancy rates. Further, LSUS may be able to absorb some expenses, associated particularly with residential life activities, in other parts of its budget, allowing it to provide a much better student experience for the apartment occupants without further burdening the apartment's operating budget.

## **4. Description of Competitive Process**

N/A

## **5. Review of Legal Documents**

The major agreements have been crafted by Tracy Morganti of Brezeale Schase & Wilson, LLP, as outside counsel for LSU, in cooperation with Ragan Richard of Phelps Dunbar, outside counsel for REFF, and the Foundation's executive counsel. LSU will assign all of its rights under the Ground Lease with CLV to REFF. REFF will purchase the apartments and related improvements, and the remaining leasehold

interests, from CLV. Then, a new Ground Lease will be executed between LSU and REFF describing the new relationship structure. Finally, a Facilities Lease from REFF to LSU of the housing and other improvements will be executed. REFF will enter into a loan with a financing entity secured by the Facilities Lease to LSU All of these documents will be executed in one closing.

The legal documents are still being finalized by the outside lawyers; the current drafts are sufficiently complete to explain the fundamental structure of the transaction and the various risks and benefits associated with it. Before execution by the President, all legal documents will be reviewed by the LSU Office of General Counsel for legal sufficiency and compliance with LSU policies, procedures and practices.

## **6. Parties of Interest**

LSU-Shreveport  
Campus Living Villages  
LSU Real Estate and Facilities Foundation

## **7. Related Transactions**

None.

## **8. Conflicts of Interest**

None.

## **ATTACHMENTS**

- I. Transmittal Memo
- II. Property Diagram
- III. Draft Legal Agreements

## **RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board") authorizes F. King Alexander, in his capacity as President of LSU, to authorize, approve, and consent to the transfer of the LSU-Shreveport student housing complex known as University Court Apartments (the "Facilities") from Campus Living Villages to LSU Real Estate and Facilities Foundation ("REFF") or a special purpose entity created by it, and to include in such authorizations, approvals, and consents such terms and conditions as he deems to be in the best interests of LSU; and

**BE IT FURTHER RESOLVED** that the Board authorizes F. King Alexander, in his capacity as President of LSU, to execute and deliver a new ground lease, facilities lease, operating agreements, and other related agreements with REFF as necessary or appropriate for the operation and maintenance of the Facilities, with the understanding that such agreements will result in LSU-Shreveport becoming liable to make lease payments which will be used for the outstanding debt service payments on the existing loans related to the Facilities, and a new loan to be obtained by REFF for necessary capital repairs and improvements, and to include in such leases, loans, and other agreements such terms and conditions as he deems to be in the best interests of LSU; and

**BE IT FURTHER RESOLVED** that the Board authorizes counsel to the Board to make application to the Louisiana State Bond Commission on behalf of the Board for the approval of the facilities lease;

**BE IT FURTHER RESOLVED** that the Board, pursuant to the Uniform Affiliation Agreement between it and REFF, finds an acceptable University purpose for REFF to: (1) acquire the Facilities, (2) to enter into a new or amended ground lease, facilities lease, operating agreements, and any related or ancillary contracts and agreements reasonably necessary, and (3) to borrow additional sums to provide for renovations to the Facilities and legal, due diligence, and other costs associated with the acquisition; provided that the total amount borrowed by REFF to accomplish the transactions described herein shall not exceed \$5.5 million; and

**BE IT FURTHER RESOLVED** that any reference herein to REFF shall include any special purpose entity formed and controlled by REFF for the purpose of furthering this transaction.



---

**CAMPUS CORRESPONDENCE**


---

**To:** F. King Alexander, President of LSU  
Finance & Administration / CFO

**Date:** August 26, 2019

**Through:** Daniel T. Layzell, Executive Vice President for  
Finance & Administration / CFO

**Through:** Tony Lombardo, Associate Vice President for  
Facilities & Property Oversight

**From:** Patrick H. Martin, V, Assistant Vice President for  
Real Estate, Public Partnerships, and Compliance 

**Re:** Board of Supervisors Agenda, September 13, 2019  
Request from LSU Shreveport for the LSU Real Estate and Facilities Foundation to Acquire  
Existing On-Campus Student Housing

LSU Shreveport is requesting that the LSU Board of Supervisors authorize the President F. King Alexander, in his capacity as President of LSU, to authorize, approve, and consent to the transfer of the LSU-Shreveport student housing complex known as University Court Apartments (the "Facilities") from Campus Living Villages to LSU Real Estate and Facilities Foundation ("REFF"). In addition, the President will be authorized to execute and deliver a new ground lease, facilities lease, operating agreements, and other related agreements with REFF as necessary to facilitate the transaction.

We request this item be placed on the agenda for the September 13, 2019 Board of Supervisors meeting.

Thank you.



Legend

LSU-Shreveport  
and University Court Apartments

University Court Apartments

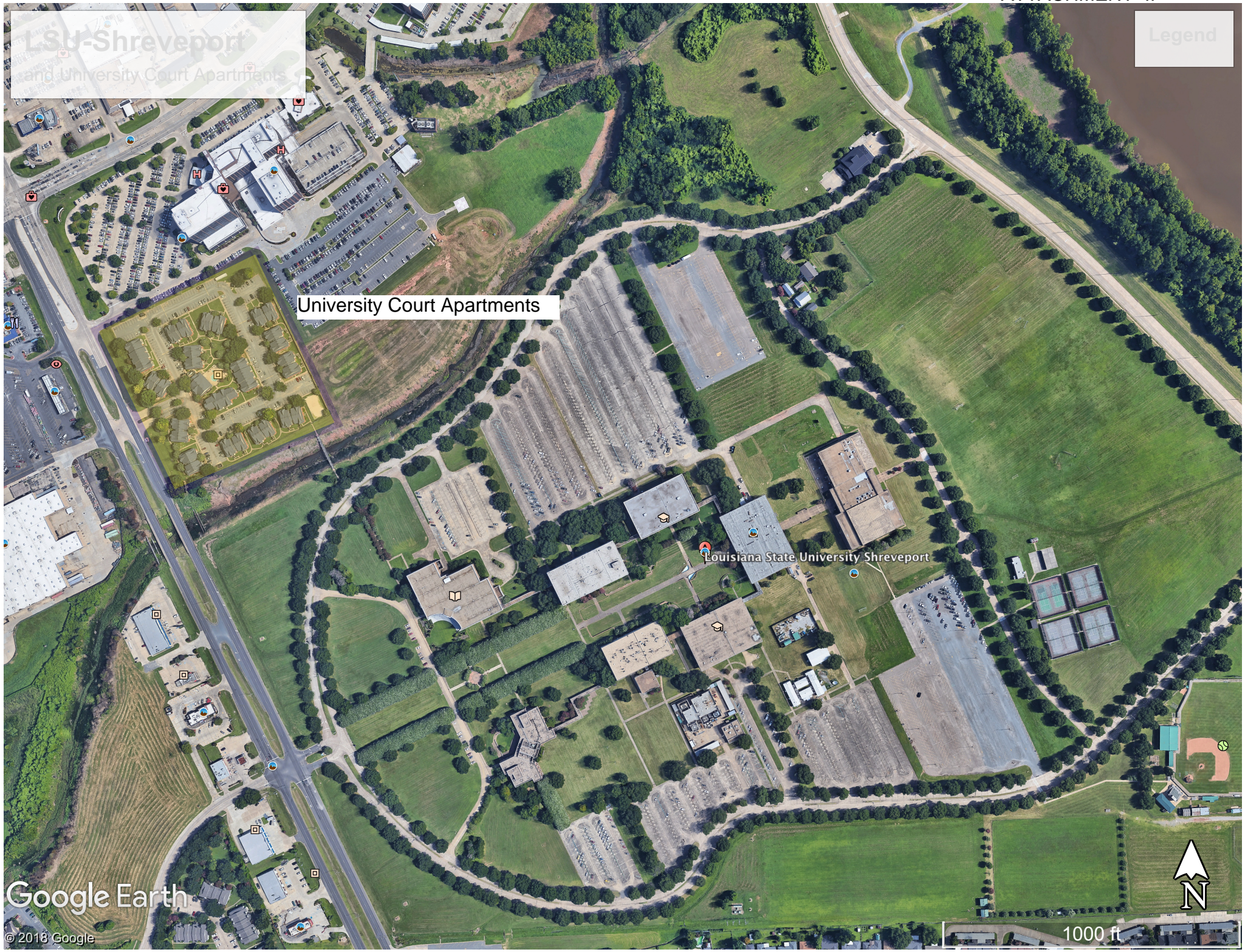
Louisiana State University Shreveport

Google Earth

© 2018 Google



1000 ft



BSW DRAFT:TAM  
Version 1/August \_\_, 2019

# **GROUND LEASE AGREEMENT**

effective as of \_\_\_\_\_, 2019,

by and between

**BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY  
AND AGRICULTURAL AND MECHANICAL COLLEGE  
(as Lessor)**

and

**[\*\*LSUREFF SPE\*\*]  
(as Lessee)**



|               |   |    |
|---------------|---|----|
| ARTICLE X     | TERMINATION, DEFAULT AND REMEDIES .....                               | 27 |
| Section 10.01 | Events Of Default.....  | 27 |
| Section 10.02 | The LSU Board's Rights Upon Default.....                              | 27 |
| Section 10.03 | Termination of Right of Occupancy. ....                               | 27 |
| Section 10.04 | Rights of The LSU Board Cumulative.....                               | 28 |
| ARTICLE XI    | TITLE .....   | 29 |
| Section 11.01 | Title to Facilities. ....   | 29 |
| ARTICLE XII   | EXPROPRIATION OR CASUALTY .....                                       | 30 |
| Section 12.01 | Expropriation, Casualty and Other Damage. ....                        | 30 |
| Section 12.02 | Application of Casualty Insurance Proceeds: Expropriation Award. .... | 30 |
| Section 12.03 | Termination of Ground Lease; Alternate Location.....                  | 31 |
| Section 12.04 | Insufficiency of Casualty Insurance Proceeds. ....                    | 31 |
| ARTICLE XIII  | ASSIGNMENT, SUBLETTING, AND TRANSFERS OF THE COMPANY'S INTEREST.....  | 32 |
| Section 13.01 | Assignment of Leasehold Interest.....                                 | 32 |
| Section 13.02 | Transfers of the Company's Interest.....                              | 32 |
| ARTICLE XIV   | COMPLIANCE CERTIFICATES.....  | 33 |
| Section 14.01 | The Company's Compliance. ....  | 33 |
| Section 14.02 | The LSU Board's Compliance.....                                       | 33 |
| ARTICLE XV    | TAXES.....  | 34 |
| Section 15.01 | Payment of Taxes.....   | 34 |
| Section 15.02 | Contested Tax Payments.....   | 34 |
| ARTICLE XVI   | FORCE MAJEURE .....   | 35 |
| Section 16.01 | Discontinuance During Force Majeure. ....                             | 35 |
| ARTICLE XVII  | INSURANCE .....   | 36 |
| Section 17.01 | Insurance Requirements.....   | 36 |
| Section 17.02 | Policy Requirements. ....   | 37 |
| Section 17.03 | Self Insurance.....   | 37 |
| ARTICLE XVIII | MISCELLANEOUS.....  | 38 |
| Section 18.01 | Nondiscrimination, Employment and Wages. ....                         | 38 |
| Section 18.02 | Access. ....  | 38 |
| Section 18.03 | Notices. ....   | 38 |
| Section 18.04 | Relationship of Parties. ....   | 40 |
| Section 18.05 | Memorandum of Lease. ....   | 40 |
| Section 18.06 | Attorneys' Fees.....  | 40 |
| Section 18.07 | State Law to Apply; Venue.....  | 40 |

|               |                                      |    |
|---------------|--------------------------------------|----|
| Section 18.08 | Warranty of Peaceful Possession..... | 40 |
| Section 18.09 | Curative Matters.....                | 40 |
| Section 18.10 | Non-waiver.....                      | 40 |
| Section 18.11 | Terminology.....                     | 41 |
| Section 18.12 | Counterparts.....                    | 41 |
| Section 18.13 | Severability.....                    | 41 |
| Section 18.14 | Authorization.....                   | 41 |
| Section 18.15 | Ancillary Agreements.....            | 41 |
| Section 18.16 | Amendment.....                       | 41 |
| Section 18.17 | Successors and Assigns.....          | 42 |
| Section 18.18 | Entire Agreement.....                | 42 |
| Section 18.19 | Consent of the LSU Board.....        | 42 |
| Section 18.20 | Conflict Resolution.....             | 42 |
| Section 18.21 | Exculpatory Provision.....           | 42 |

|             |   |                           |
|-------------|---|---------------------------|
| EXHIBIT A   | - | PROPERTY DESCRIPTION      |
| EXHIBIT A-1 | - | DESCRIPTION OF FACILITIES |
| EXHIBIT B   | - | PERMITTED LIENS           |
| EXHIBIT C   | - | MEMORANDUM OF LEASE       |
| EXHIBIT D   | - | INITIAL IMPROVEMENTS      |

## GROUND LEASE AGREEMENT

This **GROUND LEASE AGREEMENT** (together with any amendments, modifications or supplements hereto, the "Ground Lease") effective as of \_\_\_\_\_, 2019, is entered into by and between the **BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE**, a public constitutional corporation organized and existing under the laws of the State of Louisiana (the "LSU Board"), represented herein by the President of Louisiana State University, and [**\*\*LSUREFF SPE\*\***], a Louisiana limited liability company (the "Company"), represented herein by its Executive Director.

### W I T N E S S E T H

**WHEREAS**, the LSU Board is a public constitutional corporation organized and existing under the laws of the State of Louisiana and Louisiana State University Shreveport ("LSUS" or the "University") is an institution of higher education under its management and control pursuant to La. R.S. 17:3215;

**WHEREAS**, the LSU Real Estate and Facilities Foundation is a Louisiana nonprofit corporation which has been established for charitable, scientific and educational purposes providing benefit to the LSU Board within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Foundation"), and is the sole member of the Company;

**WHEREAS**, pursuant to La. R.S. 17:3361 *et seq.* (the "University Leasing Act"), the LSU Board is authorized to lease to the Company any portion of the campus of the University;

**WHEREAS**, as of April 1, 1992, the LSU Board and the Housing Partnership I, LTD. ("HPI") entered into that certain Ground Lease Agreement (the "HPI Ground Lease"), whereby the LSU Board leased to HPI an approximately 8-acre parcel of land located on the campus of the University (as more particularly described in **Exhibit A** hereto, the "Site") pursuant to the University Leasing Act;

**WHEREAS**, pursuant to the HPI Ground Lease, HPI developed, constructed, maintained, operated and leased the student residence facilities then known as University Court Apartments consisting of 140 units with 396 beds (together with the Facilities Equipment, defined herein, the "Facilities") on the Site for occupancy by students, faculty and staff of the University, as more particularly described in **Exhibit B** hereto;

**WHEREAS**, Section 12.02 of the HPI Ground Lease provides that the LSU Board has the right to purchase HPI's leasehold estate and the fee title to the Facilities and Facilities Equipment (collectively, the "HPI Interest"), and the LSU Board has assigned that right to the Company;

**WHEREAS**, the LSU Board and the Company have determined that it is in the best interest of the LSU Board and the University for the Company to (i) acquire the Facilities from HPI and (ii) make certain necessary repairs and improvements to the Facilities, and such

acquisition has occurred pursuant to that certain [**\*\*conveyance document\*\***] dated \_\_\_\_\_, 2019, by and between HPI and the Company (the "Conveyance"); and

**WHEREAS**, the Company obtained the funds necessary to acquire the HPI Interest and to make the necessary repairs and improvements to the Facilities through a loan (the "First Loan") and, together with any additional Indebtedness (defined herein), the "Loan") from [**\*\*Lender\*\***] (the "Lender") pursuant to that certain Loan Agreement dated as of \_\_\_\_\_, 2019 (together with any amendments, modifications or supplements thereto, the "First Loan Agreement" and, together with any agreement or instrument pursuant to which additional Indebtedness is incurred, the "Loan Agreement"), and the obligations of the Company under the First Loan Agreement are evidenced by that certain promissory note dated as of \_\_\_\_\_, 2019 (together with any amendments, modification and supplements thereto, the "First Note" and, together with any note or other payment obligations evidencing additional Indebtedness, the "Note") by the Company in favor of the Lender, which First Note is currently outstanding in the principal amount of \$ \_\_\_\_\_; and

**WHEREAS**, to secure its payment obligations under the First Loan, the Company has granted to the Bank a mortgage on, and security interest in, its right, title and interest in and to the Facilities and the Ground Lease to the Bank pursuant to that certain [**\*\*Multiple Indebtedness Mortgage, Security Agreement and Assignment of Leases and Rents\*\***] dated effective \_\_\_\_\_, 2019, (together with any amendments, modifications and supplements thereto, the "Mortgage");

**WHEREAS**, pursuant to the University Leasing Act and this Ground Lease, the LSU Board, simultaneously with the Conveyance, desires to lease the Site to the Company; and

**WHEREAS**, also pursuant to the University Leasing Act, the LSU Board may lease all or any portion of the Facilities constructed by HPI on the Site and now owned by the Company, and the LSU Board and, accordingly, the LSU Board and the Company will enter into that certain Facilities Lease dated effective \_\_\_\_\_, 2019 (together with any amendments, modifications and supplements thereto, the "Facilities Lease"), pursuant to which the LSU Board will sublease the Site and lease the Facilities from the Company and, initially, operate, manage and maintain the Premises (defined herein); and

**WHEREAS**, upon election and notice by the LSU Board as provided in the Facilities Lease, the LSU Board and the Company will enter into that certain Facilities Operation and Maintenance Agreement (together with any amendments, modifications and supplements thereto, the "FOMA"), in substantially the form attached as Exhibit E to the Facilities Lease, pursuant to which the Company will agree to operate, manage and/or maintain the Facilities.

**NOW, THEREFORE**, in consideration of the mutual covenants, conditions and agreements which follow, the parties hereby agree as follows:

**ARTICLE I**  
**LEASE OF PROPERTY - TERMS OF GROUND LEASE**

**Section 1.01 Lease of Site.** In consideration for the performance by the Company of all of its obligations set forth in this Ground Lease, the Facilities Lease and the FOMA, the LSU Board does hereby lease, let, demise, and rent unto the Company, and the Company does hereby rent and lease from the LSU Board, the Site, together with all existing improvements, alterations, additions and attached fixtures located on the Site as of April 1, 1992, and the right of uninterrupted access to and from all streets and roads now or hereafter adjoining the Site for vehicular and pedestrian ingress and egress. The LSU Board and the Company hereby acknowledge that the Facilities are owned by the Company, subject, however, to the terms hereof. The Company, by execution of this Ground Lease, accepts the leasehold estate herein demised subject only to the matters described on **Exhibit B** attached hereto.

**Section 1.02 Servitudes and Rights of Access.** LSU hereby grants to the Company and its contractors the right to perform or cause to be performed the Initial Improvements on the Site and such other areas of Campus as shall be approved in writing by an LSU Board Representative, and hereby grants to the Company for the term hereof a nonexclusive servitude over, across, and upon that portion of the Campus as is necessary and as is set forth in this Ground Lease in order to perform the Initial Improvements in accordance with this Ground Lease. LSU shall grant to the Company and its contractors temporary rights of passage and use over such other areas including "lay down" and "staging" areas as may be reasonably required to perform the Initial Improvements, the use of which by the Company and its contractors shall require the prior written consent of the LSU Board Representative. Such rights of passage and use as to the Company's contractors shall terminate upon completion of the Initial Improvements.

During the term hereof, LSU hereby grants to the Company the right to access on, over, upon, and across that portion of the Campus as is necessary or required for the Company's use of such areas. LSU agrees it will not materially or unreasonably interfere with such access during the term hereof. The Company agrees not to materially and adversely interfere with LSU's use of the Campus with respect to the Company's use of the Land.

**Section 1.02 Habendum.** To have and to hold the Site, together with all and singular the rights, privileges, and appurtenances thereto attaching or anywise belonging, exclusively unto the Company, its successors and assigns, for the term set forth in Section 1.03 below, subject to the covenants, agreements, terms, provisions, and limitations herein set forth.

**Section 1.03 Term.** Unless sooner terminated as herein provided, this Ground Lease shall continue and remain in full force and effect for a term commencing on the Effective Date and ending the earliest of the date of termination of the Facilities Lease or at midnight on \_\_\_\_\_, 20\_\_ (the "Expiration Date"); provided, however, any provision of this Ground Lease notwithstanding, in no event shall this Ground Lease terminate prior to the date of payment in full of the Loan. The term may be extended by written agreement of the parties hereto upon terms and conditions mutually agreeable to the parties, subject to securing any approvals required by the terms hereof or by Applicable Law; provided, however, the aggregate term of this Ground Lease shall not exceed ninety-nine (99) years.



**ARTICLE II  
DEFINITIONS**

**Section 2.01 Definitions.** In addition to such other defined terms as may be set forth in this Ground Lease, the following terms shall have the following meanings.

|                                      |  |
|--------------------------------------|--|
| <u>"Applicable Law"</u>              | All present and future laws, statutes, rules, regulations or ordinances, resolutions and orders of any Governmental Authority substantially affecting the Premises and/or the ability of the parties to meet their obligations hereunder, including, without limitation, all Environmental Laws. |
| <u>"Associate Vice President"</u>    | The Associate Vice President for Facility and Property Oversight of Louisiana State University (or any successor officer or office) or his or her designee appointed in writing.   |
| <u>"Award"</u>                       | Any payment or other compensation received or receivable as a consequence of Expropriation from or on behalf of any Governmental Authority or any other Person vested with the power of eminent domain.  |
| <u>"Campus"</u>                      | The campus of the University.  |
| <u>"Casualty"</u>                    | Shall have the meaning assigned thereto in Section 12.01 of this Ground Lease.   |
| <u>"Casualty Insurance Proceeds"</u> | All proceeds paid under the insurance policies described in Article XVII hereof.   |
| <u>"Chancellor"</u>                  | The Chancellor of the University (or any successor officer or office) or his or her designee appointed in writing.   |
| <u>"Company"</u>                     | <b>[**LSUREFF SPE**]</b> , a limited liability company organized and existing under the laws of the State of Louisiana, the sole member of which is the Foundation, and its successors, transferees and assigns.   |
| <u>"Company Representative"</u>      | A Manager of the Company, or any other person designated as a Company Representative by a Manager by an instrument in writing.   |
| <u>"Conveyance Documents"</u>        | Shall have the meaning assigned thereto in the Recitals to this Ground Lease.  |
| <u>"Effective Date"</u>              | _____, 2019.   |

|                               |  |
|-------------------------------|--|
| <u>"Environmental Laws"</u>   | All federal, State and local laws and ordinances and common law principles relating to the protection of the environment or the keeping, use, abatement, remediation, disposal, human health or natural resources or the generation, transportation, treatment, storage, disposal, recycling, keeping, use, or disposition of Hazardous Materials, substances, or wastes, presently in effect or adopted after the Effective Date. This includes all amendments to Environmental Laws, and all rules and regulations under any Environmental Laws. |
| <u>"Event of Default"</u>     | Any matter identified as an event of default under Section 10.01 hereof.   |
| <u>"Expiration Date"</u>      | The expiration date of this Ground Lease as set forth in Section 1.03 hereof.  |
| <u>"Expropriation"</u>        | The taking of all or any portion of the Premises by condemnation, expropriation, or eminent domain proceedings.  |
| <u>"Facilities"</u>           | The Facilities in <b>Exhibit A-1</b> hereto, including, without limitation, driveways, walkways, parking areas, and all electrical, plumbing, heating, water, water heating, sewerage, gas and other utility equipment and the Facilities Equipment, which are now or shall hereafter be situated on or in said Facilities or on or in the Site.   |
| <u>"Facilities Equipment"</u> | The furniture, fixtures and other personal property financed or refinanced with proceeds of the Loan and owned or leased by the Company and used on or in the Facilities or used in connection with the operation of the Facilities and which are not components parts of or permanently affixed to the Facilities and which are not owned by the LSU Board but are leased to the LSU Board under the Facilities Lease.  |
| <u>"Facilities Lease"</u>     | That certain Facilities Lease dated effective _____, 2019, between the LSU Board and the Company, as amended, modified and supplemented from time to time.   |
| <u>"First Loan"</u>           | Shall have the meaning assigned thereto in the Recitals to this Ground Lease.  |
| <u>"First Loan Agreement"</u> | Shall have the meaning assigned thereto in the Recitals to   |

|                                 |  |
|---------------------------------|--|
|                                 | this Ground Lease.   |
| <u>"First Note"</u>             | Shall have the meaning assigned thereto in the Recitals to this Ground Lease.  |
| <u>"FOMA"</u>                   | Shall have the meaning assigned thereto in the Recitals to this Ground Lease.  |
| <u>"Force Majeure"</u>          | Any circumstances beyond the control of the Company or the LSU Board, including, without limitation, acts of God, hurricanes, tornadoes, power outages or lack of power supply due to a casualty, mandatory evacuations, acts of a public enemy, governmental interference, inability to obtain labor, energy or supplies, riot, civil commotion, strike, lockout or any other unforeseeable event (other than an inability to obtain financing), the occurrence of which would prevent or preclude the Company or the LSU Board, respectively, from fully and completely carrying out the performance of their respective obligations under this Ground Lease, other than obligations in respect of the payment of money. |
| <u>"Foundation"</u>             | LSU Real Estate and Facilities Foundation, a nonprofit corporation organized and existing under the laws of the State and the sole member of the Company, and its successors and assigns.  |
| <u>"Governmental Authority"</u> | Any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, parish, district, municipality, city or otherwise) whether now or hereafter in existence, with jurisdiction over the Facilities.   |
| <u>"Ground Lease"</u>           | This Ground Lease dated effective _____, 2019 by and between the LSU Board and the Company, as amended, modified and supplemented from time to time.   |
| <u>"Guaranty"</u>               | Any guaranty, loan agreement or other obligation of the Company guaranteeing in any manner, whether directly or indirectly, the Indebtedness of any other Person.  |
| <u>"Hazardous Materials"</u>    | Pollutants, contaminants, flammables, explosives, radioactive materials, hazardous wastes, substances, chemicals or materials, toxic wastes, substances, chemicals, or materials or other similar substances, petroleum products   |

or derivatives, or any substance subject to regulation by or under Environmental Laws, including asbestos, asbestos-containing materials, materials presumed by law to contain asbestos, polychlorinated biphenyls ("PCBs"), petroleum, petroleum byproducts (including but not limited to, crude oil, diesel, oil, fuel oil, gasoline, lubrication oil, oil refuse, oil mixed with other waste, oil sludge, and all other liquid hydrocarbons, regardless of specific gravity), natural or synthetic gas products, infectious wastes, radioactive materials, and/or any hazardous or toxic substance, chemical or material, or any other environmentally regulated substance or material, waste, pollutant or contaminant, defined as such or regulated by any Environmental Laws.

"Indebtedness"

With respect to the Company, any indebtedness or liability for borrowed money, any installment sale obligation or any obligation under any lease that is capitalized under generally accepted accounting principles and any Guaranty of the foregoing that is incurred by the Company for the benefit of the Facilities with the prior written consent of the LSU Board.

"Initial Improvements"

The improvements to the Facilities to be performed by the Company as more particularly described in Article V hereof and **Exhibit D** hereto.

"Lender"

\_\_\_\_\_, and its successors and assigns.

"Loan"

Shall have the meaning assigned thereto in the Recitals to this Ground Lease.

"Loan Agreement"

Shall have the meaning assigned thereto in the Recitals to this Ground Lease.

"LSU Board"

Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, a constitutional corporation organized and existing under the laws of the State, and its successors and assigns.

"LSU Board Representative"

One or more of the persons designated and authorized in writing from time to time by the LSU Board to represent the LSU Board in exercising LSU's rights and performing LSU's obligations under this Ground Lease; initially the LSU Board Representative(s) shall be (i) the President or his or her designee, (ii) the Associate Vice President or his

or her designee and (iii) the Chancellor or his or her designee, until the LSU Board designates one or more other persons to represent the LSU Board under this Ground Lease.

|                               |  |
|-------------------------------|--|
| <u>"LSU Board's Interest"</u> | The LSU Board's ownership interest in and to the Site.   |
| <u>"LSUS"</u>                 | Louisiana State University Shreveport, an institution of higher education under the management and supervision of the LSU Board.   |
| <u>"Mortgage"</u>             | Shall have the meaning assigned thereto in the Recitals to this Ground Lease.  |
| <u>"Note"</u>                 | Shall have the meaning assigned thereto in the Recitals to this Ground Lease.  |
| <u>"Option"</u>               | Shall have the meaning assigned thereto in Section 3.10 of the Facilities Lease.   |
| <u>"ORM"</u>                  | The Office of Risk Management, Division of Administration of the State.  |
| <u>"Permitted Sublessees"</u> | Students, faculty and staff of the University, Persons other than students, faculty and staff of the University who are participants in any activities related to the mission of the University and who are using the Facilities pursuant to a concession or other housing arrangement with the University and Persons who are otherwise authorized by the LSU Board Representative. |
| <u>"Permitted Use"</u>        | The operation of the Facilities for the housing of Permitted Sublessees and for purposes related to or associated with the foregoing.  |
| <u>"Person"</u>               | An individual, a trust, an estate, a Governmental Authority, partnership, joint venture, corporation, company, firm or any other entity whatsoever.  |
| <u>"Premises"</u>             | As defined in the Facilities Lease.  |
| <u>"President"</u>            | The President of Louisiana State University (or any successor officer or office) or his designee appointed in writing.   |
| <u>"Purchase Price"</u>       | Shall have the meaning assigned thereto in Section 3.10 of the Facilities Lease.   |

|                                   |  |
|-----------------------------------|--|
| " <u>Rent</u> "                   | The amounts to be paid by the Company to the LSU Board pursuant to Section 3.1 of this Ground Lease.                             |
| " <u>Site</u> "                   | Shall have the meaning set forth in the Recitals hereof.   |
| " <u>State</u> "                  | The State of Louisiana.  |
| " <u>Term</u> "                   | The term of this Ground Lease as set forth in Section 1.03 hereof.   |
| " <u>University</u> "             | Louisiana State University Shreveport, an institution of higher education under the management and supervision of the LSU Board. |
| " <u>University Leasing Act</u> " | Louisiana Revised Statutes 17:3361, <i>et seq.</i> , as amended from time to time.   |

[remainder of this page intentionally left blank]

**ARTICLE III**  
**RENT**

**Section 3.01 Rent.** Commencing on \_\_\_\_\_ 1, 20\_\_, and thereafter on each \_\_\_\_\_ 1 throughout the Term, the Company shall pay to the LSU Board, at the address set forth in Section 18.03 or such other place as the LSU Board may designate from time to time in writing, as annual rent for the Site ("Rent"), the sum of \$1.00 per year; provided all such amounts payable hereunder may be paid in advance in one lump sum.

[remainder of this page intentionally left blank]

## **ARTICLE IV USE OF SITE**

**Section 4.01 Purpose of Ground Lease.** The parties enter into this Ground Lease for the purpose of providing the Facilities for housing of Permitted Sublessees and operating and maintaining the Facilities. Except as otherwise provided herein and in the Facilities Lease, the Site is to be used for no other purpose.

**Section 4.02 Benefit of the LSU Board and the University.** The Company shall own the Facilities and lease the Facilities to the LSU Board pursuant to the Facilities Lease for the support, maintenance or benefit of the LSU Board and the University. The use of the Site and the Facilities shall be in accordance with all University rules and regulations.

**Section 4.03 Intentionally Left Blank.**

**Section 4.04 Compliance with Statutory Requirements.** The University Leasing Act prescribes rules and regulations for leases of any portion of the campus by a college or university. By execution of this Ground Lease, the LSU Board represents that it has complied with applicable statutory requirements of such Title 17 including, without limitation, (a) the formulation and adoption of such rules, regulations and requirements as it deems necessary or desirable relative to the erection, construction and maintenance of the Facilities, which rules, regulations and requirements are incorporated in this Ground Lease as though fully set forth herein, as required by La. R.S. 17:3362A and (b) the waiver, by written consent, of its right to require removal of the Facilities (i) in the event the Company fails, neglects or refused to comply with such rules, regulations or requirement as set forth in La. R.S. 17:3362B, except as otherwise set forth in this Ground Lease and (ii) upon failure of the Company to conform to rules or regulations relative to the conduct and social activities of people in the Facilities as permitted by La. R.S. 17:3364, except as otherwise set forth in this Ground Lease; provided, however, that the LSU Board reserves the right to enforce any and all other available remedies in the event of such failure, neglect or refusal.

[remainder of this page intentionally left blank]



## ARTICLE V INITIAL IMPROVEMENTS

**Section 5.01. Obligation to Perform Initial Improvements.** The Company shall perform, or cause to be performed, the Initial Improvements and in accordance with the provisions of this Agreement (the "Work"). The Foundation shall have no obligation to pay for Initial Improvements except from the proceeds of the First Loan.

**Section 5.02. Improvements Account.** The Company shall establish a separate checking account for the administration of the Initial Improvements or any other improvements to the Facilities (the "Improvements Account"). All funds received by the Foundation from the proceeds of the Loan or any other source for purposes of performing the Initial Improvements or any other improvements to the Facilities shall be deposited to the Improvements Account. The Foundation shall use the funds on deposit in the Improvements Account only for the purpose of performing the Initial Improvements or any other improvements to the Facilities pursuant to this Article V.

**Section 5.03. Performance of the Initial Improvements.** The Foundation shall perform or cause to be performed the Work in a good and workmanlike manner, in accordance with the following provisions:

(a) ***Plans and Specifications/Change Orders.*** Plans and specifications for the Work shall be delivered to the LSU Board Representative for review. The LSU Board Representative shall approve or disapprove in writing such plans and specifications within fourteen (14) days of receipt thereof. Any request for change orders to the plans and specifications or to the construction contract should be made to the LSU Board Representative (unless the LSU Board Representative and the Company agree in writing that certain classes or types of change orders may proceed without the LSU Board Representative's approval). The LSU Board Representative shall approve or disapprove such request within seven (7) days of having received the request for the change order. No change order to the construction contract or to the plans and specifications which increases the total contract amount by Fifty Thousand Dollars (\$50,000.00) or more shall be implemented without the prior written consent of the LSU Board Representative.

(b) ***Commencement and Completion of the Work.*** Unless delayed by Force Majeure, the Company agrees to commence the Work upon receipt from the LSU Board (through the LSU Board Representative) of (i) written approval of the plans and specifications and (iii) a notice to proceed to use commercially reasonable efforts to complete the Work in a timely manner.

(c) ***Construction Contract(s).*** The Work shall be performed on behalf of the Company pursuant to one or more written contracts between the Company and one or more contractors. The LSU Board Representative shall approve or disapprove any such contract within ten (10) days of receipt of a copy thereof from the Company. Where appropriate, the contract(s) and bond(s) shall be recorded properly with the Clerk of Court of Caddo Parish prior to commencement of the Work. The Company shall include a liquidated damage clause acceptable to the LSU Board Representative in its construction contract(s). LSU and the Company hereby acknowledge and, to the extent

practically and legally possible, any contract between the Company and any contractor or contractors and all subcontracts entered into by the general contractor shall acknowledge expressly, the following:

(i) The Work will be performed solely and exclusively for the Company.

(ii) The Company is a separate legal entity from the LSU Board. The Company is not acting as an agent for the LSU Board, and the Company has no authority to obligate the LSU Board to any extent whatsoever.

(iii) Neither the LSU Board nor the State shall be liable, directly or indirectly, for the payment under the contract of any sums whatsoever or for the performance of any other obligation whatsoever arising out of the Work.

(iv) The Company owns the Facilities upon which the Work will be performed and the Initial Improvements will be owned by the Company. The Work shall not give rise to any rights against any property of the LSU Board.

(d) **Performance Bond.** The Company shall require that the contractor(s) provide a performance and labor and materials payment bond with a corporate surety authorized to do business in the State. Said bond shall be for the greater of the full amount of the contract price or the amount of the guaranteed maximum price of the Work. Both the Company and the LSU Board shall be obligees or beneficiaries under the bond.

(e) **Rights Concerning the Property During Performance of the Work and Thereafter.** The Company and its contractor(s) shall have the right to occupy and use the Premises with reasonable ingress to and egress therefrom, during the performance of the Work, and, as applicable, during the Term, and with the prior written consent of the LSU Board Representative, shall fence that area of the Site necessary to perform the Work in a safe and secure manner. Except for unknown and unforeseen and/or unforeseeable defects, the Company assumes all responsibility for the condition of the Facilities and any portion of the Campus surrounding the Site used by it during the Term. The Company and its contractor(s) shall maintain the Premises and any improvement or construction thereon in a reasonably prudent manner during the Term. The LSU Board Representative and any other LSU Board employees designated by him shall at all times have access to the Premises and shall exercise all rights as owner, even those not specifically acknowledged herein. The Company will take prudent care of the Premises and return same to LSU at the completion of the Initial Improvements, with the improvements thereon, in as good a condition as when received, ordinary wear and tear excepted.

(f) **Access over Adjoining Property during Performance of the Work.** LSU hereby grants to the Company and its contractors a servitude of access over and across such other portions of the Campus as is necessary in order for the Company to fulfill its obligations under this Article V, provided, however, that the Company will not unreasonably interfere with LSU's use of such other property.

(g) **LSU Rules and Regulations; Access during Performance of the Work.**

The Company agrees that it will comply with all LSU Board and University regulations and policies with regard to all contractors and personnel entering the Premises for purposes of performing the Work (including, without limitation, the criminal history checks required by Section 7.07 hereof, and with all Applicable Law regulating its operations on the Premises, and that it will secure, at its own expense, all necessary permits and licenses from all regulatory agencies or bodies, which rules and regulations will be addressed at the pre-construction conference. The Company shall make these same requirements of its contractor(s) for the Work. The Work shall be subject to inspection by the LSU Board Representative, and the LSU Board Representative shall have access at all times to the Work.

(h) **Approvals.** The LSU Board may not unreasonably deny or delay any approval required pursuant to this Article V.

(i) **Signage.** Before erecting or placing any sign upon the Premises, the Company shall submit the design specifications of such sign to the LSU Board Representative for approval, which approval shall not be withheld if such signage is consistent with the LSU Board's current signage policy or such signage was included in the plans and specifications.

(j) **Acceptance of the Work.** The Company and the LSU Board agree to work together to complete all warranty and punch list items within the first six month period following acceptance of the Work. The Company will not accept the Work without the written approval of the LSU Board Representative. The LSU Board reserves the right to refuse to approve the acceptance of the Work unless monies equal to the value of the punch list deficiencies are held by the Company in an escrow account for payment to the contractor(s) for completion of the punch list items. Final payment shall not be made to the contractor(s) until the LSU Board agrees in writing that the punch list items have been completed.

(k) **Clerk of the Works.** If, in the LSU Board Representative's sole discretion, the LSU Board shall determine that a Clerk of the Works is necessary to oversee the Work, the Company, at the LSU Board's expense, shall hire a Clerk of the Works for full time supervision of the Work.

(l) **Utilities.** LSU shall provide, at its expense, all utilities necessary for the performance by the Company of the Initial Improvements, including, without limitation, water, heat, gas, electricity, sewerage.

(m) **No Liens: Release of Recorded Lien.** The Company shall not suffer or permit any Liens to be enforced against the Premises or the LSU Board by reason of a failure to pay for any work, labor, services or materials supplied or claimed to have been supplied to the Company or to anyone through the Company. If any such Liens shall be recorded against the Premises, the Company shall cause the same to be released of record, or in the alternative, if the Company in good faith desires to contest the same, the Company shall be privileged to do so, but in such case, the Company hereby agrees to indemnify and save the LSU Board harmless from all liability for damages occasioned thereby and shall, in the event of a judgment of foreclosure on said lien, cause the same to be discharged and released prior to the execution of such judgment.

(n) **Information.** The Company shall provide to the LSU Board Representative, within fifteen (15) days of the end of each calendar month, copies of all documentation generated by the Company, or generated by third parties and in the possession of the Company, in connection with the Initial Improvements, including without limitation, all draw requests and supporting documentation, statements reflecting debits and credits to the Improvements Account, change orders and any other information reasonably requested by the LSU Board Representative.

(o) **Insurance.** During the performance of the Work, the Company shall maintain or require its contractor(s) to maintain, the following:

(i) *Builder's Risk Insurance.* Contractor(s) shall provide an "All Risk" builder's risk insurance policy, including but not limited to fire and extended coverage, vandalism and malicious mischief insurance, for not less than one hundred (100%) percent of the full replacement value of the Work to protect against any damage or loss during the Work. This policy shall be taken out prior to commencement of the Work and be discontinued upon final approval by the LSU Board Representative of the Work. Coverage shall run in favor of the contractor(s), the subcontractor(s), the Company and the LSU Board, as their interests may appear. The coverage shall include the architect's fee for work required and reconstruction following a loss during the Work. Written evidence of such insurance shall be provided to the LSU Board Representative prior to commencement of the Work.

(ii) *Workers' Compensation Insurance.* Workers' Compensation insurance shall be in compliance with the laws of the State of Louisiana. Employer's Liability shall be included with a minimum limit of \$1,000,000 per accident/per disease/per employee. If the contractor is exempt from workers' compensation or fails to provide appropriate coverage, then the Company is, or agrees to be, solely responsible and hold harmless the University for the injuries to any officers, agents, volunteers, or employees during the course of the Work.

(ii) *Commercial General Liability Insurance.* Commercial General Liability insurance shall be maintained on an "occurrence" basis, including property damage, bodily injury, products & completed operations, and personal & advertising injury with limits not less than \$1,000,000 per occurrence and \$2,000,000 aggregate on Insurance Services Office Form CG 00 01, ISO 2007 edition or equivalent.

(iii) *Automobile Liability Insurance.* Automobile Liability Insurance shall be maintained with a minimum combined single limit per accident of \$1,000,000 on ISO form number CA 00 01 or equivalent. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned vehicles.

(iv) *Cyber Liability Insurance.* If the contractor collects and stores personal protected information then Cyber liability insurance shall be maintained

that provides third party coverage for privacy breach, including coverage for notification and assistance as required by Louisiana law with a minimum limit of \$1,000,000.

(v) Umbrella or Excess insurance may be used to meet the minimum limit requirements for liability insurance.

(p) ***Criminal History Checks.*** Any vendors, specialists, agents, consultants and contractors engaged by the Company in connection with the Initial Improvements shall provide to the LSU Board Representative a letter certifying that criminal history checks have been conducted on all personnel providing a service on the Campus in connection with the Facilities, which letter shall be (i) provided within fifteen (15) days of engagement (ii) updated as new personnel are added, (iii) updated annually for all personnel, (iv) kept on file at the office of such vendors, specialists, agents and consultants and (v) made available to the LSU Board or the University upon request thereby. Any Person who has been convicted of a criminal violation or offense described in La. R.S. 40:981.3 or in L.A.C. Title 28, Chapter 9 shall not be employed in any capacity on the Campus by the Company or its contractors.

(q) ***Diverse Suppliers.*** The Company understands that the LSU Board is committed to promoting the growth and development of minority- and women-owned and small and historically underutilized businesses (collectively, "Diverse Businesses") by providing opportunities to participate in LSU Board agreements. In support of this commitment, the Company shall, and shall cause its contractors to, use good faith and commercially reasonable efforts to provide opportunities to Diverse Businesses that are either certified by the State or another certifying entity in a diverse category as a subcontractor or supplier for the performance of the Initial Improvements and (ii) the Company shall, and shall cause its contractors to, provide to the LSU Board a list of Diverse Businesses during each Fiscal Year, which list shall identify as to each Diversity Business contained thereon (A) the legal name thereof, (B) the principal office or address, (C) ownership and (D) the services or good that it may provide or supply and the value of the goods or services procured therefrom. To the extent that any Applicable Laws would require that this paragraph (q) be modified or voided, the parties agree that such provision can be amended or severed from any such agreement without affecting any of the other terms thereof.

[remainder of this page intentionally left blank]

**ARTICLE VI  
ENCUMBRANCES**

**Section 6.01 Mortgage of Leasehold or the Facilities; Additional Indebtedness.** The Company shall not mortgage or grant a lien or security interest in the Company's leasehold interest in the Site or its ownership interest in the Facilities or any other right of the Company hereunder without the prior written consent of the LSU Board. The LSU Board hereby acknowledges and consents to the Company's granting of the Mortgage, which secures payment of the Company's obligations under the Loan Agreement, and represents that the President has provided all necessary consents required in conjunction with the granting of the Mortgage and the related transactions. Any renewals or material amendments to the Mortgage and/or Loan Agreement shall require the consent of the President. Any mortgage of the leasehold interest and the Facilities (and any renewals and amendments) shall remain subject to and subordinate to this Ground Lease. The Company shall not incur Indebtedness in addition to the First Loan for which the LSU Board will be obligated to pay Base Rent hereunder without the prior written consent of the LSU Board, which consent may be withheld at the discretion of the LSU Board.

[remainder of this page intentionally left blank]

**ARTICLE VII  
CERTAIN LIENS PROHIBITED**

**Section 7.01 No Mechanics' Liens.** Except as permitted in Section 7.02 hereof and as otherwise caused by or at the instruction of the LSU Board, the Company shall not suffer or permit any mechanics' liens or other liens to be enforced against the LSU Board's ownership interest in the Site nor against the Company's leasehold interest in the Site or ownership interest in the Facilities by reason of a failure to pay for any work, labor, services, or materials supplied or claimed to have been supplied to the Company or to anyone holding the Site or Facilities or any part thereof through or under the Company.

**Section 7.02 Release of Recorded Liens.** If any mechanics' liens or materialmen's liens which arise out of a contract with the Company or its agents or contractors shall be recorded against the Site or Facilities, the Company shall cause the same to be released of record or, in the alternative, if the Company in good faith desires to contest the same, the Company shall be privileged to do so, but in such case the Company hereby agrees to indemnify, defend and save the LSU Board harmless from all liability for damages occasioned thereby and shall, in the event of a judgment of foreclosure on said mechanics' lien, cause the same to be discharged and released prior to the execution of such judgment. In the event the LSU Board reasonably should consider the LSU Board's interest endangered by any such liens and should so notify the Company and the Company should fail to provide adequate security for the payment of such liens in the form of a surety bond, cash deposit or cash equivalent or indemnity agreement reasonably satisfactory to the LSU Board within thirty (30) days after such notice, then the LSU Board, at the LSU Board's sole discretion, may discharge such liens and recover from the Company as additional rent under this Ground Lease the amounts paid, with interest thereon from the date paid by the LSU Board until repaid by the Company at the rate of ten percent (10%) per annum.

**Section 7.03 Memorandum of Recitals.** The memorandum of lease to be filed pursuant to Section 18.05 of this Ground Lease and any third-party contract for improvements to the Facilities or to be located on the Site shall clearly state that such third party, or any other party claiming under said third party, shall be on notice that neither the LSU Board nor the LSU Board's property shall have any liability for satisfaction of any claims of any nature in any way arising out of a contract with the Company.

[remainder of this page intentionally left blank]

**ARTICLE VIII  
OPERATION AND MANAGEMENT OF FACILITIES**

**Section 8.01 Operation, Alterations, Maintenance, Repair, Replacement and Security Service.**

The following provisions of this Section 8.01 shall apply only in the event the Facilities Lease is terminated pursuant to Section 2.2.3 or Section 2.2.4 thereof.

(a) The Company shall be responsible for procuring and maintaining or shall cause to be procured and maintained all services necessary or required in order to adequately operate and maintain the Facilities in accordance with the Permitted Use. The Company shall continuously cause to be operated and maintained the Facilities from the date of such termination of the Facilities Lease or date designated in the election and notice by the LSU Board through the remainder of the Term in accordance with all Governmental Regulations and all University rules and regulations.

(b) The Company shall be responsible for maintaining, repairing and replacing the Facilities and shall make or contract, or cause to be made or contracted, with a suitable contractor for the making of all alterations, repairs, restorations, and replacements to the Facilities, including, without limitation, the heating, ventilating, air conditioning, mechanical, electrical, elevators, plumbing, fire, sprinkler and theft systems, air and water pollution control and waste disposal facilities, structural roof, walls, foundations, fixtures, equipment and appurtenances to the Facilities as and when needed to preserve them in good working order, condition and repair (ordinary wear and tear excepted), regardless of whether such repairs, alterations, restorations or replacements are ordinary or extraordinary, foreseeable or unforeseeable, or are the fault of the Company or some other Person. All alterations, repairs, restoration, or replacements shall be of a quality and class equal to or better than the quality and class located in the Facilities as of their completion.

(c) The Company shall not have the right to make or construct any material additions, alterations or improvements to the Facilities, attach fixtures, structures, or signs to or on the Facilities, or affix personal property to the Facilities without the LSU Board Representative's prior written consent. All plans for such additions, alterations and improvements shall be submitted to the LSU Board Representative for approval. All such alterations, improvements, additions, attachments, repairs, restorations and replacements of all or any portion of the Facilities shall (i) be at the sole cost and expense of the Company; (ii) not reduce the then fair market value of the Facilities; (iii) be constructed in a good and workmanlike manner; and (iv) be in compliance with all Governmental Regulations and University rules and regulations. Non-material additions and improvements may be made without the consent of the LSU Board Representative.

(d) The Company shall cause to be provided all custodial service, janitorial service, trash disposal and all other services necessary for the proper upkeep and maintenance of the Facilities as required herein. It is the responsibility of the LSU Board



to cause to be provided or to provide for the security of persons on or entering the Facilities and/or property located at the Facilities, consistent with that provided to other University facilities. Access to the Facilities shall be provided to the University for such purpose.

(e) The Company shall be responsible for maintaining the grounds and landscaping the Site and shall contract with a suitable contractor for the maintenance thereof.

(f) The Company shall be responsible for leasing the Facilities to Permitted Sublessees and for the collection of rent.

(g) The LSU Board Representative shall have the right to make inspections of the Facilities to ascertain the quality of maintenance being undertaken by or on behalf of the Company. Such inspections shall be conducted after reasonable notice to the Company and at a reasonable time and in a manner to minimize disruption of the quiet enjoyment of the Facilities by the Permitted Sublessees. Within fifteen (15) days after the inspection, the LSU Board Representative shall meet with the Company or the Company Representative to discuss recommendations as to major repairs or replacements deemed reasonably necessary to maintain the Facilities in good operating condition and proper maintenance of the Facilities. To the extent funds are available, the Company shall make or cause to be made any recommended repairs, as agreed upon by the Company and the LSU Board Representative.

**Section 8.02 Books and Records.** The Company shall keep or cause to be kept accurate, full and complete books, including bank statements and accounts showing exclusively its assets and liabilities, operations, transactions and the financial condition of the Company. In the event the Facilities Lease is terminated pursuant to Section 2.2.3 or Section 2.2.4 thereof or in the event the LSU Board elects, pursuant to Section 8.06 of this Ground Lease, that the Company shall be responsible for operating and/or maintaining the Facilities, the Company shall keep or cause to be kept, accurate, full and complete books, including bank statements, and accounts showing exclusively the results of the operation of the Facilities.

**Section 8.03 Audits.** The LSU Board may, at its option and at its own expense, and during customary business hours, conduct internal audits of the books, bank accounts, records and accounts of the Company. Audits may be made on either a continuous or a periodic basis or both, and may be conducted by employees of the LSU Board, by the Louisiana Legislative Auditor or by independent auditors retained by the LSU Board, but any and all such audits shall be conducted without materially or unreasonably or unnecessarily interrupting or interfering with the normal conduct of business affairs by the Company or by another Person on behalf of the Company. The LSU Board covenants with the Company to keep the results of any such audits confidential except as required by rules and regulations of the LSU Board and by Applicable Law.

**Section 8.04 Environmental Matters.** The Company shall, with regard to the Premises, comply, and cause any Person using the Premises to comply, with all applicable Environmental Laws.

## ARTICLE IX MORTGAGE RIGHTS

**Section 9.01 Mortgage Rights.** For the benefit of the Company and the Lender and for so long as the Mortgage remains outstanding, the LSU Board agrees to do the following:

(a) The LSU Board shall not disturb the possession, interest or quiet enjoyment of the Company in any manner which would adversely affect the security provided by the Mortgage (except in accordance with the express provisions of this Ground Lease following a default by the Company and notice to the Lender and the passage of the Company's and the Lender's time to cure).

(b) This Ground Lease may not be amended, terminated or canceled (except in accordance with the express provisions of this Ground Lease following a default by the Company and notice to the Lender and the passage of the Company's and the Lender's time to cure) or surrendered, without the prior written consent of the Lender, and any such action taken without the Lender's consent shall not be binding on the Company or the Lender.

(c) The Company shall not exercise any option to terminate this Ground Lease pursuant to Article X or otherwise, without the prior written consent of the Lender during such time as the Loan is outstanding.

(d) The application of Casualty Insurance Proceeds shall be governed by Article V of the Facilities Lease or Article XII hereof, as applicable.

(e) The LSU Board will give the Lender written notice of any default by the Company under this Ground Lease simultaneously with sending such notice to the Company, and no notice of default given to the Company shall be effective unless and until such notice shall have been delivered to the Lender.

(f) The Lender shall be entitled to perform any of the Company's covenants or to cure any defaults by the Company or to exercise any election, option, or privilege conferred upon the Company by the terms of this Ground Lease. In particular, the LSU Board agrees that the Lender shall have the right, but not the obligation, to cure any default by the Company under this Ground Lease, and the Lender shall be afforded 60 days to cure any monetary default and 90 days to cure any non-monetary default, provided that if any non-monetary default cannot, with reasonable diligence, be cured within 90 days, the Lender shall have such longer period as may be required for the Lender to cure such non-monetary default, including, without limitation, such time as may be necessary for the Lender to gain possession of the Company's interest under this Ground Lease, so long as the Lender promptly commences and diligently pursues cure to completion.

(g) Except as expressly set forth hereinbelow, the Lender shall have no liability for the payment of Rent or the performance of any of the Company's covenants and obligations under this Ground Lease.

(h) The LSU Board agrees that, in the event that this Ground Lease is rejected by a Bankruptcy court or a court relieves the Company from its obligations under this Ground Lease for any reason, including, without limitation, as a result of a default by the Company provided for in Sections 10.01(c) or (d), the LSU Board shall (to the extent allowed by law), upon request of the Lender, acknowledge that the rights and obligations under this Ground Lease continue with the Lender, as lessee, and are not impaired as a result of such court action, provided that the Lender (i) cures any monetary default and any non-monetary default that is capable of being cured under this Ground Lease and (ii) makes any payments due to the LSU Board under this Ground Lease following such event described above. The parties shall execute an acknowledgement that this Ground Lease continues on the same terms and conditions. Further, in such case, the LSU Board shall disclaim that any ownership interest in the Facilities was vested in the LSU Board as a result of such event.

(i) If the Lender succeeds to the Company's interest under this Ground Lease, the following provisions shall apply: (i) the LSU Board will accept performance by the Lender in lieu of performance by the Company; (ii) the Lender will be recognized by the LSU Board as lessee under this Ground Lease; (iii) title to the Facilities will vest in the Lender; (iv) the LSU Board hereby consents to Lender's assignment of its interest in this Ground Lease and in the Facilities, provided any such assignee of the Lender assumes and agrees to be bound by this Ground Lease and the Term is not extended; and (v) the Lender will be liable for the performance of the Company's obligations under this Ground Lease, including the payment of Rent and other charges, only for those items accruing on or after the date Lender obtains possession, and then only until the Lender so further assigns this Ground Lease. Without limitation, Lender and its assigns shall be bound by the provisions of Sections 4.01 and 8.01(a); provided, however, that the Lender shall not assign its right, title and interest in and to this Ground Lease and the Facilities without the prior written consent of the President.

(j) The Lender shall not be subject or subordinate to any mortgage, deed of trust or other encumbrance of the Site granted by the LSU Board.

[remainder of this page intentionally left blank]

**ARTICLE X  
TERMINATION, DEFAULT AND REMEDIES**

**Section 10.01 Events Of Default.** Any one of the following events shall be deemed to be an Event of Default by the Company under this Ground Lease.

(a) The Company shall fail to pay any sum required to be paid to the LSU Board under the terms and provisions of this Ground Lease and such failure shall not be cured within thirty (30) days after the Company's and the Lender's receipt of written notice from the LSU Board of such failure.

(b) The Company shall fail to perform any other covenant or agreement, other than the payment of money, to be performed by the Company under the terms and provisions of this Ground Lease and such failure shall not be cured within ninety (90) days after the Company's and the Lender's receipt of written notice from the LSU Board of such failure; provided that if, during such ninety (90) day period, the Company takes action to cure such failure but is unable, by reason of the nature of the work involved, to cure such failure within such period and continues such work thereafter diligently and without unnecessary delays, such failure shall not constitute an Event of Default hereunder until the expiration of a period of time after such ninety (90) day period as may be reasonably necessary to cure such failure.

(c) A court of competent jurisdiction shall enter an order for relief in any involuntary case commenced against the Company, as debtor, under the Federal Bankruptcy Code, as now or hereafter constituted, or the entry of a decree or order by a court having jurisdiction over the Facilities appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of or for the Company or any substantial part of the properties of the Company or ordering the winding up or liquidation of the affairs of the Company and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days.

(d) The commencement by the Company of a voluntary case under the Federal Bankruptcy Code, as now or hereafter constituted, or the consent or acquiescence by the Company to the commencement of a case under the Federal Bankruptcy Code or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of or for the Company or any substantial part of the properties of the Company.

**Section 10.02 The LSU Board's Rights Upon Default.** Subject to the provisions of Article IX hereof, upon the occurrence and during the continuance of an Event of Default, the LSU Board may, at its option, seek any and all damages occasioned by the Event of Default or may seek any other remedies available at law or in equity, including specific performance, or may exercise its Option detailed in Section 3.10 of the Facilities Lease.

**Section 10.03 Termination of Right of Occupancy.** Notwithstanding any provision of law or of this Ground Lease to the contrary, except as set forth in Section 1.03 hereof, but only

for as long as Mortgage is outstanding and of record, the LSU Board shall not have the right to terminate this Ground Lease prior to the Expiration Date hereof. However, in the event there is an Event of Default by the Company hereunder, the LSU Board shall have the right to exercise the remedies set forth in this Article X.

**Section 10.04 Rights of The LSU Board Cumulative.** All rights and remedies of the LSU Board provided for and permitted in this Ground Lease shall be construed and held to be cumulative, and no single right or remedy shall be exclusive of any other which is consistent with the former. The LSU Board shall have the right to pursue any or all of the rights or remedies set forth herein, as well as any other consistent remedy or relief which may be available at law or in equity, but which is not set forth herein, subject to Section 10.03 hereof. No waiver by the LSU Board of a breach of any of the covenants, conditions or restrictions of this Ground Lease shall be construed or held to be a waiver of any succeeding or preceding breach of the same or of any other covenant, condition or restriction herein contained. The failure of the LSU Board to insist in any one or more cases upon the strict performance of any of the covenants of this Ground Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment of future breaches of such covenant or option. Nothing herein shall authorize the termination of the Ground Lease prior to the expiration of the Term, except as provided in this Article X.

[remainder of this page intentionally left blank]

**ARTICLE XI**  
**TITLE**

**Section 11.01 Title to Facilities.** Title to the Facilities is vested in the Company. All furniture, fixtures, equipment and furnishings located on the Facilities, except those owned by Permitted Sublessees, whether permanently attached or otherwise, shall be the property of the Company, subject to the provisions of this Ground Lease, provided that all furniture, fixtures, equipment and furnishings owned by the LSU Board shall remain the property of the LSU Board. Subject to the terms of Article IX, upon the Expiration Date, title in the Facilities shall transfer to the LSU Board, and the Company shall execute all documents necessary to effectuate such transfer. The conveyance of the Facilities shall be without any warranty as to fitness and condition. In no event shall the Company be responsible for any defects in title to the Facilities. Notwithstanding anything to the contrary in this Ground Lease, and provided all amounts due to Lender (or any successor lender) under the Mortgage and Loan Agreement have been paid in full, the LSU Board shall have the right to terminate this Ground Lease upon giving the Company notice of not less than thirty (30) days but not more than one hundred eighty (180) days.

[remainder of this page intentionally left blank]

## ARTICLE XII EXPROPRIATION OR CASUALTY

**Section 12.01 Expropriation, Casualty and Other Damage.** The following provisions of this Section 12.01 shall apply only in the event the Facilities Lease is terminated pursuant to Section 2.2.3 or Section 2.2.4 thereof; otherwise, the provisions relating to Expropriation and Casualty contained in Article V of the Facilities Lease shall apply. The risk of loss or decrease in the enjoyment and beneficial use of the Facilities due to any damage or destruction thereof by acts of God, fire, flood, natural disaster, the elements, casualties, thefts, riots, civil strife, lockout, war, nuclear explosion or otherwise (collectively "Casualty") or in consequence of any foreclosures, attachments, levies or executions; or the Expropriation of all or any portion of the Facilities is expressly assumed by the Company. The LSU Board shall in no event be answerable, accountable or liable for any of the foregoing events.

**Section 12.02 Application of Casualty Insurance Proceeds: Expropriation Award.** The following provisions of this Section 12.02 shall apply only in the event the Facilities Lease is terminated pursuant to Section 2.2.3 or Section 2.2.4 thereof. If all or any portion of the Facilities is damaged or destroyed by a Casualty or is taken by Expropriation proceedings, the Company shall, upon receipt of notice from the LSU Board instructing the Company to do so, as expeditiously as possible, continuously and diligently prosecute or cause to be prosecuted the repair, restoration, or replacement thereof, provided, however, that the Company shall in no way be liable for any costs of the repair, restoration or replacement of the Facilities in excess of the Casualty Insurance Proceeds or any Award received because of such Casualty or Expropriation. To the extent provided by law (and if the Facilities are insured by the Office of Risk Management, the rules and regulations of the Office of Risk Management) and only so long as the Loan is outstanding, the proceeds of any insurance, including the proceeds of any self-insurance fund, or of any Award or payment in lieu of Expropriation, received on account of any damage, destruction or Expropriation of all or any portion of the Facilities shall be delivered to the Lender and held by the Lender in a special account to be established upon receipt of any such funds and held by the Lender in trust, and shall be made available for, and to the extent necessary be applied to, such restoration, repair and replacement. Any amounts so held by the Lender shall be disbursed to pay the costs of restoration, replacement and repair of the Facilities with respect to which they are held, in each case promptly after receipt of a written request of the Company, stating that the amount to be disbursed pursuant to such request will be used to pay costs of replacing or repairing or restoring the Facilities and that no amount previously has been disbursed by the Lender for payment of the costs to be so paid and as otherwise required by the Loan Agreement or Mortgage. In making such payments, the Lender may conclusively rely upon such written requests and shall have no liability or responsibility to investigate any matter stated therein, or for any inaccuracy or misstatement therein. In no event shall the Lender be responsible for the adequacy of the plans and specifications or construction contract relating to the replacement, restoration, or repair of the Facilities, or for the improper use of moneys properly disbursed pursuant to request made under this Section 12.02. Any Casualty Insurance Proceeds or Award remaining on deposit with Lender following completion of the repairs, restoration or replacement of the Facilities shall be used to prepay the Indebtedness pursuant to the Loan Agreement. Any excess Casualty Insurance Proceeds or Award remaining after payment in full of the Indebtedness shall be paid to the Company.

### **Section 12.03 Termination of Ground Lease; Alternate Location.**

(a) Upon the permanent Expropriation of all the Site and the Facilities, this Ground Lease shall terminate and expire as of the date of such Expropriation, and both the Company and the LSU Board shall thereupon be released from any liability thereafter accruing hereunder except for Rent and all other amounts secured by this Ground Lease to the LSU Board apportioned as of the date of the Expropriation or the last date of occupancy, whichever is later. The LSU Board shall notify the Company immediately upon its knowledge of any proceedings relating to an Expropriation and the Company shall have the right to participate therein.

(b) Upon a temporary Expropriation or a Expropriation of less than all of the Site, the LSU Board, at its election, may terminate this Ground Lease by giving the Company notice of its election to terminate at least sixty (60) days prior to the date of such termination if the LSU Board reasonably determines that the Facilities cannot be economically and feasibly used. Upon any such termination, the Rent accrued and unpaid hereunder shall be apportioned to the date of termination.

(c) In the event it is necessary to restore or replace the Facilities in a different location because of the Expropriation of all or a portion of the Facilities and the Site, the Company and the LSU Board agree to amend this Ground Lease or enter into a new ground lease covering such alternate location on the Campus. In the event of such a change of location and if at such time the Indebtedness to the Lender is still outstanding, such alternate location shall be subject to the Lender's approval and the Facilities constructed and owned by the Company thereon, as well as the leasehold interest in the property on which the new Facilities are located, shall be mortgaged to Lender to secure the Company's indebtedness to the Lender.

(d) In the event the Company, pursuant to this Ground Lease, elects not to repair, restore or replace the Facilities for any reason, all insurance proceeds received or payable as a result of such Casualty, or all proceeds received or payable as a result of the Expropriation proceedings (including Award payments received or payable in lieu of Expropriation) shall be applied to the prepayment of the Indebtedness in accordance with the terms of the Loan Agreement and Mortgage, and this Ground Lease shall terminate. Any excess Casualty Insurance Proceeds or Award remaining after payment in full of the Indebtedness shall be paid to the Company.

**Section 12.04 Insufficiency of Casualty Insurance Proceeds.** In the event Casualty Insurance Proceeds and any additional funds deposited with the Lender are insufficient to fully repair, restore or replace the Facilities, the Casualty Insurance Proceeds shall be used to prepay the Indebtedness. Any excess Casualty Insurance Proceeds or Award remaining after payment in full of the Indebtedness shall be paid to the Company.



**ARTICLE XIII**  
**ASSIGNMENT, SUBLETTING, AND TRANSFERS**  
**OF THE COMPANY'S INTEREST**

**Section 13.01 Assignment of Leasehold Interest.** Except in connection with an assignment to the Lender as contemplated by Article IX hereof, the Company shall not have the right to sell or assign the leasehold estate created by this Ground Lease, its ownership interest in the Facilities or the other rights of the Company hereunder to any Person without the prior written consent of the President.

**Section 13.02 Transfers of the Company's Interest.** Except as otherwise expressly provided herein, any Person succeeding to the Company's interest as a consequence of any permitted conveyance, transfer or assignment shall succeed to all of the obligations of the Company hereunder and shall be subject to the terms and provisions of this Ground Lease.

[remainder of this page intentionally left blank]

**ARTICLE XIV  
COMPLIANCE CERTIFICATES**

**Section 14.01 The Company's Compliance.** The Company agrees, at any time and from time to time, upon not less than thirty (30) days' prior written notice by the LSU Board, to execute, acknowledge and deliver to the LSU Board or to such other party as the LSU Board shall request, a statement in writing certifying (a) that this Ground Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), (b) to the best of its knowledge, whether or not there are then existing any offsets or defenses against the enforcement of any of the terms, covenants or conditions hereof upon the part of the Company to be performed (and if so specifying the same), (c) the dates to which the Rent and other charges have been paid, and (d) the dates of commencement and expiration of the Term, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective purchaser of the LSU Board's Interest or by any other Person.

**Section 14.02 The LSU Board's Compliance.** The LSU Board agrees, at any time and from time to time, upon not less than thirty (30) days' prior written notice by the Company, to execute, acknowledge and deliver to the Company a statement in writing addressed to the Company or to such other party as the Company shall request, certifying (a) that this Ground Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications); (b) the dates to which the Rent and other charges have been paid; (c) to the best of its knowledge, after due inquiry, whether an Event of Default has occurred and is continuing hereunder (and if an Event of Default has occurred, stating the nature of any such Event of Default); and (d) the dates of commencement and expiration of the Term, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective (and permitted) assignee, sublessee or mortgagee of this Ground Lease or by any assignee or prospective assignee of any such permitted mortgage or by any undertenant or prospective undertenant of the whole or any part of the Premises, or by any other Person succeeding to the Company's interest in and to the Premises and this Ground Lease with the prior written consent of the President.

[remainder of this page intentionally left blank]

**ARTICLE XV**  
**TAXES**

**Section 15.01 Payment of Taxes.** The following provisions of this Section 15.01 shall apply only in the event the Facilities Lease is terminated pursuant to the provisions thereof. The Company shall pay, and, upon request by the LSU Board, shall provide evidence of payment to the appropriate collecting authorities of, all federal, state and local taxes and fees, which are now or may hereafter be, levied upon the Company's interest in the Facilities or upon any of the Company's property used in connection therewith. The Company may pay any of the above items in installments if payment may be so made without penalty other than the payment of interest. The obligations of the Company to pay taxes and fees under this Section 15.01 shall apply only to the extent that the LSU Board or the Company are not exempt from paying such taxes and fees and to the extent that such taxes and fees are not otherwise abated. The LSU Board and the Company agree to cooperate fully with each other to the end that tax exemptions available with respect to the Site and the Facilities under Applicable Law are obtained by the party or parties entitled thereto.

**Section 15.02 Contested Tax Payments.** The Company shall not be required to pay, discharge or remove any such taxes or assessments so long as the Company is contesting the amount or validity thereof by appropriate proceeding which shall operate to prevent or stay the collection of the amount so contested. The LSU Board shall cooperate with the Company in completing such contest, and the LSU Board shall have no right to pay the amount contested during the contest. The LSU Board, at the Company's expense, shall join in any such proceeding if any law shall so require.

[remainder of this page intentionally left blank]

**ARTICLE XVI**  
**FORCE MAJEURE**

**Section 16.01 Discontinuance During Force Majeure.** Whenever a period of time is herein prescribed for action to be taken by the Company, the Company shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to Force Majeure. The LSU Board shall not be obligated to recognize any delay caused by Force Majeure unless the Company shall, within ten (10) days after the Company is aware of the existence of an event of Force Majeure, notify the LSU Board thereof.

[remainder of this page intentionally left blank]

## ARTICLE XVII INSURANCE

**Section 17.01 Insurance Requirements.** In the event the Facilities Lease is terminated pursuant to Section 2.2.3 or Section 2.2.4 thereof, the Company shall secure and maintain or cause to be secured and maintained at the Company's sole cost and expense:

(a) A policy or policies covering the Facilities against loss or damage by fire, lightning, earthquake, collapse, vandalism and malicious mischief, flood and storm surge, and against such other perils as are included in so-called "extended coverage" and against such other insurable perils as, under good insurance practice, from time to time are insured for properties of similar character and location, which insurance shall be not less than one hundred percent (100%) of the full replacement cost of the Facilities, without deduction for depreciation, but in no event shall the amount of the insurance be at any time less than the full replacement costs of the Facilities, adjusted to comply with any applicable co-insurance provisions of such insurance policy. The policy or policies covering such loss must explicitly waive any co-insurance penalty.

(b) A policy of comprehensive general liability insurance with respect to the Facilities and the operations related thereto, whether conducted on or off the Facilities, against liability for personal injury (including bodily injury and death) and property damage, of not less than \$5,000,000 in combined single limit liability coverage. Such comprehensive general liability insurance shall specifically include, but shall not be limited to, sprinkler leakage legal liability, water damage legal liability, and motor vehicle liability for all owned and non-owned vehicles, including rented or leased vehicles.

(c) Boiler and machinery insurance coverage against loss or damage by explosion of steam boilers, pressure vessels and similar apparatus, but only if steam boilers, pressure vessels or similar apparatus are installed on the Facilities, in an amount not less than \$5,000,000 with deductible provisions not exceeding \$100,000 per accident.

(d) Workers' compensation insurance issued by a responsible carrier authorized under the laws of the State to insure employers against liability for compensation under the Labor Code of the State, or any act hereafter enacted as an amendment thereto or in lieu thereof, such worker's compensation insurance to cover all persons employed by the Company in connection with the Facilities and to cover full liability for compensation under any such act aforesaid.

(e) During the period of any construction, Builder's Risk-Completed Value Form Property insurance covering all physical loss or damage to the Facilities covered by the extended coverage endorsement then in use in the State (including vandalism and malicious mischief) in an amount not less than full replacement value; and

(f) Rental Interruption Insurance covering loss of rents by the Company by reason of total or partial suspension of, or interruption in, the operation of the Facilities

caused by the damage or destruction of the Facilities in an amount equal to twelve (12) months rental revenue.

**Section 17.02 Policy Requirements.** Except as provided in Section 17.01, all insurance required in this Section and all renewals of such insurance shall be issued by companies authorized to transact business in the State, and rated at least A- Class VIII by Best's Insurance Reports (property liability) or in the two highest rating categories of S&P and Moody's. All insurance policies provided by or on behalf of the Company shall expressly provide that the policies shall not be canceled or altered without thirty (30) days' prior written notice to the LSU Board, and shall, to the extent obtainable, provide that no act or omission of the Company which would otherwise result in forfeiture or reduction of the insurance will affect or limit the obligation of the insurance company to pay the amount of any loss sustained and that no insurer shall hold any right of subrogation against the other, except in the case that such waiver of subrogation invalidates coverage under such policy.

All policies of insurance that the Company is obligated to maintain according to this Ground Lease (other than any policy of worker's compensation insurance) will name the LSU Board, the Company, the Lender and such other Persons or firms as the LSU Board specifies from time to time as additional insureds loss payee (as applicable). Original or copies of original policies (together with copies of the endorsements naming the LSU Board, and any others specified by the LSU Board, as additional insureds) and evidence of the payment of all premiums of such policies will be delivered to the LSU Board from time to time at least thirty (30) days prior to the expiration of the term of each policy. All general liability, property damage liability and casualty policies maintained by the Company shall be written as primary policies, not contributing with and not in excess of coverage that the LSU Board may carry, if any. The Company's participation in coverage through the Louisiana Office of Risk Management shall be deemed to comply with this and other insurance requirements in this Ground Lease, provided, however, that the LSU Board may require additional insurance.

Proceeds of insurance received and/or the amount of any loss that is self-insured with respect to destruction of or damage to any portion of the Facilities by Casualty or other event shall be paid to the Lender for application in accordance with the provisions of Article XII of this Ground Lease and the Loan Agreement and Mortgage.

**Section 17.03 Self Insurance.** Any provision of this Ground Lease to the contrary notwithstanding, self insurance by the LSU Board through ORM shall satisfy the requirements of this Article XVII.

[remainder of this page intentionally left blank]

**ARTICLE XVIII  
MISCELLANEOUS**

**Section 18.01 Nondiscrimination, Employment and Wages.** The Company agrees to abide by the requirements of the following as applicable: Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, and the Age Act of 1974, and Company agrees to abide by the requirements of the Americans with Disabilities Act of 1990, as well as any executive order issued by the governor of the State. The Company agrees not to discriminate in its employment practices, and will render services under this Ground Lease without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, or disabilities.

**Section 18.02 Access.** In the event the Facilities Lease is terminated pursuant to Section 2.2.3 or Section 2.2.4 thereof, the Company shall permit the LSU Board's agents, representatives or employees to enter the Facilities at reasonable times for the purpose of review and inspection as provided in this Ground Lease, to determine whether the Company is in compliance with the terms of this Ground Lease, or for other reasonable purposes. Subject to the rights of the LSU Board to observe and enforce its applicable rules and policies, the LSU Board, its agents, representatives and employees shall not disturb construction on the Site and shall use best efforts to not disturb the Permitted Sublessees of the Facilities. Entry onto the Site or the Facilities by the LSU Board or its agents, representatives or employees shall be at their sole risk and the Company shall not have any liability to the LSU Board for any damage to its agents, representatives or employees resulting from their entry onto the Site or the Facilities.

**Section 18.03 Notices.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when personally delivered or mailed by certified mail, postage prepaid, or when sent electronically (by PDF submission) or by telecopy (receipt confirmed by telephone) or telegram, addressed as follows:

**If to the LSU Board:**

Board of Supervisors of Louisiana State University  
and Agricultural and Mechanical College  
3810 West Lakeshore Drive.  
Baton Rouge, Louisiana 70808  
Telephone: (225) 578-5603  
Facsimile: (225) 578-5597  
Attention: Associate Vice President for Facility and Property Oversight

with copies to:

Louisiana State University Shreveport  
[\*\*address\*\*]

Telephone: (337) \_\_\_\_ - \_\_\_\_  
Facsimile: (337) \_\_\_\_ - \_\_\_\_  
Attention: Chancellor

and

Breazeale, Sachse & Wilson, L.L.P.  
301 Main Street, Suite 2300  
Baton Rouge, Louisiana 70801  
Telephone: (225) 381-8005  
Facsimile: (225) 387-5397  
Attention: Tracy A. Morganti, Esq.

**If to the Company:**

[SPE]  
3796 Nicholson Drive  
Baton Rouge, Louisiana 70802  
Telephone: (225) 578-0525  
Facsimile: (225) 578-0530  
Attention: Executive Director and General Counsel

with copies to:

Phelps Dunbar LLP  
II City Plaza  
400 Convention Street, Suite 1100  
Baton Rouge, Louisiana 70802  
Telephone: (225) 346-0285  
Facsimile: (225) 381-9197  
Attention: P. Ragan Richard, Esq.

and

[\*\*LENDER\*\*]

or to such other address or to the attention of such other person as hereafter shall be designated in writing by such party. Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of delivery service or mail, as of the date of deposit in the mail in the manner provided herein, or in the case of telecopy, upon receipt. Any notice provided by the LSU Board to the Company shall also be provided to the Lender.



**Section 18.04 Relationship of Parties.** Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship, between the parties hereto. It is understood and agreed that no provision contained herein nor any acts of the parties hereto creates a relationship other than the relationship of the LSU Board and the Company.

**Section 18.05 Memorandum of Lease.** Neither the LSU Board nor the Company shall file this Ground Lease for record in Caddo Parish, Louisiana, or in any public place without the written consent of the other. In lieu thereof the LSU Board and the Company agree to execute in recordable form a memorandum of this Ground Lease in the form of **Exhibit C** attached hereto. Such memorandum shall be filed for record in Caddo Parish, Louisiana.

**Section 18.06 Attorneys' Fees.** If either party is required to commence legal proceedings relating to this Ground Lease, to the extent allowed by law, the prevailing party shall be entitled to receive reimbursement for its reasonable attorneys' fees and costs of suit.

**Section 18.07 State Law to Apply; Venue.** This Ground Lease shall be construed under and in accordance with the laws of the State, and all obligations of the parties created hereunder are performable in Caddo Parish, Louisiana. The parties hereto consent and agree to the jurisdiction of all federal and State courts located in East Baton Rouge Parish, State of Louisiana in connection with any dispute or litigation involving this Ground Lease.

**Section 18.08 Warranty of Peaceful Possession.** The LSU Board covenants that the Company, on paying the Rent and performing and observing all of the covenants and agreements herein contained and provided to be performed by the Company, shall and may peaceably and quietly have, hold, occupy, use, and enjoy the Site during the Term and may exercise all of its rights hereunder, and the LSU Board agrees to warrant and forever defend the Company's right to such occupancy, use, and enjoyment and the title to the Site against the claims of any and all persons whomsoever lawfully claiming the same or any part thereof, subject only to the provisions of this Ground Lease and the matters listed on **Exhibit B** attached hereto.

**Section 18.09 Curative Matters.** Except for the express representations and warranties of the LSU Board set forth in this Ground Lease, any additional matters necessary or desirable to make the Site usable for the Company's purpose shall be undertaken, in the Company's sole discretion, at no expense to the LSU Board.

**Section 18.10 Non-waiver.** No waiver by the LSU Board or the Company of a breach of any of the covenants, conditions, or restrictions of this Ground Lease shall constitute a waiver of any subsequent breach of any of the covenants, conditions or restrictions of this Ground Lease. The failure of the LSU Board or the Company to insist in any one or more cases upon the strict performance of any of the covenants of this Ground Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment for the future of such covenant or option. A receipt by the LSU Board or acceptance of payment by the LSU Board of Rent with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach. No waiver, change, modification or discharge by the LSU Board or the Company of any provision of

this Ground Lease shall be deemed to have been made or shall be effective unless expressed in writing and signed by the party to be charged.

**Section 18.11 Terminology.** Unless the context of this Ground Lease clearly requires otherwise, (a) pronouns, wherever used herein, and of whatever gender, shall include natural persons and corporations and associations of every kind and character; (b) the singular shall include the plural wherever and as often as may be appropriate; (c) the word "includes" or "including" shall mean "including without limitation"; (d) the words "hereof," "herein," "hereunder," and similar terms in this Ground Lease shall refer to this Ground Lease as a whole and not to any particular section or article in which such words appear unless specifically stated. The section, article and other headings in this Ground Lease and the table of contents to this Ground Lease are for reference purposes and shall not control or affect the renovation of this Ground Lease or the interpretation hereof in any respect. Article, section and subsection and exhibit references are to this Ground Lease unless otherwise specified. All exhibits attached to this Ground Lease constitute a part of this Ground Lease and are incorporated herein. All references to a specific time of day in this Ground Lease shall be based upon Central Time (or such other standard of measuring time then in effect in Eunice, Louisiana).

**Section 18.12 Counterparts.** This Ground Lease may be executed in multiple counterparts, each of which shall be declared an original.

**Section 18.13 Severability.** If any clause or provision of this Ground Lease is illegal, invalid or unenforceable under present or future laws effective during the term of this Ground Lease, then and in that event, it is the intention of the parties hereto that the remainder of this Ground Lease shall not be affected thereby.

**Section 18.14 Authorization.** By execution of this Ground Lease, the Company and the LSU Board each represent to the other that they are entities validly existing, duly constituted and in good standing under the laws of the jurisdiction in which they were formed and in which they presently conduct business, that all acts necessary to permit them to enter into and be bound by this Ground Lease have been taken and performed; and that the persons signing this Ground Lease on their behalf have due authorization to do so.

**Section 18.15 Ancillary Agreements.** In the event it becomes necessary or desirable for the LSU Board, the President or other LSU Board Representative to approve in writing any ancillary agreements or documents concerning the Site or concerning the repair, renovation, operation or maintenance of the Facilities or to alter or amend any such ancillary agreements between the LSU Board and the Company or to give any approval or consent of the LSU Board required under the terms of this Ground Lease, all agreements, documents or approvals shall be forwarded to the LSU Board Representative for approval.

**Section 18.16 Amendment.** No amendment, modification, or alteration of the terms of this Ground Lease shall be binding unless the same are in writing dated on or subsequent to the date hereof and duly executed by the parties hereto and consented to by the Lender.

**Section 18.17 Successors and Assigns.** All of the covenants, agreements, terms and conditions to be observed and performed by the parties hereto shall be applicable to and binding upon their respective successors and assigns including any successor by merger or consolidation of the University into another governing board or the LSU Board into another educational management board.

**Section 18.18 Entire Agreement.** This Ground Lease and the exhibits attached hereto contain the entire agreement between the parties hereto with respect to the Site and contain all of the terms and conditions agreed upon with respect to the lease of the Site, and no other agreements, oral or otherwise, regarding the subject matter of this Ground Lease shall be deemed to exist or to bind the parties hereto; it being the intent of the parties that neither shall be bound by any term, condition, or representations not herein written.

**Section 18.19 Consent of the LSU Board.** Except with respect to the consents required pursuant Article VI hereof, where the consent of the LSU Board is required pursuant to this Ground Lease, the LSU Board hereby authorizes the LSU Board Representative to give such consent, in his or her reasonable discretion.

**Section 18.20 Conflict Resolution.** In the event of a conflict between the terms of Article XII (Expropriation or Casualty) or XVII (Insurance) of this Ground Lease and the terms of the Loan Agreement, the terms of the Loan Agreement shall control and supersede for so long as the Indebtedness represented by the Loan Agreement remains outstanding.

**Section 18.21 Exculpatory Provision.** In the exercise of the powers of the Company by its trustees, officers, employees and agents under this Ground Lease and the Indenture, such persons shall not be personally accountable or liable to the LSU Board (i) for any actions taken or omitted by its officers, employees or agents in good faith and believed by it or them to be authorized or within their discretion or rights or powers conferred upon them, or (ii) for any claims based on this Ground Lease against any officer, employee or agent of the Company in his or her personal capacity, all such liability, if any, being expressly waived by the LSU Board by the execution of this Ground Lease.

The LSU Board specifically agrees to look solely to the Company's interest in the Facilities for the recovery of any judgments from the Company. It is agreed that the Company will not be personally liable for any such judgments, or incur any pecuniary liability as a result of this Ground Lease to the LSU Board, or the breach of its obligations hereunder. The Company's liability under this Ground Lease is "**in rem**" as to its interest in the Facilities. The provisions contained in the preceding sentences are not intended to and will not limit any right that the LSU Board might otherwise have to obtain injunctive relief against the Company or relief in any suit or action in connection with enforcement or collection of amounts that may become owing or payable under or on account of insurance maintained by the Company.

[Signature Page to Ground Lease]

IN WITNESS WHEREOF, the Company has caused this Ground Lease to be executed and delivered before me, the undersigned Notary Public, duly commissioned and qualified in and for East Baton Rouge Parish, Louisiana, and in the presence of the undersigned competent witnesses, who hereunto set their names with the Company and me, Notary, after due reading of the whole, on the day, month and year set forth below his signature, to be effective \_\_\_\_\_, 2019.

**WITNESSES:**

\_\_\_\_\_ **LLC**,  
a Louisiana limited liability company

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

By: \_\_\_\_\_

Name: J. Bryan Benchoff

Title: Executive Director

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
**NOTARY PUBLIC**

Printed Name: \_\_\_\_\_

La. Bar Roll Number: \_\_\_\_\_

My commission is for life.

[Signature Page to Ground Lease]

IN WITNESS WHEREOF, the LSU Board has caused this Ground Lease to be executed and delivered before me, the undersigned Notary Public, duly commissioned and qualified in and for East Baton Rouge Parish, Louisiana, and in the presence of the undersigned competent witnesses, who hereunto set their names with the LSU Board and me, Notary, after due reading of the whole, on the day, month and year set forth below his signature, to be effective \_\_\_\_\_, 2019.

**WITNESSES:**

**BOARD OF SUPERVISORS OF  
LOUISIANA STATE UNIVERSITY AND  
AGRICULTURAL AND MECHANICAL  
COLLEGE**

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

By: \_\_\_\_\_

Name: F. King Alexander

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

Title: President, Louisiana State University

Date: \_\_\_\_\_

\_\_\_\_\_  
**NOTARY PUBLIC**

Printed Name: \_\_\_\_\_

La. Bar Roll Number: \_\_\_\_\_

My commission is for life.

**PROPERTY DESCRIPTION**

**DESCRIPTION OF FACILITIES**

**PERMITTED LIENS**



**MEMORANDUM OF LEASE**

**EXHIBIT C**

**MEMORANDUM OF LEASE**

STATE OF LOUISIANA \*  
PARISH OF EAST BATON ROUGE \* KNOW ALL MEN BY THESE PRESENTS:  
\*

This Memorandum of Lease (this "Memorandum") is entered into by and between the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College ("Lessor") and \_\_\_\_\_ LLC ("Lessee").

**RECITALS**

- A. Lessor and Lessee have entered into a Ground Lease Agreement dated effective \_\_\_\_\_, 2019 (the "Lease"), whereby Lessor leases to Lessee, and Lessee leases from Lessor, the real property more particularly described on **Exhibit A** attached hereto and incorporated herein (the "Site").
- B. Lessor and Lessee desire to enter into this Memorandum, which is to be recorded in order that third parties may have notice of the parties' rights under the Lease.

**LEASE TERMS**

Specific reference is hereby made to the following terms and provisions of the Lease:

- 1. The term of the Lease commenced on \_\_\_\_\_, 2019, and shall continue until the earliest of the date of termination of the Facilities Lease dated effective as of \_\_\_\_\_, 2019 or at midnight on \_\_\_\_\_, 20\_\_ (the "Expiration Date"), unless sooner terminated or extended as provided in the Lease.
- 2. Any third party entering into a contract with Lessee for construction of improvements on the Site, or any other party claiming under said third party, is hereby on notice that Lessor shall not have any liability for satisfaction of any claims of any nature in any way arising out of such contracts.
- 3. Additional information concerning the provisions of the Lease can be obtained from the parties at the following addresses:

Lessor: Board of Supervisors of Louisiana State University  
and Agricultural and Mechanical College  
3810 West Lakeshore Drive  
Baton Rouge, Louisiana 70808  
Attention: Associate Vice President for Facility and Property Oversight

Lessee: \_\_\_\_\_ LLC  
3796 Nicholson Drive  
Baton Rouge, Louisiana 70802  
Attention: Executive Director and General Counsel

This Memorandum is executed for the purpose of recordation in the public records of Caddo Parish, Louisiana in order to give notice of all the terms and provisions of the Lease and is not intended and shall not be construed to define, limit or modify the Lease. All of the terms, conditions, provisions and covenants of the Lease are incorporated into this Memorandum by reference as though fully set forth herein, and both the Lease and this Memorandum shall be deemed to constitute a single instrument or document.

[remainder of this page intentionally left blank]

[signature page to Memorandum of Lease]

IN WITNESS WHEREOF, the LSU Board has caused this Memorandum of Lease to be executed and delivered before me, the undersigned Notary Public, duly commissioned and qualified in and for East Baton Rouge Parish, Louisiana, and in the presence of the undersigned competent witnesses, who hereunto set their names with the LSU Board and me, Notary, after due reading of the whole, on the day, month and year set forth below his signature, to be effective \_\_\_\_\_, 2019.

**WITNESSES:**

**BOARD OF SUPERVISORS OF  
LOUISIANA STATE UNIVERSITY AND  
AGRICULTURAL AND MECHANICAL  
COLLEGE**

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

By: \_\_\_\_\_  
Name: F. King Alexander  
Title: President, Louisiana State University  
Date: \_\_\_\_\_

\_\_\_\_\_  
**NOTARY PUBLIC**

Printed Name: \_\_\_\_\_

La. Bar Roll Number: \_\_\_\_\_

My commission is for life.

[signature page to Memorandum of Lease]

IN WITNESS WHEREOF, the Company has caused this Memorandum of Lease to be executed and delivered before me, the undersigned Notary Public, duly commissioned and qualified in and for East Baton Rouge Parish, Louisiana, and in the presence of the undersigned competent witnesses, who hereunto set their names with the Company and me, Notary, after due reading of the whole, on the day, month and year set forth below his signature, to be effective \_\_\_\_\_, 2019.

**WITNESSES:**

\_\_\_\_\_ **LLC**,  
a Louisiana limited liability company

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

By: \_\_\_\_\_

Name: J. Bryan Benchoff

Title: Executive Director

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
**NOTARY PUBLIC**

Printed Name: \_\_\_\_\_

La. Bar Roll Number: \_\_\_\_\_

My commission is for life.

**EXHIBIT A**  
**LEGAL DESCRIPTION**

**INITIAL IMPROVEMENTS**

## **FACILITIES LEASE**

effective as of \_\_\_\_\_, 2019,

by and between

**BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY  
AND AGRICULTURAL AND MECHANICAL COLLEGE  
(as Lessee)**

and

**[\*\*LSUREFF SPE\*\*]  
(as Lessor)**



**Table of Contents**

ARTICLE I - DEFINITIONS ..... 4  
ARTICLE II - PREMISES AND TERM..... 11  
ARTICLE III - RENT..... 12  
ARTICLE IV - MAINTENANCE, INSPECTION, REPAIRS AND ALTERATIONS..... 16  
ARTICLE V - INSURANCE AND DAMAGE; EXPROPRIATION ..... 18  
ARTICLE VI - COMPLIANCE CERTIFICATES; OTHER INFORMATION REQUIREMENTS . 22  
ARTICLE VII - USE OF PREMISES..... 23  
ARTICLE VIII - MANAGEMENT OF PREMISES ..... 24  
ARTICLE IX - INDEMNIFICATION ..... 27  
ARTICLE X - ASSIGNMENT, SUBLETTING AND MORTGAGING ..... 29  
ARTICLE XI - NON-APPROPRIATION..... 30  
ARTICLE XII - NOTICES..... 31  
ARTICLE XIII - DEFAULTS BY LSU BOARD..... 33  
ARTICLE XIV - DEFAULT BY COMPANY ..... 35  
ARTICLE XV - IMPROVEMENTS UPON TERMINATION ..... 37  
ARTICLE XVI - MISCELLANEOUS..... 38

EXHIBIT A - Property Description  
EXHIBIT B - Description of Facilities  
EXHIBIT C - Base Rent Payment Schedule  
EXHIBIT D - Memorandum of Lease  
EXHIBIT E - Form of FOMA

## FACILITIES LEASE

**THIS FACILITIES LEASE** (together with any amendments, modifications and supplements hereto, the "Facilities Lease"), made and entered into as of the \_\_\_ day of \_\_\_\_\_, 2019 (the "Effective Date"), by and between:

**BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE** (the "LSU Board"), for the benefit of Louisiana State University at Shreveport ("LSUS" or the "University"), herein represented by F. King Alexander, the duly authorized President of Louisiana State University, and

**[\*\*LSUREFF SPE\*\*]**, a limited liability company organized and existing under the laws of the State of Louisiana (the "Company"), domiciled in East Baton Rouge Parish with a mailing address of 3976 Nicholson Drive, Baton Rouge, Louisiana 70802, herein represented by its duly authorized Executive Director,

provides as follows:

### WITNESSETH:

**WHEREAS**, the LSU Board is a public constitutional corporation organized and existing under the laws of the State of Louisiana and the University is an institution of higher education under its management and control pursuant to La. R.S. 17:3215;

**WHEREAS**, the LSU Real Estate and Facilities Foundation is a Louisiana nonprofit corporation which has been established for charitable, scientific and educational purposes providing benefit to the LSU Board within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Foundation"), and is the sole member of the Company;

**WHEREAS**, pursuant to La. R.S. 17:3361 et seq. (the "University Leasing Act"), the LSU Board is authorized to lease to the Company any portion of the campus of the University;

**WHEREAS**, as of April 1, 1992, the LSU Board and the Housing Partnership I, LTD. ("HPI") entered into that certain Ground Lease Agreement (the "HPI Ground Lease"), whereby the LSU Board leased to HPI an approximately 8-acre parcel of land located on the campus of the University (as more particularly described in **Exhibit A** hereto, the "Site") pursuant to the University Leasing Act;

**WHEREAS**, pursuant to the HPI Ground Lease, HPI developed, constructed, maintained, operated and leased the student residence facilities then known as University Court Apartments consisting of 140 units with 396 beds (together with the Facilities Equipment, defined herein, the "Facilities") on the Site for occupancy by students, faculty and staff of the University, as more particularly described in **Exhibit B** hereto;

**WHEREAS**, Section 12.02 of the HPI Ground Lease provides that the LSU Board has the right to purchase HPI's leasehold estate and the fee title to the Facilities and Facilities

Equipment (collectively, the "HPI Interest"), and the LSU Board has assigned that right to the Company;

**WHEREAS**, the LSU Board and the Company have determined that it is in the best interest of the LSU Board and the University for the Company to (i) acquire the Facilities from HPI and (ii) make certain necessary repairs and improvements to the Facilities, and such acquisition has occurred pursuant to that certain [**\*\*conveyance document\*\***] dated \_\_\_\_\_, 2019, by and between HPI and the Company (the "Conveyance"); and

**WHEREAS**, the Company obtained the funds necessary to acquire the HPI Interest and to make the necessary repairs and improvements to the Facilities through a loan (the "First Loan") and, together with any additional Indebtedness (defined herein), the "Loan") from [**\*\*Lender\*\***] (the "Lender") pursuant to that certain Loan Agreement dated as of \_\_\_\_\_, 2019 (together with any amendments, modifications or supplements thereto, the "First Loan Agreement" and, together with any agreement or instrument pursuant to which additional Indebtedness is incurred, the "Loan Agreement"), and the obligations of the Company under the First Loan Agreement are evidenced by that certain promissory note dated as of \_\_\_\_\_, 2019 (together with any amendments, modification and supplements thereto, the "First Note" and, together with any note or other payment obligations evidencing additional Indebtedness, the "Note") by the Company in favor of the Lender, which First Note is currently outstanding in the principal amount of \$ \_\_\_\_\_; and

**WHEREAS**, to secure its payment obligations under the First Loan, the Company has granted to the Lender a mortgage on, and security interest in, its right, title and interest in and to the Facilities and the Ground Lease to the Lender pursuant to that certain [**\*\*Multiple Indebtedness Mortgage, Security Agreement and Assignment of Leases and Rents\*\***] dated effective \_\_\_\_\_, 2019, (together with any amendments, modifications and supplements thereto, the "Mortgage");

**WHEREAS**, pursuant to the University Leasing Act, the LSU Board and the Company have entered into that certain Second Amended and Restated Ground Lease Agreement dated effective February 8, 2019 (together with any amendments, modifications and supplements thereto, the "Ground Lease"), which amends and restates the Original Ground Lease;

**WHEREAS**, pursuant to the University Leasing Act, the LSU Board may lease all or any portion of the Facilities constructed by HPI on the Site and now owned by the Company, and, also pursuant to Section 4.02 of the Ground Lease, the Company and the LSU Board, for the benefit of LSUS, have agreed to enter into this Facilities Lease;

**WHEREAS**, upon election and notice by the LSU Board as provided herein, the LSU Board and the Company will enter into that certain Facilities Operation and Maintenance Agreement (together with any amendments, modifications and supplements thereto, the "FOMA"), in substantially the form attached as **Exhibit E** hereto, pursuant to which the Company will agree to operate, manage and/or maintain the Facilities; and

**WHEREAS**, the Premises, as defined herein, consists of (i) the Site, as described on **Exhibit A** attached hereto and made a part hereof, and (ii) the Facilities thereon as shown on **Exhibit B** attached hereto and made a part hereof; and

**WHEREAS**, this Facilities Lease furthers the educational and public service functions of the LSU Board, through LSUS, by providing needed facilities for students.

**NOW, THEREFORE**, in consideration of the LSU Board's obligation to sublease the Site and lease the Facilities from the Company and the rent to be paid by the LSU Board during the term of this Facilities Lease, and the mutual benefits accruing to the parties under this Facilities Lease, the parties do enter into this Facilities Lease pursuant to the University Leasing Act on the following terms and conditions:

[remainder of this page intentionally left blank]

## ARTICLE I - DEFINITIONS

Certain terms as used in this Facilities Lease are defined as follows. Terms used in this Facilities Lease but not defined in this Facilities Lease shall have the meanings as set forth in the Ground Lease.

|                                       |   |
|---------------------------------------|---|
| " <u>Additional Debt</u> "            | Any Indebtedness (whether present or future, contingent or otherwise, as principal or security or otherwise) of the Company that is secured by this Facilities Lease and the Rent (other than the First Loan) at the request and with the prior written consent of the LSU Board, including any Refinancing Loan.                                       |
| " <u>Additional Rent</u> "            | As defined in Section 3.2 hereof.   |
| " <u>Applicable Law</u> "             | All present and future laws, statutes, rules, regulations or ordinances, resolutions and orders of any Governmental Authority substantially affecting the Premises and/or the ability of the parties to meet their obligations hereunder.   |
| " <u>Award</u> "                      | Any payment or other compensation received or receivable as a consequence of Expropriation from or on behalf of any Governmental Authority or any other Person vested with the power of eminent domain.   |
| " <u>Lender</u> "                     | Campus Federal Credit Union and its successors, transferees and assigns, and the lenders of any Indebtedness in addition to the First Loan.   |
| " <u>Base Rent</u> "                  | As defined in Section 3.1 hereof.   |
| " <u>Base Rent Payment Schedule</u> " | The schedule of payment dates and amounts due for payments of Base Rent as more fully described in <b>Exhibit C</b> attached hereto and made a part hereof.   |
| " <u>Business Day</u> "               | Any day other than (i) a Saturday, (ii) a Sunday, or (iii) any other day on which banking institutions in New York, New York, or Baton Rouge, Louisiana, the principal office of the Lender, the principal office of the LSU Board or the principal office of the University are authorized or required not to be open for the transaction of business. |
| " <u>Casualty</u> "                   | Shall have the meaning assigned thereto in Section 12.01 of the Ground Lease.   |

|  |  |
|--|--|
| " <u>Casualty Insurance Proceeds</u> " | All proceeds paid under the insurance policies described in Article V.   |
| " <u>Chancellor</u> "                  | The Chancellor of the University (or any successor officer or office) or his or her designee appointed in writing.   |
| " <u>Company</u> "                     | [**LSUREFF SPE**], a limited liability company organized and existing under the laws of the State of Louisiana, the sole member of which is the Foundation, and its successors, transferees and assigns.   |
| " <u>Company Event of Default</u> "    | As defined in Section 14.1 hereof.   |
| " <u>Company Representative</u> "      | A Manager of the Company, or any other person designated as a Company Representative by a Manager by an instrument in writing.   |
| " <u>Conveyance Documents</u> "        | Shall have the meaning assigned thereto in the Recitals to this Facilities Lease.  |
| " <u>Effective Date</u> "              | _____, 2019.   |
| " <u>Environmental Laws</u> "          | All federal, State and local laws and ordinances and common law principles relating to the protection of the environment or the keeping, use, abatement, remediation, disposal, human health or natural resources or the generation, transportation, treatment, storage, disposal, recycling, keeping, use, or disposition of Hazardous Materials, substances, or wastes, presently in effect or adopted after the Effective Date. This includes all amendments to Environmental Laws, and all rules and regulations under any Environmental Laws. |
| " <u>Event of Default</u> "            | Any matter identified as a LSU Event of Default or a Company Event of Default under Articles XIII and XIV hereof.  |
| " <u>Exhibit A</u> "                   | The property description attached hereto as <b>Exhibit A</b> and made a part hereof.   |
| " <u>Exhibit B</u> "                   | The description of the Facilities attached hereto as <b>Exhibit B</b> .  |
| " <u>Exhibit C</u> "                   | The Base Rent Payment Schedule attached hereto as <b>Exhibit C</b> .   |
| " <u>Exhibit D</u> "                   | The Memorandum of Lease attached hereto as <b>Exhibit D</b> .  |

|                               |   |
|-------------------------------|---|
| <u>"Expiration Date"</u>      | The date on which this Facilities Lease shall expire or terminate pursuant to Section 2.2 hereof, but in no event later than _____, 20__.   |
| <u>"Expropriation"</u>        | The taking of all or any portion of the Facilities by condemnation, expropriation or eminent domain proceedings.  |
| <u>"Facilities"</u>           | The Facilities designated on <b>Exhibit B</b> hereto, including, without limitation, driveways, walkways, parking areas, and all electrical, plumbing, heating, water, water heating, sewerage, gas and other utility equipment and the Facilities Equipment, which are now or shall hereafter be situated on or in said Facilities or on or in the Site.   |
| <u>"Facilities Equipment"</u> | The furniture, fixtures, equipment and other personal property financed or refinanced with proceeds of the Loan and owned or leased by the Company and used on or in the Facilities or used in connection with the operation of the Facilities and which are not components parts of or permanently affixed to the Facilities and which are not owned by the LSU Board but are leased to the LSU Board under this Facilities Lease.   |
| <u>"Facilities Lease"</u>     | This Facilities Lease dated effective _____, 2019, between the LSU Board and the Company, together with any amendments, modifications and supplements hereto.   |
| <u>"Facilities Revenues"</u>  | All of the University's revenues, receipts, rentals, fees, income, Casualty Insurance Proceeds, business interruption insurance proceeds, awards from expropriation, and other moneys derived from the operation or leasing of the Facilities and all rights to receive the same, whether in the form of accounts, general intangibles, or other rights and the proceeds of such accounts general intangibles and other rights, whether now existing or hereafter acquired. |
| <u>"FOMA"</u>                 | Shall have the meaning assigned thereto in the Recitals to this Facilities Lease.   |
| <u>"First Loan"</u>           | Shall have the meaning assigned thereto in the Recitals to this Facilities Lease.   |
| <u>"First Loan Agreement"</u> | Shall have the meaning assigned thereto in the Recitals to this Facilities Lease.   |

|                                 |  |
|---------------------------------|--|
| <u>"First Note"</u>             | Shall have the meaning assigned thereto in the Recitals to this Facilities Lease.  |
| <u>"Fiscal Year"</u>            | The fiscal year of the LSU Board, which at the date of this Facilities Lease is the period from July 1 of any year to and including the following June 30.   |
| <u>"Foundation"</u>             | LSU Real Estate and Facilities Foundation, a nonprofit corporation duly organized and validly existing under the laws of the State of Louisiana and the sole member of the Company, and its successors, transferees and assigns.   |
| <u>"Force Majeure"</u>          | Any circumstances beyond the control of the Company or the LSU Board, including, without limitation, acts of God, hurricanes, tornadoes, power outages or lack of power supply due to a casualty, mandatory evacuations, acts of a public enemy, governmental interference, inability to obtain labor, energy or supplies, riot, civil commotion, strike, lockout or any other unforeseeable event (other than an inability to obtain financing), the occurrence of which would prevent or preclude the Company or the LSU Board, respectively, from fully and completely carrying out the performance of their respective obligations under this Facilities Lease, other than obligations in respect of the payment of money. |
| <u>"Governmental Authority"</u> | Any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, parish, district, municipality, city or otherwise) whether now or hereafter in existence, with jurisdiction over the Facilities.   |
| <u>"Ground Lease"</u>           | The Ground Lease Agreement dated effective _____, 2019, by and between the LSU Board and the Company, as amended, modified and supplemented from time to time.   |
| <u>"Hazardous Materials"</u>    | Pollutants, contaminants, flammables, explosives, radioactive materials, hazardous wastes, substances, chemicals or materials, toxic wastes, substances, chemicals, or materials or other similar substances, petroleum products or derivatives, or any substance subject to regulation by or under Environmental Laws, including asbestos, asbestos-containing materials, materials presumed by law to contain asbestos, polychlorinated biphenyls (" <u>PCBs</u> "), petroleum, petroleum byproducts (including but not limited to, crude oil, diesel, oil, fuel oil, gasoline, lubrication oil, oil refuse,   |



oil mixed with other waste, oil sludge, and all other liquid hydrocarbons, regardless of specific gravity), natural or synthetic gas products, infectious wastes, radioactive materials, and/or any hazardous or toxic substance, chemical or material, or any other environmentally regulated substance or material, waste, pollutant or contaminant, defined as such or regulated by any Environmental Laws.

"Indebtedness"

With respect to the Company, any indebtedness or liability for borrowed money, any installment sale obligation or any obligation under any lease that is capitalized under generally accepted accounting principles and any Guaranty of the foregoing that is incurred by the Company for the benefit of the Facilities with the prior written consent of the LSU Board.

"Insurance Requirements"

All terms of any insurance policy covering or applicable to all or any part of the Premises, and all requirements of the issuer of any such policy applicable to or affecting all or part of the Premises, or the use or condition thereof.

"Lender"

\_\_\_\_\_ and its successors, transferees and assigns, and the lenders of any Indebtedness in addition to the First Loan.

"Loan"

Shall have the meaning assigned thereto in the Recitals to this Facilities Lease.

"LSU Board"

Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, a Louisiana public constitutional corporation organized and existing under the laws of the State, and its successors and assigns.

"LSU Board Event of Default"

As defined in Section 13.1 hereof.

"LSU Board Representative"

One or more of the persons designated and authorized in writing from time to time by the LSU Board to represent the LSU Board in exercising LSU's rights and performing LSU's obligations under this Facilities Lease; initially the LSU Board Representative(s) shall be (i) the President or his or her designee and (ii) the Vice Chancellor or his or her designee, until the LSU Board designates one or more other persons to represent the LSU Board under this Facilities Lease.

"LSUS"

Louisiana State University at Shreveport, an institution of

higher education under the management and supervision of the LSU Board.

"Note" Shall have the meaning assigned thereto in the Recitals to this Facilities Lease.

"ORM" The Office of Risk Management, Division of Administration of the State.

"Permitted Sublessees" Students, faculty and staff of the University and Persons other than students, faculty and staff of the University who are participants in any activities related to the mission of the University and who are using the Facilities pursuant to a concession or other housing arrangement with the University and Persons otherwise authorized by the LSU Board Representative.

"Permitted Use" The operation of the Facilities for the housing of University students, faculty, staff and Permitted Sublessees and for purposes related to or associated with the foregoing.

"Person" An individual, a trust, an estate, a Governmental Authority, or a partnership, joint venture, corporation, company, firm or any other entity whatsoever.

"Premises" The immovable property shown on Exhibit A attached hereto, comprised of (a) the Site on which the Facilities were constructed under the provisions of the Ground Lease and (b) the Facilities described on Exhibit B, together with the rights of uninterrupted access, ingress, egress and passage to and from all streets and roads now or hereafter adjoining the Site and Facilities for vehicle and pedestrian ingress and egress.

"President" The President of Louisiana State University (or any successor officer or office) or his designee appointed in writing.

"Refinancing Loan" Any loan(s) incurred by the Company, with the prior written consent of the LSU Board, to refinance all or any part of the Indebtedness.

"Rent" Collectively, Base Rent and Additional Rent.

"Rent Commencement Date" \_\_\_\_\_, 2019.

"Rent Payment Date" \_\_\_\_\_, 2019 and, thereafter, the fifteenth day of

each calendar month during the Term, commencing \_\_\_\_\_ 15, 20\_\_.

|                                   |   |
|-----------------------------------|---|
| " <u>Site</u> "                   | The immovable property shown on the survey attached hereto as Exhibit A which has been leased to the Company pursuant to the Ground Lease and which is subleased by the Company to LSU, for the benefit of LSUS, under this Facilities Lease. |
| " <u>State</u> "                  | The State of Louisiana.   |
| " <u>Taxes</u> "                  | As defined in Section 3.3 hereof.   |
| " <u>Term</u> "                   | The term during which this Facilities Lease shall remain in full force and effect as set forth in Section 2.2 hereof.   |
| " <u>University</u> "             | Louisiana State University at Shreveport, an institution of higher education under the management and supervision of LSU.   |
| " <u>University Leasing Act</u> " | Louisiana Revised Statutes 17:3361, et seq., as amended from time to time.  |
| " <u>Utility Service</u> "        | As defined in Section 4.4 hereof.   |

[remainder of this page intentionally left blank]

## ARTICLE II - PREMISES AND TERM

2.1 Premises. Subject to the terms and conditions herein set forth and for the Term hereof, as of the Effective Date, the Company hereby subleases the Site and leases the Facilities to the LSU Board, and the LSU Board hereby subleases from the Company the Site and leases the Facilities from the Company, without warranty as to fitness and condition, all for the benefit of LSUS (collectively the "Premises").

2.2 Term. The Term of this Facilities Lease begins on the Effective Date and ends on the Expiration Date; provided, however, this Facilities Lease shall terminate prior to such time upon the happening of any of the following events:

2.2.1 repayment of the Loan in full and payment of all amounts due and owing under this Facilities Lease;

2.2.2 the exercise by the LSU Board of the option to purchase pursuant to Section 3.10 hereof, and the purchase of the Company's interest in the Facilities pursuant to the option, together with the payment of all amounts due and owing under this Facilities Lease; or

2.2.3 any other event described in this Facilities Lease which is specifically stated to cause a termination of this Facilities Lease, including without limitation an Event of Default by LSU; provided, however, in such Event of Default by LSU, the Company, at its sole option, may terminate the Facilities Lease only and continue the Ground Lease for part or all the remaining Term and manage and operate part or all of the Facilities, either itself or through others, and retain and own all revenue therefrom or generated thereby; or

2.2.4 the termination of this Facilities Lease in the event of nonappropriation of funds pursuant to Article XI hereof; provided, however, in such event of nonappropriation, the Company, at its sole option, may terminate this Facilities Lease only and continue the remainder of the Ground Lease for part or all of the remaining Term, require the LSU Board to enter into agreements with the Company with respect thereto, and manage and operate part or all of the Facilities, either itself or through others, and retain and own all revenue therefrom or generated thereby; or

2.2.5 the payment by the LSU Board of all Rent authorized or required to be paid by the LSU Board hereunder over the Term of this Facilities Lease.

The foregoing and any other provision of this Facilities Lease other than Article XI hereof notwithstanding, (i) in no event may this Facilities Lease terminate prior to the date of payment in full of the Loan and (ii) the term may be extended by written agreement of the parties hereto upon terms and conditions mutually agreeable to the parties, subject to securing any approvals required by the terms hereof or by Applicable Law; provided, however, the aggregate term of this Facilities Lease shall not exceed ninety-nine (99) years.

## ARTICLE III - RENT

3.1 Base Rent. The LSU Board shall pay to the Company beginning on the Rent Commencement Date and on each Rent Payment Date thereafter, but solely from Facilities Revenues and such other amounts as may be available as provided in Section 11.1 hereof, the amounts due in accordance with the Base Rent Payment Schedule as shown on **Exhibit C** ("Base Rent"). In the event of the incurrence of Additional Debt or in the event a portion of the Loan is paid prior to maturity thereof, **Exhibit C** hereto shall be adjusted to reflect such Additional Debt or such prepayment such that the Base Rent payments due hereunder shall be the same as payments due on the Loan, including such Additional Debt.

3.2 Additional Rent. As further consideration for this Facilities Lease, the LSU Board shall pay to the Company, but solely from Facilities Revenues and such other amounts as may be available as provided in Section 11.1 hereof, the following amounts (collectively, "Additional Rent").

3.2.1 An amount equal to the reasonable fees and expenses incurred by the Company in the performance of all requirements of the Loan and such other recurring and ordinary costs and expenses incurred by the Company in order to comply with this Facilities Lease, including, but not limited to all costs of providing required audits.

3.2.2 Any out-of-pocket expenses incurred by or on behalf of the Company (including federal, state and local taxes and fees and reasonable legal and accounting fees) due to its ownership of the Facilities for the Term.

3.2.3 All amounts expended by the Company, if any, to provide insurance coverage required by the Ground Lease and this Facilities Lease.

3.2.4 Any amounts required to be paid to the Company pursuant to the FOMA.

3.2.5 All closing costs and charges incident to the Ground Lease, this Facilities Lease and the FOMA, the conveyance of title to the Facilities by ESHF to the Company and in connection with the First Loan.

3.2.6 The monthly administrative fee of the Company, which administrative fee shall be payable on the 15<sup>th</sup> day of each month and calculated as the average of (a) 1.5% of Facilities Revenues for the immediately preceding calendar month and (b) 1.5% of the total payment of Base Rent for the immediately preceding calendar month based on **Exhibit C** hereto; provided, however, that payment of such administrative fee shall be fully subordinated to payment of Base Rent.

The parties hereto acknowledge that the Company has assigned certain rights in and to this Facilities Lease and the Rent and other revenues related to or arising under this Facilities Lease to the Lender as security for the Loan.

3.3 Expenses, Taxes, and Other Charges and Obligations. The LSU Board shall pay, if owing, directly to the authority charged with collection thereof all ad valorem taxes, personal property taxes, and all other governmental levies and charges of every kind whatsoever or other taxes which arise in respect of the operation, possession or use of the Premises by the LSU Board ("Tax" or "Taxes").

3.4 Contests; Non-Payment. Notwithstanding anything to the contrary herein contained, if the LSU Board deems any Tax relating to the Premises excessive or illegal, the LSU Board may defer payment thereof so long as the validity or the amount thereof is contested by the LSU Board with diligence and in good faith.

3.5 Consideration. Payment of Rent shall be in consideration for LSU's use of the Facilities during the applicable Fiscal Year in which such payments are due.

3.6 Triple Net Lease. This Facilities Lease is intended to be a triple net lease. The LSU Board agrees that the Rent provided for herein shall be an absolute net return to the Company free and clear of any expenses, charges, taxes or set-offs whatsoever of any kind, character or nature; it being understood and agreed to by the LSU Board that the LSU Board shall bear responsibility for the payment of all costs and expenses associated with the ownership, maintenance, renovation and repair of the Premises. Under no circumstances will the Company be required to make any payment of Rent or otherwise on LSU's behalf or for LSU's benefit under this Facilities Lease, or assume any monetary obligation of the LSU Board under this Facilities Lease or with respect to the Facilities.

3.7 Rent is Current Expense. The Company and the LSU Board understand and intend that the obligation of the LSU Board to pay Rent hereunder shall constitute a current expense of the LSU Board and shall not in any way be construed to be a debt of the LSU Board or the State in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by LSU, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or moneys of LSU.

3.8 Liens. From and after the date hereof, the LSU Board shall not suffer or permit any lien to stand against the Premises including, without limitation, a lien arising by reason of any work, labor, services or materials done for, or supplied to, or claimed to have been done for, or supplied to the Facilities. If any such lien shall at any time be filed against the Premises or any part thereof, or against the interest of the LSU Board therein, the LSU Board shall, to the extent allowable by law, cause the same to be discharged or bonded of record within thirty (30) days after the LSU Board shall have learned of the same, by either payment, deposit or bond.

3.9 Proration on Termination. Except as otherwise provided herein, at the Expiration Date: (a) the LSU Board shall pay to the Company an amount equal to the portion of any Rent (including any Tax payment) which is then payable or due or which is otherwise allocable to any period prior to and including the Expiration Date, and (b) the LSU Board shall be allowed a

credit equal to the portion of any Rent (including any Tax payment) paid by the LSU Board which is allocable to any period following the Expiration Date.

3.10 LSU Board's Option to Purchase the Facilities. The Company hereby grants to the LSU Board an exclusive and irrevocable option to purchase the Facilities for the price and on the terms, provisions, stipulations and conditions hereinafter set forth (the "Option"):

3.10.1 The purchase price is sufficient to fully pay the Lender all amounts due under the Mortgage and the Note and to pay the Company all other amounts due and owing under this Facilities Lease through the date of purchase (the "Purchase Price").

3.10.2 The LSU Board gives notice to the Company of its election to exercise the Option not less than sixty (60) days prior to the date on which the LSU Board desires to purchase the Facilities.

3.10.3 The Option shall expire on the Expiration Date.

3.10.4 Notwithstanding anything to the contrary contained in this Facilities Lease, upon the purchase of the Facilities by the LSU Board pursuant to this Option, this Facilities Lease shall terminate.

3.10.5 In the event of and upon the payment of the Purchase Price by the LSU Board, the Company will, on the purchase date, execute and deliver to the LSU Board a written cancellation of this Facilities Lease specifically transferring ownership of the Facilities to the LSU Board and such other documents as necessary to effect a transfer of title to the Facilities to the LSU Board.

3.10.6 To the extent allowed by law, in the event the Option is timely exercised, notice to the Company of the LSU Board's election shall constitute an irrevocable conversion of the Option into a binding obligation of the Company to sell the Facilities to the LSU Board and of the LSU Board to purchase the Facilities from the Company under the terms and conditions set forth in this Section 3.10, and in such event, the Company and the LSU Board shall have the right to demand specific performance of the agreement herein to purchase and sell by the other. The closing of the sale of the Facilities shall occur within one hundred twenty (120) days of the exercise by notice to the LSU Board of the Option at the offices of the LSU Board or its counsel, or at such other time, place and date as agreed upon by the Company and the LSU Board.

3.10.7 The LSU Board shall pay all closing costs and charges incident to the conveyance of title to the Facilities.

3.10.8 The Company shall convey to the LSU Board title to the Facilities without any warranty whatsoever of any nature. The conveyance of the Facilities shall be without any warranty as to fitness and condition. In no event shall the Company be responsible for any defects in title to the Facilities.

(A) In the event the Option is exercised and the Company fails to consummate the transactions contemplated herein for any reason except default by the LSU Board or the failure of the LSU Board to satisfy any of the conditions set forth herein, the LSU Board (a) may enforce this agreement by specific performance and in such action shall have the right to recover damages suffered by reason of the Company's delay in transferring the Facilities; or (b) may bring suit for damages for breach of this Facilities Lease.

(B) In the event the Option is exercised and the LSU Board fails to consummate the transactions contemplated herein for any reason, except default by the Company or the failure of the Company to satisfy any of the conditions set forth herein, the Company (a) may enforce this agreement by specific performance and in such action shall have the right to recover damages suffered by reason of the LSU Board's delay in acquiring the Facilities; or (b) may bring suit for damages for breach of this Facilities Lease.

(C) No delay or omission in the exercise of any right or remedy accruing to either party upon any breach by the other party under this Option shall impair such right or remedy or be construed as a waiver of any such breach theretofore or thereafter occurring. The waiver by either party of any condition or any subsequent breach of the same or any other term, covenant or condition herein contained shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or of any other term, covenant or condition herein contained.

3.10.9 The Option and the rights set forth herein related to the Option shall not be assigned by the Company and the Facilities shall not be sold (subject to the Option or otherwise) to any Person or entity without the LSU Board's prior written consent, which consent may be withheld by the LSU Board in its sole discretion.

3.10.10 The Company acknowledges that, in the event the LSU Board wishes to exercise the Option, the LSU Board must comply with the laws regulating the procurement, capital outlay and appropriations for acquiring lands, buildings, equipment and furnishings by the State.

[remainder of page intentionally left blank]



## ARTICLE IV - MAINTENANCE, INSPECTION, REPAIRS AND ALTERATIONS

4.1 Maintenance. Except as otherwise provided in Section 8.05 hereof, the LSU Board, at its expense, shall (i) maintain, or cause the Premises (including but not limited to, the Facilities and Facilities Equipment, the heating, ventilating, air conditioning, mechanical, electrical, elevators, plumbing, fire, sprinkler and theft systems, air and water pollution control and waste disposal facilities, structural roof, walls, and foundations, fixtures, equipment and appurtenances to the Facilities) to be maintained, and shall keep all of the same in good condition, order and repair, reasonable wear and tear and damage by casualty and/or condemnation excepted, and (ii) shall make, with reasonable promptness (in light of the nature of such repairs) all repairs, alterations, restorations or replacements regardless of whether the same are ordinary or extraordinary, foreseeable or unforeseeable, or at the fault of the LSU Board, the Company, or a third party that may be required therefor as and when needed to preserve them in good working order, condition and repair, ordinary wear and tear excepted or that may be required by Applicable Law.

4.2 Alterations. The LSU Board may alter the Facilities as it may elect to make or construct any additions or improvements to the Facilities, alter the Facilities, attach fixtures, structures, or signs to or on the Facilities, and affix personal property to the Facilities without the Company's prior written consent provided that the alteration, improvements, additions, attachments, repairs, restorations and replacements do not materially diminish the fair market value of the Facilities. All such alterations, improvements, additions, attachments, repairs, restorations and replacements shall be at the sole cost and expense of the LSU Board, shall be constructed in a good and workmanlike manner, and shall comply with all Applicable Laws, Insurance Requirements, and any enforceable restrictions. Prior to commencement of any alterations to the Facilities, the LSU Board shall, or shall cause its contractor to, provide builder's risk – completed value form property insurance, for all risk of physical loss during the term of the construction contract and until the alterations are completed and accepted by the Company and LSU, with coverage being for 100% of the replacement cost of the Facilities. The Company and the LSU Board shall be named additional insureds on such builder's risk policy, and the LSU Board shall provide the Company with a certificate of insurance evidencing the builder's risk coverage prior to the commencement of the work. Coverage may be obtained by the LSU Board through the Office of Risk Management.

4.3 Operation and Services. Except as otherwise provided in Section 8.05 hereof, the LSU Board shall be responsible for operating the Facilities or causing the Facilities to be operated and for ensuring that all services necessary or required in order to adequately operate the Facilities in accordance with the Permitted Use are provided and maintained.

4.4 Utilities. All utilities which are used or consumed in or upon or in connection with the Facilities during the Term, including, without limitation water, gas, electricity, sewerage, garbage, or trash removal, light, cable, heat, telephone, power, computer data and other utilities necessary for the operation of the Facilities ("Utility Service") shall be the responsibility of the LSU Board. Payments for Utility Services provided to the entire Facilities or to the common areas of the Facilities under such contract or contracts therefor as the LSU

Board may make shall be made by the LSU Board directly to the respective utility companies furnishing such Utility Services.

Except as otherwise provided in the FOMA, the Company (i) shall have no responsibility to the LSU Board for the quality or availability of Utility Service to the Facilities, or for the cost to procure Utility Service and (ii) shall not be in default under this Facilities Lease or be liable to the LSU Board or any third party for direct or consequential damage, or otherwise, for any failure in supply of any Utility Service.

4.5 Books and Records. The LSU Board shall keep, or cause to be kept, accurate, full and complete books, including bank statements and accounts, that specifically relate to the acts covered by this Facilities Lease showing the operations of the Facilities. The books, accounts and records of the Facilities shall be maintained at the principal office of the University and shall be available for inspection by the Company and the Lender during regular business hours and upon reasonable notice.

4.6 Environmental Matters. The LSU Board shall, at its expense, with respect to the Premises, comply, and cause any Person using the Premises to comply, with all applicable Environmental Laws.

[remainder of page intentionally left blank]

**ARTICLE V - INSURANCE AND DAMAGE; EXPROPRIATION**

5.1 Insurance.

5.1.1 Without limiting any other obligations hereunder and except as otherwise provided herein, the LSU Board shall, at all times during the Term of this Facilities Lease, maintain or cause to be maintained the following insurance covering the Facilities or activities at or on the Premises, the premiums for which coverage shall be paid by the LSU Board, with insurance companies duly licensed to do business in the State and bearing a rating of A:VI in the latest Best Casualty Insurance.

| <b>TYPE</b>   | <b>AMOUNT</b>  |
|---|--|
| 1) Property Insurance for loss or damage to the Premises by fire, lightning, earthquake, collapse, vandalism and malicious mischief, flood and storm surge and other perils as included in "extended coverage" or "broad form" insurance.   | 100% repair or replacement (including cost of demolition and debris removal) cost of the Facilities, less a commercially reasonable deductible but without allowance for depreciation.   |
| 2) Special Form Property Damage Insurance, for damage or other loss caused by fire, casualty or cause, including vandalism and malicious mischief, theft, explosion and water damage covering LSUS's inventory, personal property, furniture, floor coverings, fixtures and equipment in or about Premises  | Actual Cash Value  |
| 3) Commercial General Liability Insurance for the following where the exposure exists:<br><br><ul style="list-style-type: none"> <li>(a) premises-operations</li> <li>(b) broad form contractual liability</li> <li>(c) products/completed operations</li> <li>(d) use of contractors and subcontractors</li> <li>(e) personal injury (bodily injury and death)</li> <li>(f) broad form property damage</li> <li>(g) explosion, collapse and underground property damage</li> <li>(h) independent contractors</li> <li>(i) sprinkler leakage legal liability</li> <li>(j) water damage legal liability</li> </ul> | Coverage in an amount not less than:<br><br>\$2,000,000.00 Per Occurrence;<br>\$5,000,000.00 General Aggregate; and<br>\$5,000,000.00 Products & Completed Operations Aggregate; less a commercially reasonable deductible.<br>"Claims Made" form is not acceptable. |
| 4) Business Automobile Liability Insurance for bodily injury and property damage, covering owned automobiles, hired automobiles, and non-owned automobiles;   | Combined single limit of Two Million Dollars (\$2,000,000.00) per occurrence   |

|  |   |
|--|---|
| 5) Worker's Compensation & Employer's Liability Insurance  | Limits as required by the Labor Code of the State of Louisiana and Employer's Liability coverage. |
| 6) Business Interruption Insurance covering loss of rents by reason of total or partial suspension of, or interruption in, the operation of Facilities caused by the damage thereof. | 12 months rental revenue  |

5.1.2 Without limiting any other obligations hereunder, the LSU Board shall at all times from the Effective Date hereof maintain or cause to be maintained at its expense the following insurance with insurance companies duly licensed to do business in the State of Louisiana and bearing a rating of not less than A:VI in the latest Best Casualty Insurance Reports. Self-insurance through ORM shall satisfy the requirement of this section.

| <b>TYPE</b>   | <b>AMOUNT</b>   |
|---|---|
| 1) Business Automobile Liability Insurance for bodily injury and property damage, covering owned automobiles, hired automobiles, and non-owned automobiles;   | Combined single limit of \$2,000,000.00 per occurrence  |
| 2) Worker's Compensation & Employer's Liability Insurance   | Limits as required by the Labor Code of the State of Louisiana and Employer's Liability coverage.   |
| 3) Commercial General Liability Insurance for the following where the exposure exists:<br><br>(a) premises-operations<br>(b) broad form contractual liability<br>(c) products/completed operations<br>(d) use of contractors and subcontractors<br>(e) personal injury (bodily injury and death)<br>(f) broad form property damage<br>(g) explosion, collapse and underground property damage<br>(h) independent contractors<br>(i) sprinkler leakage legal liability<br>(j) water damage legal liability | Coverage in an amount not less than:<br><br>\$2,000,000.00 Per Occurrence;<br>\$5,000,000.00 General Aggregate; and<br>\$5,000,000.00 Products & Completed Operations Aggregate; less a commercially reasonable deductible. "Claims Made" form is not acceptable. |

5.1.3 Policies required in Sections 5.1.1 and 5.1.2 above shall (i) include the Company, the Lender and the LSU Board as insureds as their interests may

appear in accordance with the terms of this Facilities Lease and shall be in amounts sufficient to prevent the Company or the LSU Board from becoming a co-insurer within the terms of the policies, provided, however, that such policies may contain such deductibles in the amount of Fifty Thousand Dollars (\$50,000.00), or such other higher deductibles as are reasonably approved by the Company or the LSU Board as appropriate.

5.1.4 Policies for Worker's Compensation required in Section 5.1.1 and 5.1.2 above shall be primary and without any right of contribution as to any other insurance carried by or for the LSU Board and shall provide that all terms and conditions except for limits of liability shall operate in the same manner as if there were a separate policy covering each insured, such provision to be made by endorsement, if necessary.

5.1.5 Each policy required in Sections 5.1.1 and 5.1.2 above shall provide for the benefit of the Company, the Lender and the LSU Board that not less than thirty (30) days' prior written notice of any amendment, cancellation, termination or lapse of coverage shall be given to the other and that such insurance shall not be invalidated (i) by any act or neglect of the Company or the LSU Board, (ii) by any foreclosure or other proceeding relating to the Premises, or (iii) by any occupancy of the Premises for purposes more hazardous than are permitted by such policy.

5.1.6 Upon request by the Company, the LSU Board shall deliver to the Company certificates evidencing the insurance policy coverage required under paragraphs 5.1.1 and 5.1.2 hereunder and certificates of each renewal of such policies at least fifteen (15) days prior to renewal date.

5.1.7 Self-insurance by the LSU Board through ORM shall satisfy the requirement of this Section.

5.2 Settlement and Payment of Claims. Losses covered by the insurance provided for in Section 5.1.1 shall be adjusted with the carriers thereof provided, however, that, if the loss shall be in excess of One Hundred Thousand Dollars (\$100,000), no final adjustment shall be made with respect to insurance not provided through ORM without the written approval of the Company of the amount of the adjustment, which approval shall not be unreasonably withheld, delayed, or conditioned.

5.3 Restoration and Application of Casualty Insurance Proceeds or Award.

5.3.1 If all or any portion of the Facilities is damaged or destroyed by a Casualty or is taken by Expropriation proceedings, the LSU Board shall, as expeditiously as possible, continuously and diligently prosecute or cause to be prosecuted the repair, restoration, or replacement thereof, provided, however, that the LSU Board shall in no way be liable for any costs of the repair, restoration or replacement of the Facilities in excess of the Casualty Insurance Proceeds or any Award received because of such Casualty or Expropriation.

5.3.2 In the event the Casualty Insurance Proceeds or any Award are insufficient to fully repair, restore or replace the Facilities, the Casualty Insurance Proceeds or any Award shall be paid to the LSU Board and, to the extent the Loan is outstanding, delivered to the Lender and applied to the payment of the Loan.

5.3.3 In the event the LSU Board elects not to repair, restore or replace the Facilities for any reason, all Casualty Insurance Proceeds or Award received or payable as a result of such Casualty or Expropriation shall be paid to the LSU Board, and, to the extent the Loan is outstanding, delivered to the Lender and applied to the payment of the Loan, and this Facilities Lease shall terminate.

5.3.4 In the event that ORM insures the Facilities, the LSU Board shall use the Casualty Insurance Proceeds received from ORM in accordance with Policy and Procedure Memorandum Number 10 (requiring invoices to be submitted to ORM for payment to vendors, or alternatively, production of invoices paid by the LSU Board to ORM for reimbursement of vendor payments) to effect the repair, restoration or replacement of the Facilities.

5.4 Cooperation. Each of the Company and the LSU Board agrees that it will cooperate with the other, to such extent as such other party may reasonably require, in connection with the prosecution or defense of any action or proceeding arising out of, or for the collection of, any Casualty Insurance Proceeds that may be due in the event of any loss or damage, and that it will execute and deliver to such other party such instruments as may be required to facilitate the recovery of any Casualty Insurance Proceeds or Award. The Company, at its own expense, shall be entitled to participate in any proceeding, action, negotiation, prosecution, or adjustment involving payment of any Casualty Insurance Proceeds or Award held by the LSU Board by reason of its interest in the Premises. The LSU Board shall take all appropriate action in connection with any such proceeding, action, negotiation, prosecution and adjustment, and the LSU Board shall pay all expenses thereof. The LSU Board agrees that this Facilities Lease shall control the rights of the Company and the LSU Board in respect of any such insurance payment for recovery.

5.5 Notice of Casualty. The LSU Board agrees to give prompt notice to the Company with respect to any Casualty as a result of which the apparent damage to the Facilities shall equal or exceed Twenty-Five Thousand and No/100 (\$25,000.00) Dollars.

## **ARTICLE VI - COMPLIANCE CERTIFICATES; OTHER INFORMATION REQUIREMENTS**

6.1 Company Compliance. The Company agrees, at any time and from time to time, upon not less than thirty (30) days prior written notice by the LSU Board, to execute, acknowledge and deliver to the LSU Board or to such other party as the LSU Board shall request, a statement in writing certifying (a) that this Facilities Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications); (b) the dates to which the Rent and other charges have been paid; (c) whether an Event of Default has occurred and is continuing hereunder (and stating the nature of any such Event of Default); and (d) the Effective Date and the Expiration Date, it being intended that any such statement delivered pursuant to this Section may be relied upon by any Person.

6.2 LSU Board Compliance. The LSU Board agrees, at any time and from time to time, upon not less than thirty (30) days prior written notice by the Company, to execute, acknowledge and deliver to the Company a statement in writing, addressed to the Company or to such other party as the Company shall request, certifying, to the best of its knowledge, (a) that this Facilities Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications); (b) to the best of its knowledge, whether or not there are then existing any offsets or defenses against the enforcement of the terms, covenants or conditions hereof upon the part of the Company to be performed (and if so specifying the same); (c) the Effective Date and the Expiration Date; (d) the date, if any, to which Rent and other sums payable under this Facilities Lease have been paid; (e) that no notice of any default has been delivered to the Company, which default has not been cured, except as to defaults specified in said certificate; (f) that there is no Event of Default under this Facilities Lease or an event which, with notice or the passage of time, or both, would result in an Event of Default under this Facilities Lease, except for defaults specified in said certificate; and (g) such other matters as may be reasonably requested by the Company; it being intended that any such statement delivered pursuant to this Section may be relied upon by any Person.

[remainder of this page intentionally left blank

## **ARTICLE VII - USE OF PREMISES**

7.1 Purpose of Facilities Lease. The LSU Board and LSUS may use the Premises for the Permitted Use. Under no circumstances shall be Facilities be used for any purpose other than the Permitted Use.

7.2 Permits. The LSU Board agrees to obtain and keep in full force and effect, or cause to be obtained and kept in full force and effect, whatever governmental or regulatory approvals, consents, authorizations, permits and/or licenses, if any, required by any Governmental Authority with respect to the ownership, occupation or use of the Premises.

[remainder of this page intentionally left blank]



## **ARTICLE VIII - MANAGEMENT OF PREMISES**

8.1 Management. Except as otherwise provided in Section 8.5 hereof, the LSU Board shall continuously operate or cause to be operated the Facilities from the Effective Date of this Facilities Lease and continuing for the remainder of the Term for the Permitted Use, and in accordance with all Applicable Law. Any agreement entered into by the LSU Board for the management, operation and/or maintenance of the Facilities shall be subordinate in all respects to the obligations of the LSU Board under this Facilities Lease.

8.2 Books and Records. The books, accounts and records of the Company which pertain to the Facilities shall be maintained at the principal office of the Company.

8.3 Advertising. The Company agrees that it will require any third party associated with the Facilities to obtain the LSU Board Representative's consent prior to using LSUS's name, logo or seal in circulating advertisements or other promotional material relating to the Facilities other than a mere recitation of the address of the Facilities.

8.4 Audits. Either the LSU Board or LSUS may, at its option and at its own expense, and during customary business hours, conduct internal audits of the books, bank accounts, records and accounts of the Company pertaining to its obligation under this Facilities Lease to the extent necessary to verify compliance with this Facilities Lease. Audits may be made on either a continuous or a periodic basis or both, and may be conducted by employees of the LSU Board, or by independent auditors retained by the LSU Board or by the Louisiana Legislative Auditor or by the Office of the Governor, Division of Administration, but any and all such audits shall be conducted without materially or unreasonably or unnecessarily interrupting or interfering with the normal conduct of business affairs by the Company. The LSU Board covenants with the Company to keep the results of any such audits confidential except as required by rules and regulations of the LSU Board and by Applicable Law.

8.5 Operation and Management of Facility pursuant to FOMA. Upon the election and notice by the LSU Board as hereinafter provided, the LSU Board and the Company shall enter into the FOMA. Any other provision of this Facilities Lease notwithstanding, the LSU Board may, at its sole option and upon not less than ninety (90) days' prior written notice to the Company, elect that the Company, either itself or through third parties, be responsible for the management, operation, alterations, maintenance, repair and replacement of the Facilities in accordance with the FOMA. In the event the LSU Board exercises the option described in this paragraph, LSU will continue to provide Utility Service to the Facilities as set forth in Section 4.4 hereof.

Not later than May 1 of each full calendar year following receipt of notice by the LSU Board pursuant to the preceding paragraph, the Company shall prepare and submit, or cause to be prepared and submitted, to the LSU Board for consideration and approval a proposed budget for the twelve month period from July 1 of the then current year through June 30 of the following year; provided that, in the event the timing of the election by the LSU Board pursuant to the preceding paragraph is such that the commencement by the Company of its responsibilities under the FOMA does not coincide with the commencement of an academic year of the University,

such budget shall be submitted within sixty (60) days of the receipt of such notice for the remainder of the academic year in which the Company shall commence providing services hereunder. The proposed budget shall show operational expenditures of the Premises for the twelve months (or such lesser period, as applicable) on a month by month cash basis, and shall include, without limitation, allowances for taxes, insurance, cleaning, debt service, wages, supplies, capital expenditures, fidelity bonds and repairs. The proposed budget shall also set forth in reasonable detail the amounts and payment dates of all leases which are then in force and effect and which are projected to be in effect during the twelve month period (or such lesser period, as applicable). Each particular category of revenue, expense allowance and related amounts shall be referred to as a line item. The LSU Board shall review and approve or disapprove the proposed budget within thirty (30) days of receipt thereof from the Company and if the proposed budget is not approved or disapproved by the LSU Board within such thirty (30) day period, the proposed budget shall be deemed approved by the LSU Board. When approved in writing and delivered to Company by the LSU Board or upon the expiration of the thirty (30) day period described in the preceding sentence, as applicable, the proposed budget shall become final (the "Budget") and shall be implemented by Company.

(a) Pursuant to the FOMA, the Company shall be responsible for procuring and maintaining or shall cause to be procured and maintained all services necessary or required in order to adequately operate and maintain the Facilities in accordance with the Permitted Use. The Company shall continuously cause to be operated and maintained the Facilities from the date designated in the election and notice by the LSU Board through the remainder of the Term in accordance with all Governmental Regulations and all University rules and regulations and the FOMA.

(b) Pursuant to the FOMA, the Company shall be responsible for maintaining, repairing and replacing the Facilities and shall make or contract, or cause to be made or contracted, with a suitable contractor for the making of all alterations, repairs, restorations, and replacements to the Facilities, including, without limitation, the heating, ventilating, air conditioning, mechanical, electrical, elevators, plumbing, fire, sprinkler and theft systems, air and water pollution control and waste disposal facilities, structural roof, walls, foundations, fixtures, equipment and appurtenances to the Facilities as and when needed to preserve them in good working order, condition and repair (ordinary wear and tear excepted), regardless of whether such repairs, alterations, restorations or replacements are ordinary or extraordinary, foreseeable or unforeseeable, or are the fault of the Company or some other Person. All alterations, repairs, restoration, or replacements shall be of a quality and class equal to or better than the quality and class located in the Facilities as of their completion.

(c) The Company shall not have the right to make or construct any material additions, alterations or improvements to the Facilities, attach fixtures, structures, or signs to or on the Facilities, or affix personal property to the Facilities without the LSU Board Representative's prior written consent. All plans for such additions, alterations and improvements shall be submitted to the LSU Board Representative for approval. All such alterations, improvements, additions, attachments, repairs, restorations and replacements of all or any portion of the Facilities shall (i) be at the sole cost and expense of the Company; (ii) not reduce the then fair market value of the Facilities; (iii) be constructed in a good and workmanlike manner; and (iv) be in compliance with all Governmental Regulations and University rules and regulations. Non-

material additions and improvements may be made without the consent of the LSU Board Representative.

(d) Pursuant to the FOMA, the Company shall cause to be provided all custodial service, janitorial service, trash disposal and all other services necessary for the proper upkeep and maintenance of the Facilities as required herein. It is the responsibility of the LSU Board to cause to be provided or to provide for the security of persons on or entering the Facilities and/or property located at the Facilities, consistent with that provided to other University facilities. Access to the Facilities shall be provided to the University for such purpose.

(e) Pursuant to the FOMA, the Company shall be responsible for maintaining the grounds and landscaping the Site and shall contract with a suitable contractor for the maintenance thereof.

(f) Pursuant to the FOMA, the Company shall be responsible for leasing the Facilities to Permitted Sublessees and for the collection of rent; provided that the University may facilitate the collection of rent from students of the University by including any such amounts in its student fee bills or other collection methods.

(g) The LSU Board Representative shall have the right to make inspections of the Facilities to ascertain the quality of maintenance being undertaken by or on behalf of the Company. Such inspections shall be conducted after reasonable notice to the Company and at a reasonable time and in a manner to minimize disruption of the quiet enjoyment of the Facilities by the Permitted Sublessees. Within fifteen (15) days after the inspection, the LSU Board Representative shall meet with the Company or the Company Representative to discuss recommendations as to major repairs or replacements deemed reasonably necessary to maintain the Facilities in good operating condition and proper maintenance of the Facilities. To the extent funds are available, the Company shall make or cause to be made any recommended repairs, as agreed upon by the Company and the LSU Board Representative.

[remainder of page intentionally left blank]

## ARTICLE IX - INDEMNIFICATION

9.1 LSU Board Indemnification. To the extent permitted by Applicable Law, from and after the Effective Date, the LSU Board shall, at its sole cost and expense, pay, protect, indemnify, defend and save harmless the Company, its officers, directors, agents and employees ("Company Indemnitees") against and from any and all claims on behalf of any Person to the extent they arise from the occupation, use, possession of or from any work done by the LSU Board in or about the Premises during the Term, or any extension thereof, except for the Company's obligations under this Facilities Lease and except to the extent caused by the Company's fault, negligence or willful act or the fault, negligence or willful act of its respective agents, contractors or employees.

9.2 In case any action or proceeding shall be brought against the Company in respect of which the indemnity contemplated by this Article IX may be sought against the LSU Board or the University, the LSU Board, upon the giving of notice from the Company, to the extent allowed by Applicable Law, shall defend such action or proceeding by counsel reasonably satisfactory to the LSU Board and the Company, and the LSU Board shall pay for all expenses therefor (including reasonable attorneys' fees) unless such action or proceeding is resisted and defended by counsel for any carrier of liability insurance referred to in Section 5.1 hereof as authorized by the provisions of any policy of liability insurance maintained pursuant to said Section 5.1.

9.3 The Company shall promptly give written notice to the LSU Board when a claim is made against the Company for which indemnity is owed to the Company by the LSU Board pursuant to this Article IX, but the Company shall have the right to employ its own separate counsel (the fees and expenses of which are covered under this indemnity to the extent allowed by Applicable Law), but shall not have control of the defense of such claims. The Company shall not, in the defense of any claim for which indemnity is owed by the LSU Board hereunder, consent to the entry of any judgment except with the consent of the LSU Board, or to any settlement, except with the consent of the LSU Board. The Company shall assist the LSU Board in the defense of any claim for which the LSU Board owes indemnification hereunder and is undertaking to provide a defense, by making available to the LSU Board (at the LSU Board's cost and expense) records and personnel of the Company, as may be reasonably required in the defense of such claim.

9.4 Company Indemnification. From and after the Effective Date, the Company shall, at its sole cost and expense, pay, protect, indemnify, defend and save harmless the LSU Board, its officers, directors, agents and employees ("LSU Board Indemnitees") against and from any and all losses on behalf of any Person arising from any breach, violation or default on the part of the Company in the performance of any term, covenant, provision or agreement or other obligation on the part of the Company to be performed pursuant to the terms of this Facilities Lease, or to the extent arising from any act, omission or negligence of the Company, or that of any of its respective agents, contractors, or employees, or arising from any accident, injury, death or damage whatsoever caused to any Person or any property occurring during the Term, or any extension thereof, in or about the Premises, to the extent caused by the Company's fault, negligence or willful act or the fault, negligence or willful act of its respective agents,

contractors, servants, employees or licensees, except to the extent caused by the LSU Board's fault, negligence, or willful act or the fault, negligence or willful act of its agents, contractors or employees.

9.5 In case any action or proceeding shall be brought against the LSU Board in respect of which the indemnity contemplated by this Article IX may be sought against the Company, the Company, upon the giving of notice from the LSU Board, to the extent allowed by Applicable Law, shall defend such action or proceeding by counsel reasonably satisfactory to the Company and the LSU Board, and the Company shall pay for all reasonable expenses therefor (including reasonable attorney's fees) unless such action or proceeding is resisted and defended by counsel for any carrier of liability insurance referred to in Section 5.1 hereof as authorized by the provisions of any policy of liability insurance maintained pursuant to said Section 5.1.

9.6 The LSU Board shall promptly give written notice to the Company when a claim is made against the LSU Board for which indemnity is owed to the LSU Board by the Company pursuant to this Article IX, but the LSU Board shall have the right to employ its own separate counsel (the fees and expenses of which are covered under this indemnity to the extent allowed by Applicable Law), but shall not have control of the defense of such claims. The LSU Board shall not, in the defense of any claim for which indemnity is owed by the Company hereunder, consent to the entry of any judgment except with the consent of the Company, or to any settlement, except with the consent of the Company. The LSU Board shall assist the Company in the defense of any claim for which the Company owes indemnification hereunder and is undertaking to provide a defense, by making available to the Company (at the Company's cost and expense) records and personnel of the LSU Board, as may be reasonably required in the defense of such claim.

[remainder of this page intentionally left blank]

## **ARTICLE X - ASSIGNMENT, SUBLETTING AND MORTGAGING**

10.1 The LSU Board, at any time and from time to time, with the prior written consent and approval of the Company, which consent and approval shall not be unreasonably withheld or delayed or conditioned, (i) may sublet the Premises or any portion thereof, (provided, however, no consent is required for subleases to Permitted Sublessees) and (ii) may, if no Event of Default then exists under this Facilities Lease, assign this Facilities Lease or mortgage its interest in the Premises, or any portion thereof, but no such assignment, subletting or mortgaging (or the foreclosure or exercise of power of sale under any such mortgage) shall release the LSU Board from its retrospective and all prospective obligations and liabilities of the LSU Board hereunder, the LSU Board hereby agreeing to be and remain primarily liable for and under the covenants, conditions and obligations of the LSU Board under this Facilities Lease until the end of the Term, its liability always to be that of principal and not that of surety and hereby agreeing that nothing shall relieve or release the LSU Board of such liability except a formal written release executed by the Company which the Company may grant or not grant, in its sole and unconditioned discretion.

[remainder of this page intentionally left blank]

## **ARTICLE XI - NON-APPROPRIATION**

11.1 In the event that Facilities Revenues in any Fiscal Year are or are expected to be insufficient to pay Rent, the LSU Board hereby covenants and agrees to include in its budget request or amend its budget request that year to the State Legislature (the "Legislature") to include amounts sufficient, together with Facilities Revenues, to make payment of Rent payable hereunder when due.

11.2 Notwithstanding anything to the contrary contained in this Facilities Lease, to the extent that Facilities Revenues are insufficient to make Rent payments for that Fiscal Year, the continuation of this Facilities Lease is contingent upon appropriation of sufficient funds by the Legislature to enable the LSU Board, together with Facilities Revenues, to fulfill the requirements of this Facilities Lease. In the event the Legislature fails to appropriate sufficient moneys which, together with Facilities Revenues, would enable the LSU Board to provide for the continuation of this Facilities Lease, this Facilities Lease shall terminate on the last day of that Fiscal Year, and the LSU Board shall adopt a resolution as provided herein, stating that there has been an event of nonappropriation hereunder. Such termination shall be without penalty or expense to the LSU Board, provided that any Rent due and payable during the last Fiscal Year for which funds have been appropriated shall be paid by the LSU Board to the Company. The LSU Board shall not be obligated to pay any Rent or perform any other obligations hereunder (other than to surrender the Facilities) for any period beyond the last Fiscal Year for which funds have been appropriated. The Company hereby specifically acknowledges and agrees that any such nonappropriation shall not be deemed an Event of Default under this Facilities Lease.

11.3 The LSU Board, at its sole discretion, shall determine for each Fiscal Year whether its legislative appropriation for such Fiscal Year includes sufficient moneys, together with Facilities Revenues, to enable the LSU Board to make payments of Rent under this Facilities Lease. If the LSU Board determines that the Legislature did not include sufficient moneys which, together with Facilities Revenues, would enable the LSU Board to make payments of Rent under this Facilities Lease for that Fiscal Year, such determination by the LSU Board shall constitute an event of nonappropriation for purposes of this Facilities Lease and the LSU Board shall, at the earliest possible date, adopt a resolution at a regularly scheduled or special the LSU Board meeting stating that there has been an event of nonappropriation hereunder. The LSU Board agrees to notify the Company within ten (10) business days in the event that the LSU Board has adopted a resolution stating that there has been an event of nonappropriation hereunder.

11.4 In such event of nonappropriation, the Company, at its sole option, may terminate the Facilities Lease only and continue the remainder of the Ground Lease for part or all of the remaining Term, require the LSU Board to enter into agreements with the Company with respect thereto, and manage and operate part or all of the Facilities, either itself or through others, and retain and own all revenue therefrom or generated thereby.

## ARTICLE XII - NOTICES

12.1 Notices. Notices or communications to the LSU Board or the Company required or appropriate under this Facilities Lease shall be in writing, sent by (a) personal delivery, or (b) expedited delivery service with proof of delivery, or (c) registered or certified United States mail, postage prepaid, or (d) prepaid telecopy if confirmed by expedited delivery service or by mail in the manner previously described, addressed as follows:

**if to the Company:**

\_\_\_\_\_ LLC  
3796 Nicholson Drive  
Baton Rouge, Louisiana 70802  
Telephone: (225) 578-0525  
Facsimile: (225) 578-0530  
Attention: Executive Director and General Counsel

**with copies to:**

LSU Real Estate and Facilities Foundation  
3796 Nicholson Drive  
Baton Rouge, Louisiana 70802  
Telephone: (225) 578-0525  
Facsimile: (225) 578-0530  
Attention: Executive Director and General Counsel

Phelps Dunbar LLP  
II City Plaza  
400 Convention Street, Suite 1100  
Baton Rouge, Louisiana 70802  
Telephone: (225) 346-0285  
Facsimile: (225) 381-9197  
Attention: P. Ragan Richard, Esq.

**if to the LSU Board:**

Board of Supervisors of Louisiana State University  
and Agricultural and Mechanical College  
3810 West Lakeshore Drive  
Baton Rouge, Louisiana 70808  
Telephone: (225) 578-5603  
Facsimile: (225) 578-5597  
Attention: Associate Vice President for Facility and Property Oversight



**with copies to:**

Louisiana State University Shreveport  
[\*\*address\*\*]

Telephone: (337) \_\_\_-\_\_\_\_  
Facsimile: (337) \_\_\_-\_\_\_\_  
Attention: Chancellor

**and:**

Tracy A. Morganti, Esq.  
Breazeale, Sachse & Wilson, L.L.P  
301 Main Street, Suite 2300  
Baton Rouge, LA 70801  
Telephone: (225) 381-8005  
Facsimile: (225) 387-5397

**if to the Lender:**

[\*\*LENDER\*\*]

Each party may redesignate its address for notice at any time and from time to time by like written notice.

[remainder of this page intentionally left blank]

### **ARTICLE XIII - DEFAULTS BY LSU BOARD**

13.1 LSU Board Events of Default. This Facilities Lease and the Term are subject to the limitation that if, at any time during the Term, any one or more of the following events (herein called an "LSU Board Event of Default") shall occur:

(A) except as otherwise provided in Article XI of this Facilities Lease, if the LSU Board shall fail to pay an installment of the Rent provided for herein, or any part thereof, when the same shall become due and payable and such failure shall not be cured within ten (10) days after LSU's receipt of written notice from the Company of such failure but in no event later than the date on which said payment of Rent is required to enable the Company to make payment on the Loan; or

(B) if the LSU Board shall fail to perform or observe any other of its obligations under this Facilities Lease or the Ground Lease, and such failure shall continue for sixty (60) days after notice thereof from the Company to LSU; provided, however, that, if by reason of the nature thereof, such failure cannot be cured by the payment of money or cannot with due diligence be wholly cured within such sixty (60) day period, such failure shall not constitute an LSU Board Event of Default if the LSU Board shall proceed promptly to commence curing the same or shall thereafter continue to prosecute the curing of such failure with due diligence, subject to delays caused by Force Majeure; provided that such cure shall be completed in any event within one (1) year from the occurrence of such initial failure; or

(C) if sufficient funds are lawfully appropriated for the payment of Rent required under this Facilities Lease and the LSU Board fails to make the payment of Rent;

then the Company shall have the right, then or at any time thereafter while such LSU Board Event of Default shall continue, to give the LSU Board written notice of the Company's intention to terminate this Facilities Lease and obtain possession of the Premises in accordance with Applicable Law and the Company may seek any and all damages occasioned by such LSU Board Event of Default, or may seek any other remedies available at law or in equity.

13.2 Rights of Company Cumulative. All rights and remedies of the Company provided for in this Facilities Lease shall be construed and held to be cumulative, and no single right or remedy shall be exclusive of any other which is consistent with the former. The Company shall have the right to pursue any or all of the rights or remedies set forth herein, as well as any other consistent remedy or relief which may be available at law or in equity, but which is not set forth herein. No waiver by the Company of a breach of any of the covenants, conditions or restrictions of this Facilities Lease shall be construed or held to be a waiver of any succeeding or preceding breach of the same or of any other covenant, condition or restriction herein contained. The failure of the Company to insist in any one or more cases upon the strict performance of any of the covenants of this Facilities Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment of future breaches of such covenant or option. A receipt by the Company or acceptance of payment of the Company of the

Rent with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach.

[remainder of this page intentionally left blank]

## ARTICLE XIV - DEFAULT BY COMPANY

14.1 Company Events of Default. This Facilities Lease and the Term are subject to the limitation that if, at any time during the Term, any one or more of the following events (herein called a "Company Event of Default") shall occur:

(A) if the Company makes a voluntary general assignment for the benefit of its creditors or shall admit in writing its inability to pay its debts generally as they become due or if the Company shall generally not pay its debts as they become due; or

(B) if any involuntary case against the Company is commenced by a petition for reorganization or liquidation under any federal bankruptcy or similar law, or if a petition or answer proposing the adjudication of the Company, or as a bankrupt or its reorganization pursuant to any state bankruptcy statute of similar state law shall be filed in any court and the Company shall consent or acquiesce to the filing thereof or such case, petition or answer shall not be dismissed, discharged or denied within one hundred twenty (120) days after the filing thereof; or

(C) if the Company shall commence a voluntary case under the Federal Bankruptcy Code or file a petition in bankruptcy or for reorganization or for an arrangement pursuant to any state bankruptcy or similar federal or state law; or

(D) if the Company shall be adjudicated a debtor or a bankrupt under any federal or state bankruptcy law or become insolvent; or

(E) if a custodian for the purposes of any bankruptcy statute is appointed or otherwise takes possession of a substantial portion of the Company's assets; or

(F) if a receiver, U.S. Trustee, trustee or liquidator of the Company, or of all or a substantial portion of the assets of the Company, or of the Premises or the Company's estate therein shall be appointed in any proceeding brought by the Company, or if any such receiver, U.S. trustee or liquidator shall be appointed in any proceeding brought against the Company, and not be discharged within ninety (90) days after such appointment, or if the Company shall consent to or acquiesce in such appointment; or

(G) if the Company shall fail to perform or observe any other of its obligations under this Facilities Lease or the Ground Lease, and such failure shall continue for sixty (60) days after notice thereof from the LSU Board to the Company; provided, however, that, if by reason of the nature thereof, such failure cannot be cured by the payment of money or cannot with due diligence be wholly cured within such sixty (60) day period, such failure shall not constitute a Company event of Default if the Company shall proceed promptly to commence curing the same or shall thereafter continue to prosecute the curing of such failure with due diligence, subject to delays caused by Force Majeure, provided that such cure shall be completed in any event within one (1) year from the occurrence of such initial failure;

then upon the occurrence and during the continuance of an Event of Default, the LSU Board may seek any and all damages occasioned by the Company Event of Default, or may seek any other remedies available at law or in equity; provided, however, with respect to a Company Event of Default under paragraph (G) above, the LSU Board shall give notice of such default to the Lender, at the same time as the Company is given its default notice, and, notwithstanding anything to the contrary, the Lender shall have the right, but not the obligation, to cure such default within the time period the Company has to cure such default on behalf of the Company, and the LSU Board agrees to accept satisfaction of the default if made by such party.

14.2 Rights of the LSU Board Cumulative. All rights and remedies of the LSU Board provided for in this Facilities Lease shall be construed and held to be cumulative, and no single right or remedy shall be exclusive of any other which is consistent with the former. The LSU Board shall have the right to pursue any or all of the rights or remedies set forth herein, as well as any other consistent remedy or relief which may be available at law or in equity, but which is not set forth herein. No waiver by the LSU Board of a breach of any of the covenants, conditions or restrictions of this Facilities Lease shall be construed or held to be a waiver of any succeeding or preceding breach of the same or of any other covenant, condition or restriction herein contained. The failure of the LSU Board to insist in any one or more cases upon the strict performance of any of the covenants of this Facilities Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment of future breaches of such covenant or option.

[remainder of this page intentionally left blank]

## **ARTICLE XV - IMPROVEMENTS UPON TERMINATION**

15.1 Ownership of Facilities During the Term. At all times during which this Facilities Lease is in full force and effect, ownership of the Facilities shall be vested in the Company, and the Facilities shall be owned by the Company separate and apart from the Site.

15.2 Ownership at Termination. Upon termination for any reason of the Ground Lease, this Facilities Lease shall terminate, and title to the Facilities shall transfer to the LSU Board, for the benefit of LSUS. The Company agrees to execute such documents as may be necessary to effect such transfer.

[remainder of this page intentionally left blank]

## ARTICLE XVI - MISCELLANEOUS

16.1 No Modification. Neither this Facilities Lease nor the rights or duties of the Company or the LSU Board under this Facilities Lease shall be changed, modified, waived, released or discharged in any way except by an instrument in writing signed, delivered by the Company and the LSU Board.

16.2 Consents and Approvals. In any instance where this Facilities Lease shall require or refer to the consent or approval of one of the parties hereto, such party agrees that it will not unreasonably withhold or delay such consent or approval, and all such consents or approvals shall be in writing. Unless otherwise stated in this Facilities Lease, consents or approvals where granted shall be given on behalf of the LSU Board by the LSU Board Representative or his or her designee and on behalf of the Company by its Manager or his designee.

16.3 Quiet Enjoyment. The Company covenants that the LSU Board, upon payment of the Rent and other sums due by the LSU Board hereunder, and upon the due performance of the covenants and agreements herein contained, shall and may, pursuant to the provisions of this Facilities Lease, at all times during the Term peaceably and quietly have, hold and enjoy the Premises, free from the claims of the Company or any Persons.

16.4 Governing Law; Venue. This Facilities Lease shall be construed under and governed by the laws of the State of Louisiana. The parties hereto consent and agree to the jurisdiction of all federal and State courts located in East Baton Rouge Parish, State of Louisiana in connection with any dispute or litigation involving this Facilities Lease.

16.5 Severability. If any term, covenant, condition or provision of this Facilities Lease or the application thereof to any person or circumstances shall be declared invalid, unenforceable or usurious by the final ruling of a court of competent jurisdiction, not subject to appeal, the remaining terms, covenants, conditions and provisions of this Facilities Lease, or the application of such term, condition, covenant or provision to other persons or circumstances, shall not be affected thereby and shall continue to be enforced and recognized as valid agreements of the parties, and in the place of such invalid, unenforceable or usurious provision, there shall be substituted a like, but valid, enforceable or nonusurious provision which comports to the findings of the aforesaid court and most nearly accomplishes the original intention of the parties, as evidenced by this Facilities Lease.

16.6 Limitation on Company's Liability. Except as hereinafter expressly provided, the LSU Board agrees that its right to enforce each and every obligation of the Company contained herein and the LSU Board's right to pursue remedies hereunder as against the Company shall be enforced solely against the Premises so that no other property or asset of the Company, or any individual director, trustee, stockholder, officer, employee or beneficiary of the Company shall be subject to levy, execution or other enforcement procedure by the LSU Board with regard to any obligation hereunder of the Company or relating in any way to the Premises, and no deficiency after applying the proceeds of any sale of the Property resulting from any such enforcement procedure hereunder shall ever be asserted against the Company or any individual director, trustee, stockholder, officer, employee or beneficiary of the Company; provided,

however, that the foregoing provisions of this Facilities Lease shall not (i) constitute a waiver of the right of the LSU Board to pursue all applicable remedies in law or in equity with respect to collection against all or any part of the Premises, (ii) constitute a waiver of any obligation of the Company hereunder, as long as collection of any judgment against the Company or any individual director, trustee, stockholder, officer, employee or beneficiary of the Company is limited as provided in the foregoing provisions of this Section 16.6, or (iii) constitute a release or discharge of the obligations of the Company arising hereunder.

16.7 Succession. Except as otherwise expressly provided herein, this Facilities Lease and all the terms, conditions, covenants, provisions and agreements herein contained shall be binding upon and inure to the benefit of the Company and the LSU Board and their respective successors and assigns and successors in title to the Premises.

16.8 Time of the Essence. In all respects, time shall be of the essence during and with respect to the obligations of this Facilities Lease.

16.9 No Merger. It is the intention and agreement of the Company and the LSU Board that there shall be no merger of the leasehold estate in the Premises which is created by this Facilities Lease with, as the case may be, (i) the fee interest in all or any part of the Premises, or (ii) any other estate or interest in the Premises by reason of the fact that the same person or entity may own or hold, directly or indirectly, (a) any leasehold or subleasehold estate in all or any part of the Premises, (b) the fee interest in all or any part of the Premises, or (c) any other estate or interest in all or any part of the Premises.

16.10 Representations of Authority. By the execution of this Facilities Lease, each of the Company and the LSU Board represents to the other that it is an entity validly existing, duly constituted and in good standing under the law of the jurisdiction in which it was formed and in which it presently conducts business; and that the person signing this Facilities Lease on its behalf has due authorization to do so.

16.11 Advertisement. Neither party shall make use of the other party's name, logo or marks without its prior written consent. The LSU Board and LSUS reserve the right to name the Facilities.

16.12 Non-Discrimination, Employment and Wages. The Company agrees to abide by the requirements of the following as applicable: Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, and the Age Act of 1974, and Company agrees to abide by the requirements of the Americans with Disabilities Act of 1990, as well as any executive order issued by the governor of the State. The Company agrees not to discriminate in its employment practices, and will render services under this Facilities Lease without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, or disabilities.

16.13 Counterparts. This Facilities Lease may be executed in multiple counterparts each of which shall be declared an original and all of which will constitute one and the same



instrument.

16.14 Entire Agreement. This Facilities Lease, together with the exhibits attached hereto, contain the final and entire agreement between the parties hereto with respect to the Premises and contain all of the terms and conditions agreed upon with respect thereto, and no other agreements, oral or otherwise, regarding the subject matter of this Facilities Lease shall be deemed to exist or to bind the parties hereto, except as specifically set forth herein, it being the intent of the parties that neither shall be bound by any term, condition, or representations not herein written.

[remainder of this page intentionally left blank]

[signature page to Facilities Lease]

IN WITNESS WHEREOF, the Company has caused this Facilities Lease to be executed and delivered before me, the undersigned Notary Public, duly commissioned and qualified in and for East Baton Rouge Parish, Louisiana, and in the presence of the undersigned competent witnesses, who hereunto set their names with the Company and me, Notary, after due reading of the whole, on the day, month and year set forth below his signature, to be effective \_\_\_\_\_, 2019.

WITNESSES:

\_\_\_\_\_ **LLC**,  
a Louisiana limited liability company

\_\_\_\_\_  
Printed Name:

By: \_\_\_\_\_  
Name: J. Bryan Benchoff  
Title: Executive Director  
Date: \_\_\_\_\_

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
NOTARY PUBLIC

Printed Name: \_\_\_\_\_

La. Bar Roll Number: \_\_\_\_\_

My commission is for life.

[signature page to Facilities Lease]

IN WITNESS WHEREOF, the LSU Board has caused this Facilities Lease to be executed and delivered before me, the undersigned Notary Public, duly commissioned and qualified in and for East Baton Rouge Parish, Louisiana, and in the presence of the undersigned competent witnesses, who hereunto set their names with the LSU Board and me, Notary, after due reading of the whole, on the day, month and year set forth below his signature, to be effective \_\_\_\_\_, 2019.

WITNESSES:

**BOARD OF SUPERVISORS OF LOUISIANA  
STATE UNIVERSITY AND AGRICULTURAL  
AND MECHANICAL COLLEGE**

\_\_\_\_\_  
Printed Name:

By:\_\_\_\_\_

Name: F. King Alexander

Title: President, Louisiana State University

\_\_\_\_\_  
Printed Name:

Date: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC

Printed Name:\_\_\_\_\_

La. Bar Roll Number:\_\_\_\_\_

My commission is for life.

**EXHIBIT A**  
**PROPERTY DESCRIPTION**

**EXHIBIT B**  
**DESCRIPTION OF FACILITIES**

**EXHIBIT C**

**BASE RENT PAYMENT SCHEDULE**

**Payment Date**

**Payment Amount**

**Payment Date**

**Payment Amount**

TOTAL

**EXHIBIT D**

**MEMORANDUM OF LEASE**

**MEMORANDUM OF LEASE**

STATE OF LOUISIANA

\*

\*

PARISH OF EAST BATON ROUGE

\* KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Lease (this "Memorandum") is entered into by and between the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College ("Lessee") and \_\_\_\_\_ LLC ("Lessor").

**RECITALS**

A. Lessor and Lessee have entered into a Facilities Lease dated effective \_\_\_\_\_, 2019 (the "Lease"), whereby Lessor leases to Lessee, and Lessee leases from Lessor, the real property more particularly described on Exhibit A attached hereto and incorporated herein (the "Premises").

B. Lessor and Lessee desire to enter into this Memorandum, which is to be recorded in order that third parties may have notice of the parties' rights under the Lease.

**LEASE TERMS**

Specific reference is hereby made to the following terms and provisions of the Lease:

1. The term of the Lease is effective on \_\_\_\_\_, 2019, and shall continue until \_\_\_\_\_, 2044; provided, however, the Lease shall terminate prior to such time upon the happening of any of the following events (i) repayment of the Loan (as defined in the Lease) in full and payment of all amounts due and owing under the Lease; (ii) the exercise by the Lessee of the option to purchase pursuant to the Lease, and the purchase of the Lessor's interest in the Facilities (as defined in the Lease) pursuant to the option, together with the payment of all amounts due and owing under the Lease; (iii) any other event described in the Lease which is specifically stated to cause a termination of the Lease, including without limitation an Event of Default by Lessee; (iv) the termination of the Lease in the event of nonappropriation of funds pursuant to Article X of the Lease; or (v) the payment by the Lessee of all Rent authorized or required to be paid by the Lessee under the Lease over the Term of the Lease (the "Expiration Date").

2. The Lessor grants to the Lessee in the Facilities Lease an exclusive and irrevocable option to purchase the Facilities for the price and on the terms, provisions, stipulations and conditions hereinafter set forth (the "Option"): (i) the purchase price is sufficient to fully pay the Lender all amounts due under the Mortgage and the Note (the



"Purchase Price") and (ii) the Lessee gives notice to the Lessee of its election to exercise the Option not less than sixty (60) days prior to the date on which the Lessee desires to purchase the Facilities. The Option shall expire on the Expiration Date.

3. Additional information concerning the provisions of the Lease can be obtained from the parties at the following addresses:

Lessor: \_\_\_\_\_ LLC  
3796 Nicholson Drive  
Baton Rouge, Louisiana 70802  
Attention: Executive Director and General Counsel

Lessee: Board of Supervisors of Louisiana State University  
and Agricultural and Mechanical College  
3810 West Lakeshore Drive  
Baton Rouge, Louisiana 70808  
Attention: Associate Vice President for Facility and Property Oversight

This Memorandum is executed for the purpose of recordation in the public records of Caddo Parish, Louisiana in order to give notice of all the terms and provisions of the Lease and is not intended and shall not be construed to define, limit or modify the Lease. All of the terms, conditions, provisions and covenants of the Lease are incorporated into this Memorandum by reference as though fully set forth herein, and both the Lease and this Memorandum shall be deemed to constitute a single instrument or document.

[remainder of this page intentionally left blank]

[signature page to Memorandum of Lease]

IN WITNESS WHEREOF, the LSU Board has caused this Memorandum of Lease to be executed and delivered before me, the undersigned Notary Public, duly commissioned and qualified in and for East Baton Rouge Parish, Louisiana, and in the presence of the undersigned competent witnesses, who hereunto set their names with the LSU Board and me, Notary, after due reading of the whole, on the day, month and year set forth below his signature, to be effective \_\_\_\_\_, 2019.

WITNESSES:

**BOARD OF SUPERVISORS OF  
LOUISIANA STATE UNIVERSITY  
AND AGRICULTURAL AND  
MECHANICAL COLLEGE**

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

By: \_\_\_\_\_  
Name: F. King Alexander  
Title: President Louisiana State University  
Date: \_\_\_\_\_

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC  
Printed Name: \_\_\_\_\_  
La. Bar Roll Number: \_\_\_\_\_  
My commission is for life.

[signature page to Memorandum of Lease]

IN WITNESS WHEREOF, the Company has caused this Memorandum of Lease to be executed and delivered before me, the undersigned Notary Public, duly commissioned and qualified in and for East Baton Rouge Parish, Louisiana, and in the presence of the undersigned competent witnesses, who hereunto set their names with the Company and me, Notary, after due reading of the whole, on the day, month and year set forth below his signature, to be effective \_\_\_\_\_, 2019.

WITNESSES:

\_\_\_\_\_ **LLC**,  
a Louisiana limited liability company

\_\_\_\_\_  
Printed Name:

By: \_\_\_\_\_  
Name: J. Bryan Benchoff  
Title: Executive Director  
Date: \_\_\_\_\_

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
NOTARY PUBLIC  
Printed Name: \_\_\_\_\_  
La. Bar Roll Number: \_\_\_\_\_  
My commission is for life.

**EXHIBIT E**

**FACILITIES OPERATION AND MANAGEMENT AGREEMENT**

# **FACILITIES OPERATION AND MAINTENANCE AGREEMENT**

**by and between**

**BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY  
AND AGRICULTURAL AND MECHANICAL COLLEGE**

**and**

**BENGAL VILLAGE LLC**

**Dated Effective \_\_\_\_\_, 20\_\_**

## FACILITIES OPERATION AND MAINTENANCE AGREEMENT

THIS FACILITIES OPERATIONS AND MAINTENANCE AGREEMENT (the "Agreement") is dated effective \_\_\_\_\_, 20\_\_ (the "Effective Date"), by and between **BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE**, a public constitutional corporation organized and existing under the laws of the State of Louisiana (the "LSU Board"), and \_\_\_\_\_ LLC, a limited liability company organized and existing under the laws of the State of Louisiana (the "Company"). Hereinafter, the LSU Board and the Company may be individually referred to herein as a "Party" and collectively as the "Parties."

### RECITALS

**WHEREAS**, the LSU Board is a public constitutional corporation organized and existing under the laws of the State of Louisiana and Louisiana State University Eunice ("LSUS" or the "University") is an institution of higher education under its management and control pursuant to La. R.S. 17:3215;

**WHEREAS**, the LSU Real Estate and Facilities Foundation is a Louisiana nonprofit corporation which has been established for charitable, scientific and educational purposes providing benefit to the LSU Board within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Foundation"), and is the sole member of the Company;

**WHEREAS**, pursuant to La. R.S. 17:3361, *et seq.* (the "University Leasing Act"), the LSU Board is authorized to lease to the Company any portion of the campus of LSUS;

**WHEREAS**, as of April 1, 1992, the LSU Board and the Housing Partnership I, LTD. ("HPI") entered into that certain Ground Lease Agreement (the "HPI Ground Lease"), whereby the LSU Board leased to HPI an approximately 8-acre parcel of land located on the campus of the University (as more particularly described in **Exhibit A** hereto, the "Site") pursuant to the University Leasing Act;

**WHEREAS**, pursuant to the HPI Ground Lease, HPI developed, constructed, maintained, operated and leased the student residence facilities then known as University Court Apartments consisting of 140 units with 396 beds (together with the Facilities Equipment, defined herein, the "Facilities") on the Site for occupancy by students, faculty and staff of the University, as more particularly described in **Exhibit B** hereto;

**WHEREAS**, Section 12.02 of the HPI Ground Lease provides that the LSU Board has the right to purchase HPI's leasehold estate and the fee title to the Facilities and Facilities Equipment (collectively, the "HPI Interest"), and the LSU Board has assigned that right to the Company;

**WHEREAS**, the LSU Board and the Company have determined that it is in the best interest of the LSU Board and the University for the Company to (i) acquire the Facilities from HPI and (ii) make certain necessary repairs and improvements to the Facilities, and such acquisition has occurred pursuant to that certain [**\*\*conveyance document\*\***] dated \_\_\_\_\_, 2019, by and between HPI and the Company (the "Conveyance"); and

**WHEREAS**, the Company obtained the funds necessary to acquire the HPI Interest and to make the necessary repairs and improvements to the Facilities through a loan (the "First Loan") and, together with any additional Indebtedness (defined herein), the "Loan") from [**\*\*Lender\*\***] (the "Lender") pursuant to that certain Loan Agreement dated as of \_\_\_\_\_, 2019 (together with any amendments, modifications or supplements thereto, the "First Loan Agreement" and, together with any agreement or instrument pursuant to which additional Indebtedness is incurred, the "Loan Agreement"), and the obligations of the Company under the First Loan Agreement are evidenced by that certain promissory note dated as of \_\_\_\_\_, 2019 (together with any amendments, modification and supplements thereto, the "First Note" and, together with any note or other payment obligations evidencing additional Indebtedness, the "Note") by the Company in favor of the Lender, which First Note is currently outstanding in the principal amount of \$ \_\_\_\_\_; and

**WHEREAS**, to secure its payment obligations under the First Loan, the Company has granted to the Bank a mortgage on, and security interest in, its right, title and interest in and to the Facilities and the Ground Lease to the Bank pursuant to that certain [**\*\*Multiple Indebtedness Mortgage, Security Agreement and Assignment of Leases and Rents\*\***] dated effective \_\_\_\_\_, 2019, (together with any amendments, modifications and supplements thereto, the "Mortgage");

**WHEREAS**, pursuant to the University Leasing Act, the LSU Board and the Company have entered into that certain Ground Lease Agreement dated effective \_\_\_\_\_, 2019 (together with any amendments, modifications and supplements thereto, the "Ground Lease"), which amends and restates the Original Ground Lease;

**WHEREAS**, pursuant to University Leasing Act, the LSU Board may lease all or any portion of the Facilities constructed by HPI on the Site and now owned by the Company, and the LSU Board and the Company have entered into that certain Facilities Lease dated effective \_\_\_\_\_, 2019 (together with any amendments, modifications and supplements thereto, the "Facilities Lease" and, together with the Ground Lease, the "Leases"), pursuant to which the LSU Board has subleased the Site and leased the Facilities from the Company and, initially, the LSU Board will operate, manage, maintain and repair the Facilities;

**WHEREAS**, the LSU Board has elected (and provided notice to the Company of such election), in accordance with Section 8.05 of the Facilities Lease, to engage the Company, in accordance with its purpose and pursuant to its responsibility for certain operations, management, maintenance and repair of the Facility under the Leases, to perform or cause to be performed certain operations, all maintenance and repair services with respect to the Facility as more particularly set forth in this Agreement;

**WHEREAS**, except as otherwise expressly set forth in this Agreement, all capitalized terms used, and not otherwise defined, in this Agreement shall have the meanings assigned to such terms in **Exhibit B** hereto or in the Leases.

**NOW THEREFORE**, in consideration of the mutual promises and covenants contained herein, and of other good and valid consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, agrees as follows:

## **SECTION 1. APPOINTMENT OF MANAGING AGENT.**

1.1 **Appointment and Acceptance.** Pursuant to Section 8.5 of the Facilities Lease, LSU Board hereby appoints Company as the agent of LSU Board to lease and manage or cause to be leased and managed the Premises (as defined in the Recitals of this Agreement) upon the terms and conditions provided herein. Company accepts the appointment and agrees to furnish or cause to be furnished through one or more third parties the services of its organization for the leasing, operation, maintenance, repair and management of the Premises upon the terms and conditions provided herein. Except as otherwise specifically undertaken by the LSU Board pursuant to the Leases or excluded under this Agreement, the LSU Board and Company acknowledge, understand and agree that all of the duties, responsibilities and obligations of the Company relating to the use, operation, management, maintenance and repair of the Facility which are referenced in the Leases, the Loan Agreement and/or any other agreement contemplated thereby or referenced in this Agreement are hereby incorporated herein by this reference. In the event the Company engages third parties to furnish any of the duties, responsibilities and obligations of the Company hereunder, the Company shall insure that such third parties comply with the provisions of this Agreement. LSU Board's interest in the Premises is that of owner and lessor of the Site under the Ground Lease and lessee of the Facility and sublessee of the Site under the Facilities Lease.

1.2 **LSU Board Representative and Company Representative.** LSU Board agrees that, in the event it is necessary or desirable for LSU Board to approve in writing any ancillary agreements or documents concerning the Premises or concerning the management, operation, reconstruction, renovation, repair or maintenance of the Premises or to alter or amend any such ancillary agreements or to give any approval or consent of LSU Board required under the terms of this Agreement, LSU Board hereby authorizes, designates and empowers an LSU Board Representative to execute any such agreement, approvals or consents necessary or desirable. If the LSU Board names more than one LSU Board Representative, any one LSU Board Representative shall be authorized to make binding decisions in his or her capacity as LSU Board Representative. In the event it becomes necessary or desirable for Company to approve in writing any agreements or documents concerning the Premises or concerning the management, operation, reconstruction, renovation, repair or maintenance of the Premises or to alter or amend any such ancillary agreements or to give any approval or consent of Company required under the terms of this Agreement, the Company Representative shall have the authority to execute any such agreement, approval or consent necessary or desirable.

1.3 **Term.** The initial term of this Agreement shall commence on the Effective Date and terminate on the date of termination of the Facilities Lease. Thereafter, this Agreement shall be automatically renewed for one year periods unless terminated as provided by Section 21. Each of said like renewal periods is referred to as a "Renewal Term."

## **SECTION 2. BANK ACCOUNTS.**

2.1 **Rents and Revenues Accounts.** The Facilities Lease places restrictions on the rents and revenues derived from the Premises, including the purpose for which they are used and the manner of their disbursement. Company agrees that all rents and revenues from the Premises



must be made payable to the LSU Board and delivered to and deposited in one or more accounts designated by the LSU Board. The various bank accounts established from time to time under this Agreement shall be the sole property of LSU Board and all interest accruing in such accounts shall be LSU Board's property. All amounts deposited in any accounts established under this Agreement shall be held separate and apart from any of Company's accounts and other accounts of LSU Board and shall not be commingled with any other funds of Company or LSU Board.

2.2 **Depository Account(s)**. LSU Board shall establish, in LSU Board's name, or in a name designated by LSU Board, one or more bank account(s) (the "Depository Account(s)") in a bank or other institution whose deposits are insured by the federal government and secured as required by Applicable Law. Company shall not be held liable in the event of insolvency or failure of a depository. These Depository Account(s) shall at all times be separate and apart from any of Company's accounts and other accounts of LSU Board. Funds in the Depository Account(s) shall remain the property of LSU Board. LSU Board may change the Depository Account(s) established under this Agreement upon reasonable prior notice to Company. Company shall deposit all revenues from the operation of the Premises, including, without limitation, all rents, any parking revenues and laundry and vending machine revenues collected by Company, in such Depository Account(s).

2.3 **Operating Account**. Company shall establish a bank account (the "Operating Account") in a bank or other financial institution as directed by LSU Board for payment of operating expenses for the Premises. Additional Rent paid pursuant to Section 3.2.4 of the Facilities Lease shall be the sole source for funds for the Operating Account to pay the LSU Board-approved cash requirements for the Premises on a timely basis. Within the first five days of each month, LSU Board shall cause to be deposited in the Operating Account the estimated disbursements to be made for that month pursuant to the written request of Company delivered to LSU Board on or before the first day of each month.

2.4 **Fidelity Bond**. Each of the employees or agents of Company who handle, or who is responsible for handling, LSU Board's funds shall be bonded by a fidelity bond in an amount and with deductibles approved by LSU Board, issued by a company and in form acceptable to LSU Board. The original of the bond shall be promptly delivered to LSU Board and the premium for it shall be LSU Board's expense as approved in the Budget.

### **SECTION 3. COLLECTION OF RENTS AND OTHER RECEIPTS.**

3.1 **Company's Authority**. Company shall collect all rents in accordance with written agreements for occupancy of space in the Premises ("Housing Contracts") entered into between LSU Board and Permitted Sublessees, together with other charges and other amounts receivable on LSU Board's behalf in connection with the management and leasing of the Premises; provided that the University may facilitate the collection of rent from students of the University by including any such amounts in its student fee bills or other collection methodology. All receipts, without deduction or set off, shall be promptly deposited in the Depository Accounts established by LSU Board. To the extent practically possible, Company shall maintain a "no cash" policy with regard to Permitted Sublessee rental payments and other revenues. In the event Company

does receive cash payments, Company shall issue receipts and, upon request of LSU Board, furnish copies of all receipts to LSU Board.

3.2 **Security Deposits.** Company, on behalf of LSU Board, shall collect Permitted Sublessees' security deposits in accordance with the terms of each Permitted Sublessee's Housing Contract, and promptly deliver to and deposit same in an account designated by LSU Board. Company shall notify LSU Board when a request for return of a security deposit is made, or other use of a security deposit is deemed appropriate, and a Permitted Sublessee's security deposit is to be (i) returned to the Permitted Sublessee, (ii) used for repair of the leased premises, or (iii) applied as otherwise permitted under Permitted Sublessee's Housing Contract and applicable law. Until otherwise notified by LSU Board, Company is authorized to make such disbursement or payment as permitted under the circumstances in its reasonable opinion. Interest on such security deposits shall be paid Permitted Sublessees only if required by Applicable Law; otherwise, any interest earned on Permitted Sublessee security deposits is to be treated as revenues derived from the Premises. Company shall comply with all Applicable Laws concerning the security deposits.

#### **SECTION 4. DISBURSEMENTS FROM BANK ACCOUNTS.**

4.1 **Controls on Disbursements.** Company shall organize and maintain a system of controls designed to insure the authenticity of bills paid by it on behalf of LSU Board and, in coordination with the LSU Board, the fairness and competitiveness of the prices charged. In furtherance of this goal, Company shall restrict all purchasing and hiring of services to supervisory personnel. Limited purchasing authority may be delegated to on-premises managers.

4.2 **Operating Expenses.** From the Operating Account(s), Company is hereby authorized to pay or reimburse itself for all expenses and costs of operating the Premises set forth in this Agreement and/or the Budget (as defined in Section 5.1 of this Agreement), including Company's compensation under Section 17.

4.3 **Recurring Payments.** LSU Board shall give Company at least 10 (ten) days advance notice if LSU Board desires Company to make any additional monthly or recurring payments (such as special assessments, or fire, steam boiler, or other insurance premiums) out of the proceeds from the Operating Account.

4.4 **Insufficient Account Balance.** In the event that the balance in the Operating Account is at any time insufficient to pay disbursements due and payable under Sections 4.2 and 4.3 above, immediately upon notice from Company and to the extent that funds are available pursuant to the Indenture, LSU Board shall pay Additional Rent pursuant to the Facilities Lease to cover the deficiency, which Additional Rent the Company shall deposit to the Operating Account. In no event shall Company be required to use its own funds to pay such disbursements, or otherwise be required to advance any monies on LSU Board's behalf.

4.5 **Advances by Company.** Although it has no obligation to do so, Company may elect to advance its own funds to pay any expenses for management and leasing of the Premises pursuant to the Budget or this Agreement because insufficient funds are in the Operating Account to meet the immediate requirements of managing and leasing the Premises in

accordance with this Agreement. LSU Board hereby agrees to reimburse Company with Additional Rent for such advance within thirty (30) days following Company's demand for repayment. In the event of any such advance, Company shall have no right to claim any lien on LSU Board's interest in the Premises, claim any attachment or offset in the rents or revenues from the Premises, or otherwise claim any security interest in LSU's interest in the Premises or the rents and revenues therefrom for repayment of any advance.

## **SECTION 5. BUDGETS.**

5.1 **Proposed Budget.** Not later than May 1 of each full calendar year following receipt of notice by the LSU Board pursuant to Section 8.5 of the Facilities Lease, Company shall prepare and submit, or cause to be prepared and submitted, to the LSU Board for consideration and approval a proposed budget for the twelve month period from July 1 of the then current year through June 30 of the following year; provided that, in the event the timing of the election by the LSU Board pursuant to Section 8.5 of the Facilities Lease is such that the commencement by the Company of its responsibilities hereunder does not coincide with the commencement of an academic year of the University, such budget shall be submitted within sixty (60) days of the receipt of such notice for the remainder of the academic year in which the Company shall commence providing services hereunder. The proposed budget shall show operational expenditures of the Premises for the twelve months (or such lesser period, as applicable) on a month by month cash basis, and shall include, without limitation, allowances for taxes, insurance, cleaning, debt service, wages, supplies, capital expenditures, fidelity bonds and repairs. The proposed budget shall also set forth in reasonable detail the amounts and payment dates of all Housing Contracts which are then in force and effect and which are projected to be in effect during the twelve month period (or such lesser period, as applicable). Each particular category of revenue, expense allowance and related amounts shall be referred to as a line item. LSU shall review and approve or disapprove the proposed budget within thirty (30) days of receipt thereof from the Company and if the proposed budget is not approved or disapproved within such thirty (30) day period, the proposed budget shall be deemed approved. When approved in writing and delivered to Company by the LSU Board or upon the expiration of the thirty (30) day period described in the preceding sentence, as applicable, the proposed budget shall become final (the "**Budget**") and shall be implemented by Company.

5.2 **Budget Implementation.** Except as otherwise provided herein, Company shall be authorized, without the need for further approval by LSU Board, only to (i) make the expenditures and incur the obligations provided for in the Budget; (ii) make any expenditure or incur any obligation in excess of any line item in the Budget, but only to the extent the Budget for the line item is not exceeded by \$2,500 in any one instance and the total of all such excess expenditures and obligations, net of reduced expenditures and obligations in other line items in the Budget, incurred in the twelve (12) month period covered by the Budget does not exceed \$5,000; and (iii) make emergency expenditures under Section 10.2.

5.3 **Budget Revisions.** Subsequent to written approval of the Budget for a particular year by LSU Board, should either LSU Board or Company determine that said Budget is not compatible with the then prevailing condition of the Premises, Company shall, within thirty (30) days after receipt of notice of such determination by LSU Board or such determination by Company, prepare and submit to LSU Board necessary revisions to the Budget for the balance of

the calendar year. Any revisions shall be subject to review and approval in writing by the LSU Board in the same manner and with the same effect as is the original Budget.

5.4 **Pending Approval.** Until a proposed budget is approved by the LSU Board each year, Company shall be authorized to implement, without liability, that portion of the proposed budget relating only to operation, management and leasing costs, but excluding capital expenditures, as if it had been approved and Company shall submit for prior written approval by LSU Board all capital or improvement costs in excess of \$1,000 per item.

## **SECTION 6. FINANCIAL AND OTHER REPORTS.**

6.1 **Requirements.** Company shall furnish LSU Board with two copies of the reports listed in Section 6.2 below. In addition, Company shall, on a mutually acceptable schedule, prepare and submit to LSU Board such other reports as are reasonably necessary in connection with management and leasing of the Premises and which are generally provided by managers of similar multi-family dwellings. Company will maintain accurate and complete business records reflecting, without limitation, (i) all rentals and other sums received; (ii) the Permitted Sublessees making payment; (iii) the apartments for which payments are received; (iv) the period to which rental payments apply; and (v) all costs and expenses incurred for the Premises. All business records relating to financial matters of the Premises will be maintained on a cash basis, in accordance with prudent business practices and, when applicable, in accordance with any additional requirements of the Ground Lease and any mortgage of the Premises, provided LSU Board has previously advised Company in writing of the additional requirements. These records will be maintained on a current basis for at least five (5) years following their preparation and will be available for examination at Company's primary business office by representatives of LSU Board and any other party so entitled under the Ground Lease and other related documents at all reasonable times and with reasonable prior notice.

6.2 **Monthly Summaries.** A monthly summary of the records enumerated in Section 6.1, including a rent roll, balance sheet, profit and loss statement, cash flow operating statement and budget variance analysis, will be mailed to LSU Board no later than the twentieth day of the calendar month following the month for which such summary is prepared.

6.3 **Audits.** Either the LSU Board or LSUS may, at its option and at its own expense, and during customary business hours, conduct internal audits of the books, bank accounts, records and accounts of the Company pertaining to its obligation under this Agreement to the extent necessary to verify compliance with this Agreement. Audits may be made on either a continuous or a periodic basis or both, and may be conducted by employees of the LSU Board, or by independent auditors retained by the LSU Board or by the Louisiana Legislative Auditor or by the Office of the Governor, Division of Administration, but any and all such audits shall be conducted without materially or unreasonably or unnecessarily interrupting or interfering with the normal conduct of business affairs by the Company. The LSU Board covenants with the Company to keep the results of any such audits confidential except as required by rules and regulations of the LSU Board and by Applicable Law.

6.4 **Formats.** Company may change the financial reporting format(s) to consolidate or separate reports. Despite any change, all essential information required by LSU Board or any

mortgagee of the Premises must be provided in a usable format.

## **SECTION 7. ADVERTISING.**

Company shall, and is hereby authorized to, advertise the Premises for rent using periodicals, signs, plans, brochures, or displays, or such other means as previously approved by LSU Board (collectively the "Advertising Material"). Company is authorized to place signs on the Premises advertising the Premises for rent, provided such signs comply with Applicable Laws and policies of LSUS and have been approved by LSU Board. The cost of such advertising shall be reflected as a line item in the Budget and be paid out of the Operating Account.

Should either LSU Board or Company determine that the Advertising Material ought to be revised, Company shall, within sixty (60) days after receipt of notice of such determination by LSU Board or such determination by Company, prepare and submit to LSU Board necessary revisions to the Advertising Material or a plan for the development of such revisions. Any revisions shall be subject to review and approval in writing by LSU Board in the same manner and with the same effect as the original Advertising Material.

## **SECTION 8. LEASING AND RENTING.**

8.1 **Occupancy.** Company shall use commercially reasonable efforts to achieve full occupancy of the Facilities. Company is authorized to prepare and execute all Housing Contracts, including all renewals and extensions of Housing Contracts, as agent for the LSU Board using pre-printed forms approved by LSU Board. Amendments or modifications to LSU Board's pre-printed forms shall require prior approval by LSU Board. No Housing Contract shall be in excess of one year without prior written approval by LSU Board. Company shall lease all available apartments only to Permitted Sublessees. Company shall require all occupants of the Premises to abide by the Student Code of Conduct as published from time to time by LSUS.

8.2 **No Other Rental Agent.** LSU Board shall not authorize any other person, firm or corporation to negotiate or act as leasing or rental agent with respect to any Housing Contracts for space in the Premises. LSU Board agrees to promptly forward all inquiries about Housing Contracts to Company.

8.3 **Rental Rates.** Company is not authorized to establish, change or revise any rents, fees, deposits, or other charges with respect to the Premises without the prior written consent of LSU Board.

8.4 **Enforcement of Housing Contracts.** Company will adopt, subject to approval by LSU Board, procedures and policies for enforcement of the Housing Contracts, including collection of rent, and Company will use commercially reasonable efforts to comply with such policies and procedures. Unless authorized in writing by LSU Board, Company shall not institute, in LSU Board's name or otherwise, legal actions or proceedings for the enforcement of any Housing Contract for the collection of rent or other income from the Premises or for the eviction or dispossession of Permitted Sublessees or other persons from the Premises. Company is authorized to sign and serve notices (including those to LSU Board) as it deems necessary for enforcement of Housing Contracts up to the point of instituting legal actions or proceedings,

including the collection of rent and other income. Company is not authorized to settle, compromise, or release legal actions, claims or demands without LSU Board's prior written approval. Company shall promptly notify LSU Board when it has knowledge of threatened or pending litigation against either of them arising from management of the Premises. All reasonable attorneys' fees, filing fees, court costs and other necessary expenses incurred in connection with actions approved by LSU Board and not recovered from Permitted Sublessees shall be an expense of the Premises to be paid by LSU Board.

8.5 **Notice of Major Incidents.** Company shall notify LSU Board as soon as possible when it has knowledge of incidents involving major medical emergencies, catastrophic events and/or action to enforce criminal laws.

## **SECTION 9. EMPLOYEES.**

9.1 **Hiring.** Company shall have the duty to hire, supervise, discharge, and pay all servants, employees, contractors, or other personnel necessary to be employed in the leasing, management, maintenance, and operation of the Premises. All such personnel shall be employees or agents of Company and not of the LSU Board. Prior to hiring an on-site manager or an assistant manager, such individuals shall be introduced to LSU Board Representative. Company agrees to consider students, faculty and staff at the University on a priority basis before otherwise equally qualified applicants for available positions at the Premises. In the event LSU Board shall learn of conduct by any employee or agent of Company which LSU Board considers detrimental to the Premises, LSU Board may so advise Company. Company shall investigate any such conduct or incident reported by LSU Board and shall take such corrective action as Company, in its discretion, shall deem to be advisable under the circumstances consistent with its obligations hereunder. If LSU Board deems an employee or agent of Company to be unacceptable, it shall so notify Company in reasonable detail and Company shall promptly replace such employee or agent.

The Company shall cause its servants, employees, contractors and other personnel to provide to the LSU Board Representative a letter certifying that criminal history checks (but no fingerprint checks required) have been conducted on all personnel providing a service on the Campus in connection with the Premises, which letter (i) must be provided within fifteen (15) days of engagement (ii) must be updated as new personnel are added, (iii) must be updated annually for all personnel, (iv) kept on file at the office of such servants, employees, contractors and other personnel and (v) made available to the LSU Board or LSUS upon request thereby. Any person who has been convicted of a criminal violation or offense described in La. R.S. 40:981.3 or in L.A.C. Title 28, Chapter 9 shall not be employed in any capacity on the Campus by Company.

The Company understands that the LSU Board is committed to promoting the growth and development of minority- and women-owned and small and historically underutilized businesses (collectively, "**Diverse Businesses**") by providing opportunities to participate in LSU Board agreements. In support of this commitment, the Company shall, and shall cause its contractors to, use good faith and commercially reasonable efforts to provide opportunities to Diverse Businesses that are either certified by the State or another certifying entity in a diverse category as a subcontractor or supplier for the performance of the obligations of the Company hereunder

and (ii) the Company shall, and shall cause its contractors to, provide to the LSU Board a list of Diverse Businesses during each Fiscal Year, which list shall identify as to each Diversity Business contained thereon (A) the legal name thereof, (B) the principal office or address, (C) ownership and (D) the services or good that it may provide or supply and the value of the goods or services procured therefrom. To the extent that any Applicable Laws would require that this paragraph (q) be modified or voided, the parties agree that such provision can be amended or severed from any such agreement without affecting any of the other terms thereof.

9.2 **Employee Expenses.** The following shall be treated as operating expenses of the Premises:

(i) *Recruitment Expenses.* All reasonable costs associated with the recruitment of qualified personnel to be hired exclusively to provide services for the Premises, after the initial opening thereof, including, but not limited to, (i) advertising fees (i.e. newspapers, journals, magazines, internet postings, job fairs, etc.), (ii) recruiting agency fees, (iii) employee referral fees, (iv) travel (including travel to the Premises and/or home office), lodging and meal expenses of prospective applicants, (v) screening fees (i.e. drug testing and background review) for prospective applicants, and (vi) moving and relocation expenses of newly hired employees.

(ii) *Salary and Benefits.* All reasonable wages and fringe benefits payable to Company's personnel hired exclusively to provide services for the Premises (including, in certain cases, an on-site apartment unit or bedroom in apartment unit with local phone, cable television and utilities paid), together with a reasonable allocation of wages and fringe benefits for Company's personnel who provide services to the Premises part-time (exclusive of central office or general corporate personnel, if any), and all local, state, and federal taxes and assessments (including, but not limited to, medical, hospitalization and life insurance, social security taxes, unemployment insurance, and workers' compensation insurance, sick leave and vacation time) incident to the employment of such personnel.

(iii) *Development/Training Expenses.* To the extent included in the Budget, all costs associated with development and training of personnel hired exclusively to provide services for the Premises, including, but not limited to, (a) registration fees and travel, lodging and meal expenses for approved local and/or national professional development conferences, (b) travel expenses for conferences sponsored and/or organized by Company, and (c) annual dues for membership in local and/or national organizations.

9.3 **Employment Tax Returns; Reports.** Company shall perform all acts required of an employer and shall execute and file all tax and other returns and all other statements and reports required under Applicable Law.

9.4 **Workers' Compensation Insurance.** Company shall maintain workers' compensation insurance covering the employer's liability under established workers' compensation laws. The portion of premiums for such insurance attributable to Company's employees providing services to the Premises pursuant to Section 9.2 shall be an operating expense of the Premises.

9.5 **Labor Laws.** Company shall comply with all Applicable Laws while performing its duties under this Agreement. If Company is determined to have violated laws as a result of complying with the directives of LSU Board or the University in carrying out its duties, and the violation is not the result of Company's negligence, fault or tortious acts or omissions, Company shall not be in breach of its obligations under this Agreement and Company shall be reimbursed by LSU Board with Additional Rent for all reasonable expenses arising from any such violation of laws, including reasonable defense costs, fines and penalties. If Company is determined to have violated such laws under circumstances other than those specified in the immediately preceding sentence, Company shall indemnify, defend and hold harmless LSU Board and its respective board members, officers, agents and employees from all loss, damage or reasonable expense incurred by any of them as a result of Company's breach of such laws.

## **SECTION 10. MAINTENANCE AND REPAIR.**

10.1 **Routine Expenditures.** Company is authorized to make or cause to be made, and, to the extent that funds are budgeted and provided for such purpose, Company agrees to use reasonable efforts to make or cause to be made, through contracted services or otherwise, all ordinary maintenance, repairs and replacements reasonably necessary to preserve the Premises in good condition and to efficiently operate the Premises, and all alterations required to comply with requirements of Housing Contracts, Applicable Laws, policies from time to time promulgated by LSUS, or insurance requirements. Such services shall be procured through arms' length transactions on competitive terms. Company is also authorized to, and, to the extent that funds are budgeted for such purpose, Company agrees to use reasonable efforts to, "make ready" and redecorate the Premises as Permitted Sublessees vacate and to purchase or rent, on LSU Board's behalf, all equipment, tools, appliances, materials, supplies, uniforms and other items necessary for the management, maintenance or operation of the Premises. Such maintenance, decorating and other expenses shall be reflected as line items in the Budget and paid out of the Operating Account.

10.2 **Emergency Expenditures.** In addition to the authorization contained in Sections 5.2 and 10.1 and without the need for prior approval of LSU Board, Company is authorized to incur reasonable expenses and make payments under circumstances constituting an emergency. Examples of an emergency include, but are not limited to: (i) repairs are immediately necessary for the preservation and safety of the Premises; (ii) to avoid a deterioration of the level of services provided to Permitted Sublessees in the Premises; (iii) to avoid danger to life or property; (iv) to comply with Applicable Laws; and (v) or to comply with requirements imposed by the LSU Board. Company shall immediately notify LSU Board of emergencies affecting the Premises.

10.3 **Damage and Claims.** Company shall promptly investigate and make a full written report to LSU Board of all material accidents or material claims for damage relating to the ownership, operation and maintenance of the Premises of which Company has knowledge. Reports shall describe the damage or destruction to the Premises and the estimated cost of repair. Company shall cooperate with and make all reasonable reports required by any insurance company in connection with any damage to, destruction of, or accidents occurring on the Premises.



10.4 **Contractors and Suppliers.** Unless the insurance maintained by LSU Board pursuant to the Facilities Lease provides coverage to contractors and materialmen performing work on or supplying materials to the Premises, Company shall ensure that any and all contractors and materialmen performing work on or supplying materials to the Premises shall maintain public liability and property damage insurance.

#### **SECTION 11. UTILITIES AND SERVICES.**

All Utility Services shall be provided as set forth in Section 4.4 of the Facilities Lease.

#### **SECTION 12. RELATIONSHIP OF COMPANY AND LSU BOARD.**

The relationship of LSU Board and Company under this Agreement shall be that of principal and agent. All duties performed by Company under this Agreement (except those relating to employment of Company's servants, employees, contractors, or other personnel) shall be for and on behalf of LSU Board, in LSU Board's name, and for LSU Board's account. LSU Board shall have the right, by written notice, to revoke Company's right to act as agent for LSU Board, in which event Company shall be released from any duties the performance of which requires such authority. In taking any action under this Agreement, Company shall be acting only as agent for LSU Board, and nothing in this Agreement shall be construed as creating a partnership, joint venture, or any other relationship requiring Company to bear any portion of losses arising out of or connected with the ownership or operation of the Premises. Company shall not be considered an employee of LSU Board. Neither party shall have the power to bind or obligate the other except as expressly set forth in this Agreement.

#### **SECTION 13. INDEMNITY.**

13.1 **Indemnification by Company.** From and after the date which is ninety (90) days following receipt by the Company of notice by the LSU Board pursuant to Section 8.5 of the Facilities Lease, the Company shall, at its sole cost and expense, pay, protect, indemnify, defend and save harmless the LSU Board, its officers, directors, agents and employees ("LSU Board Indemnitees") against and from any and all losses on behalf of any Person arising from any breach, violation or default on the part of the Company in the performance of any term, covenant, provision or agreement or other obligation on the part of the Company to be performed pursuant to the terms of this Agreement, or to the extent arising from any act, omission or negligence of the Company, or that of any of its respective agents, contractors, or employees, or arising from any accident, injury, death or damage whatsoever caused to any Person or any property occurring during the term of this Agreement or any extension thereof, in or about the Premises, to the extent caused by the Company's fault, negligence or willful act or the fault, negligence or willful act of its respective agents, contractors, servants, employees or licensees, except to the extent caused by the LSU Board's fault, negligence, or willful act or the fault, negligence or willful act of its agents, contractors or employees.

In case any action or proceeding shall be brought against the LSU Board in respect of which the indemnity contemplated by this Section 13.1 may be sought against the Company, the Company, upon the giving of notice from the LSU Board, to the extent allowed by Applicable Law, shall defend such action or proceeding by counsel reasonably satisfactory to the Company

and the LSU Board, and the Company shall pay for all reasonable expenses therefor (including reasonable attorney's fees) unless such action or proceeding is resisted and defended by counsel for any carrier of liability insurance referred to in the Facilities Lease as authorized by the provisions of any policy of liability insurance maintained pursuant to the Facilities Lease.

The LSU Board shall promptly give written notice to the Company when a claim is made against the LSU Board for which indemnity is owed to the Company by the LSU Board pursuant to this Section 13.1, but the LSU Board shall have the right to employ its own separate counsel (the fees and expenses of which are covered under this indemnity to the extent allowed by Applicable Law), but shall not have control of the defense of such claims. The LSU Board shall not, in the defense of any claim for which indemnity is owed by the Company hereunder, consent to the entry of any judgment except with the consent of the Company, or to any settlement, except with the consent of the Company. The LSU Board shall assist the Company in the defense of any claim for which the Company owes indemnification hereunder and is undertaking to provide a defense, by making available to the Company (at the Company's cost and expense) records and personnel of the LSU Board, as may be reasonably required in the defense of such claim.

13.2 **Indemnification by LSU Board.** To the extent permitted by Applicable Law, including but not limited to La. R.S. 38:2196C, during the term of this Agreement, the LSU Board shall, at its sole cost and expense, pay, protect, indemnify, defend and save harmless the Company, its officers, directors, agents and employees ("Company Indemnitees") against and from any and all claims on behalf of any Person to the extent they arise from the occupation, use, possession of or from any work done by the LSU Board in or about the Premises during the term of this Agreement or any extension thereof, except for the Company's obligations under this Agreement and except to the extent caused by the Company's fault, negligence or willful act or the fault, negligence or willful act of its respective agents, contractors or employees.

In case any action or proceeding shall be brought against the Company in respect of which the indemnity contemplated by this Section 13.2 may be sought against the LSU Board or LSUS, the LSU Board, upon the giving of notice from the Company, to the extent allowed by Applicable Law, shall defend such action or proceeding by counsel reasonably satisfactory to the LSU Board and the Company, and the LSU Board shall pay for all expenses therefor (including reasonable attorney's fees) unless such action or proceeding is resisted and defended by counsel for any carrier of liability insurance referred to in the Facilities Lease as authorized by the provisions of any policy of liability insurance maintained pursuant to the Facilities Lease. The Company shall promptly give written notice to the LSU Board when a claim is made against the Company for which indemnity is owed to the Company by the LSU Board pursuant to this Section 13.2, but the Company shall have the right to employ its own separate counsel (the fees and expenses of which are covered under this indemnity to the extent allowed by Applicable Law), but shall not have control of the defense of such claims.

The Company shall not, in the defense of any claim for which indemnity is owed by the LSU Board hereunder, consent to the entry of any judgment except with the consent of the LSU Board, or to any settlement, except with the consent of the LSU Board. The Company shall assist the LSU Board in the defense of any claim for which the LSU Board owes indemnification hereunder and is undertaking to provide a defense, by making available to the LSU Board (at the

LSU Board's cost and expense) records and personnel of the Company, as may be reasonably required in the defense of such claim.

#### **SECTION 14. INSURANCE.**

The LSU Board and the Company, as applicable, shall maintain insurance coverage in accordance with Article XVII of the Ground Lease and Article V of the Facilities Lease.

#### **SECTION 15. LIABILITY LIMITATION.**

Company assumes no liability whatsoever for any acts or omissions of LSU Board, any previous owners of the Premises, or any previous manager or other agent of either. Company assumes no liability for any failure of or default by any Permitted Sublessee in the payment of any rent or other charges due LSU Board or in the performance of any obligations owed by any Permitted Sublessee to LSU Board pursuant to any Housing Contract or otherwise. Nor does Company assume any liability for previously unknown violations of environmental or other regulations which may become known during the period this Agreement is in effect. Company shall promptly notify LSU Board of any such regulatory violations or hazards it discovers.

#### **SECTION 16. NONAPPROPRIATION.**

The Company acknowledges and agrees that, pursuant to Article XI of the Facilities Lease, the continuation of this Agreement is contingent upon appropriation of sufficient funds by the Legislature to enable the LSU Board, together with Facilities Revenues, to enable the LSU Board to pay Additional Rent under the Facilities Lease to fulfill the requirements of this Agreement. The provisions of Article XI of the Facilities Lease are incorporated into this Agreement and are applicable hereto as though fully set forth herein.

#### **SECTION 16. COMPLIANCE WITH APPLICABLE LAWS.**

In performing its duties under this Agreement, Company shall comply with Applicable Laws, the violation of which, either individually or in the aggregate, materially and adversely affects the business, earning, prospects or condition (financial or other) of Company or the Premises. Company shall promptly notify in writing LSU Board when it has knowledge of a violation of any of the matters in the preceding sentence. Company may request LSU Board to reimburse it for reasonable legal expenses in excess of Budget incurred by it in obtaining legal advice regarding Company's compliance with any law affecting its duties arising specifically under this Agreement. If such non-budgeted expenditures also benefit others for whom Company acts in a similar capacity, Company shall so advise LSU Board at the time it makes its request for reimbursement and describe the reasonable basis for its apportionment of such expense. Unless LSU Board provides advance consent to any legal expenses in excess of Budget, LSU Board shall have no obligation to reimburse Company for such expenses.

#### **SECTION 17. COMPENSATION AND EXPENSES.**

17.1 **Management Fee.** As compensation for the services provided by Company under this Agreement (and exclusive of reimbursement of expenses to which Company is

entitled hereunder), LSU Board shall pay Company a "Management Fee" equal to \$ \_\_\_\_\_ per month. The Management Fee is payable in accordance with the provisions for the payment of Additional Rent set forth in the Facilities Lease. Payments due to Company for periods of less than a full calendar month shall be prorated over the number of days for which compensation is due.

17.2 **Management Office.** LSU Board shall provide adequate space on the Premises for a management office. LSU Board shall pay all expenses related to such office, including, but not limited to, furnishings, equipment, personal property taxes, postage and office supplies, electricity and other utilities and telephone.

17.3 **Apartments for On-Site Employees.** LSU Board shall provide one apartment on the Premises, rent free, for use as a residence by the on-site manager and his/her family, and other apartments or bed spaces on the Premises as agreed from time to time by LSU Board and Company, rent free, to be used as residences by other management and student staff. The specific apartments shall be selected by Company.

## **SECTION 18. REPRESENTATIONS.**

18.1 **LSU Board's Representations.** LSU Board represents that it has full power and authority to enter this Agreement.

18.2 **Company's Representations.** Company represents that it has full power and authority to enter this Agreement; that it possesses the employees, systems and expertise to efficiently manage and lease the Premises for LSU Board and that there are no lawsuits or legal proceedings threatened or pending against it arising from its leasing or management of multifamily dwellings which are anticipated to have a material adverse impact on the ability of Company to perform its duties under this Agreement.

18.3 **Survival.** The representations of LSU Board and Company in this Section 18 shall survive termination of this Agreement.

## **SECTION 19. NO STRUCTURAL CHANGES.**

Without the prior written consent of the LSU Board, Company shall not (i) make structural changes to the Premises; (ii) make any alterations or additions in or to the Premises other than those required in connection with routine maintenance and making apartments ready for Permitted Sublessee occupancy; or (iii) incur any expense chargeable to LSU Board other than those expressly authorized under the Budget and this Agreement.

## **SECTION 20. BUILDING COMPLIANCE.**

Company does not assume and is given no responsibility for compliance of the Premises or any building thereon or any equipment therein with the requirements of any building codes or with any statute, ordinance, law, or regulation of any governmental body or of any public authority or official having jurisdiction (collectively, the "Applicable Codes"), except that Company shall notify LSU Board promptly or forward to LSU Board promptly any complaint,

warning, notice or summons received by Company relating to such matters and shall provide LSU Board with similar notification of any such matter of which Company has actual knowledge. At least once each year, Company shall review the general condition of the property with respect to general maintenance and compliance with Applicable Laws. Company shall promptly notify LSU Board of any material violations of Applicable Laws of which it becomes aware, except to the extent that it intends to promptly cure such violations in the ordinary course of its management of the Premises. LSU Board authorizes Company to disclose the ownership of the Premises to any such officials. Company and its employees shall be indemnified and held harmless by LSU Board from all loss, cost, expense, and liability which may be imposed by reason of any present or future violation or alleged violation of such Applicable Laws, except for loss, cost, expense and liability resulting from the intentional misconduct, fault or negligence of Company or its employees or the failure of Company to perform its duties under this Agreement.

## **SECTION 21. TERMINATION.**

21.1 **Termination by Either Party.** This Agreement may be terminated by either LSU Board or Company, without cause, upon the giving of thirty (30) days' written notice to the other party, provided that Company is paid all unpaid, accrued amounts owed to it by LSU Board pursuant to this Agreement.

21.2 **Termination for Cause.** Notwithstanding the foregoing, this Agreement shall terminate and all obligations of the parties hereunder shall cease (except those which this Agreement expressly provides shall survive termination), upon written notice from either party following the occurrence of any of the following events:

(i) Sixty (60) days after the receipt of notice by either party from the other specifying in detail a material breach of a non-monetary obligation of this Agreement, if such breach has not been cured within said sixty (60) day period; however, if such breach is of a nature that it cannot reasonably be cured within said sixty (60) day period but efforts to cure such breach have commenced and are being continued diligently, the sixty (60) day period shall be extended a maximum of an additional sixty (60) days.

(ii) Thirty (30) days after the receipt of notice by either party from the other party specifying in detail a monetary default, if such breach is not cured within said thirty (30) day period.

(iii) Upon the destruction of or substantial damage to the Premises by any cause, or the physical taking of all or a substantial portion of the Premises by eminent domain, in either case making it impossible or impracticable to continue operation of the Premises.

21.3 **Payments Upon Termination.** Upon termination of this Agreement, to the extent allowed by law, LSU Board shall assume the obligations of any contract or purchase order entered into by Company pursuant to its authority under this Agreement for, and on behalf of, the LSU Board, and LSU Board shall be solely responsible for the prompt payment of all unpaid bills. Upon termination of this Agreement, LSU Board and Company shall cooperate to promptly ascertain and pay all amounts due the other party. Company shall deliver to LSU Board, on the

date this Agreement is terminated or as soon as practicable thereafter, any monies due LSU Board with respect to the Premises, as well as a final accounting reflecting, but not limited to, the balance of assets, obligations and income and expenses for the current year with respect to the Premises as of the date of termination and all records, contracts, Housing Contracts, business licenses, receipts for deposits and other papers or documents which pertain to the Premises.

**SECTION 22. HEADINGS.**

All headings and subheadings employed within this Agreement and any addendum or attachment hereto are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.

**SECTION 23. FORCE MAJEURE.**

Any delays in the performance of any obligations by either party to this Agreement shall be excused to the extent that such delays are caused by Force Majeure, and any time periods required for performance shall be extended accordingly.

**SECTION 24. COMPLETE AGREEMENT AND AMENDMENT.**

This Agreement, including any exhibits, constitutes the entire agreement between LSU Board and Company with respect to the management, leasing and operation of the Premises. No change to this Agreement shall be valid unless made by supplemental written agreement executed by LSU Board and Company. Each party to this Agreement hereby acknowledges and agrees that the other party has made no warranties, representations, covenants, or agreements, express or implied, to such party, other than those expressly set forth herein, and that each party, in entering into and executing this Agreement, has relied upon no warranties, representations, covenants, or agreements, express or implied, to such party, other than those expressly set forth herein.

**SECTION 25. RIGHTS CUMULATIVE; NO WAIVER.**

No right or remedy conferred upon or reserved to either of the parties to this Agreement is intended to be exclusive of any other right or remedy. Each and every right and remedy shall be cumulative and in addition to any other right or remedy given under this Agreement or now or hereafter legally existing upon the occurrence of an event of default under this Agreement. The failure of either party to this Agreement to insist at any time upon the strict observance or performance of any of the provisions of this Agreement shall not impair any such right or remedy or be construed as a waiver or relinquishment of such right or remedy with respect to subsequent defaults. Every right and remedy given by this Agreement to the parties to it may be exercised from time to time and as often as may be deemed expedient by those parties.

**SECTION 26. APPLICABLE LAW AND PARTIAL INVALIDITY; VENUE.**

The execution, interpretation, and performance of this Agreement shall in all respects be controlled and governed by the laws of the State of Louisiana. If any provisions of this Agreement or the application thereof to any entity or circumstances shall be invalid or

unenforceable to any extent, the remainder of this Agreement and the application of such provisions to any other entity or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law. The parties hereto consent and agree to the jurisdiction of all federal and State courts located in East Baton Rouge Parish, State of Louisiana in connection with any dispute or litigation involving this Agreement.

**SECTION 27. NOTICES.**

All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when personally delivered or mailed by certified mail, postage prepaid, or when sent electronically (by PDF submission) or by telecopy (receipt confirmed by telephone) or telegram, addressed as follows:

**if to the Company:**

\_\_\_\_\_ LLC  
3796 Nicholson Drive  
Baton Rouge, Louisiana 70802  
Telephone: (225) 578-0525  
Facsimile: (225) 578-0530  
Attention: Executive Director

**with copies to:**

LSU Real Estate and Facilities Foundation  
3796 Nicholson Drive  
Baton Rouge, Louisiana 70802  
Telephone: (225) 578-0525  
Facsimile: (225) 578-0530  
Attention: Executive Director and General Counsel

Phelps Dunbar LLP  
II City Plaza  
400 Convention Street, Suite 1100  
Baton Rouge, Louisiana 70802  
Telephone: (225) 346-0285  
Facsimile: (225) 381-9197  
Attention: P. Ragan Richard, Esq.

**if to the LSU Board:**

Board of Supervisors of Louisiana State University  
and Agricultural and Mechanical College  
3810 West Lakeshore Drive  
Baton Rouge, Louisiana 70808  
Telephone: (225) 578-5603  
Facsimile: (225) 578-5597  
Attention: Associate Vice President for Facility and Property Oversight

**with copies to:**

Louisiana State University Eunice  
[\*\*address\*\*]

Telephone: (337) \_\_\_\_ - \_\_\_\_  
Facsimile: (337) \_\_\_\_ - \_\_\_\_  
Attention: Chancellor

Breazeale, Sachse & Wilson, L.L.P  
301 Main Street, Suite 2300  
Baton Rouge, LA 70801  
Telephone: (225) 381-8005  
Facsimile: (225) 387-5397  
Attention: Tracy A. Morganti, Esq.

**SECTION 28. SUCCESSORS AND ASSIGNS.**

This Agreement shall be binding upon the parties hereto and their respective personal representatives, heirs, administrators, executors, successors and assigns. Company may assign its rights and duties hereunder to an Affiliate, provided that LSU Board shall be provided notice of such assignment; any other assignment by Company shall require the prior written consent of LSU Board, which consent may be withheld in its sole discretion.

**SECTION 29. NON-DISCRIMINATION, EMPLOYMENT AND WAGES.**

The Company agrees to abide by the requirements of the following as applicable: Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, and the Age Act of 1974, and Company agrees to abide by the requirements of the Americans with Disabilities Act of 1990, as well as any executive order issued by the governor of the State. The Company agrees not to discriminate in its employment practices, and will render services under this Agreement without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, or disabilities.



[signature page to Facilities Operation and Maintenance Agreement]

IN WITNESS WHEREOF, the Company has caused this Facilities Operation and Maintenance Agreement to be executed and delivered by its duly authorized representative on the day, month and year set forth below his signature, to be effective \_\_\_\_\_, 20\_\_.

\_\_\_\_\_ **LLC**,  
a Louisiana limited liability company

By: \_\_\_\_\_

Name:

Title:

Date: \_\_\_\_\_

[signature page to Facilities Lease]

IN WITNESS WHEREOF, the LSU Board has caused this Facilities Lease to be executed and delivered by its duly authorized representative on the day, month and year set forth below his signature, to be effective \_\_\_\_\_, 20\_\_.

**BOARD OF SUPERVISORS OF LOUISIANA  
STATE UNIVERSITY AND AGRICULTURAL  
AND MECHANICAL COLLEGE**

By: \_\_\_\_\_  
Name:  
Title:  
Date: \_\_\_\_\_

**EXHIBIT A**

**DESCRIPTION OF PREMISES**

**Facilities:**

**Site:**

## **EXHIBIT B**

### **DEFINITIONS**

|                                      |  |
|--------------------------------------|--|
| <u>"Affiliate"</u>                   | As to any Person, any other Person which directly or indirectly controls, is under common control with, or is controlled by such Person. For purposes of this definition, "controls," "under common control with" and "controlled by" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or otherwise |
| <u>"Additional Debt"</u>             | Any indebtedness (whether present or future, contingent or otherwise, as principal or security or otherwise) of the Company that is secured by the Facilities Lease and the Rent (other than the First Loan) at the request and with the prior written consent of the LSU Board, including any Refinancing Loan.   |
| <u>"Additional Rent"</u>             | As defined in Section 3.2 of the Facilities Lease.   |
| <u>"Applicable Law"</u>              | All present and future laws, statutes, rules, regulations or ordinances, resolutions and orders of any Governmental Authority substantially affecting the Premises and/or the ability of the parties to meet their obligations hereunder.  |
| <u>"Award"</u>                       | Any payment or other compensation received or receivable as a consequence of Expropriation from or on behalf of any Governmental Authority or any other Person vested with the power of eminent domain.  |
| <u>"Casualty Insurance Proceeds"</u> | All proceeds paid under the insurance policies described in Article V.   |
| <u>"Chancellor"</u>                  | The Chancellor of the University (or any successor officer or office) or his or her designee appointed in writing.   |
| <u>"Company"</u>                     | _____ LLC, a limited liability company organized and existing under the laws of the State, the sole member of which is the Foundation, and its successors, transferees and assigns.  |
| <u>"Company Representative"</u>      | A Manager of the Company, or any other person designated as a Company Representative by a Manager by an instrument in writing.   |

"Effective Date"

With respect to the FOMA, \_\_\_\_\_, 20\_\_.

"Expropriation"

The taking of all or any portion of the Facilities by

condemnation, expropriation, or eminent domain proceedings.

"Facilities"

The Facilities designated on **Exhibit A** hereto, including, without limitation, driveways, walkways, parking areas, and all electrical, plumbing, heating, water, water heating, sewerage, gas and other utility equipment and the Facilities Equipment, which are now or shall hereafter be situated on or in said Facilities or on or in the Site.

"Facilities Equipment"

The furniture, fixtures, equipment and other personal property owned or leased by the Company and used on or in the Facilities or used in connection with the operation of the Facilities and which are not components parts of or permanently affixed to the Facilities and which are not owned by the LSU Board but are leased to the LSU Board under this Facilities Lease.

"Facilities Lease"

The Facilities Lease dated effective \_\_\_\_\_, 2019, between the LSU Board and the Company, together with any amendments, modifications and supplements hereto.

"Facilities Revenues"

All of the University's revenues, receipts, rentals, fees, income, Casualty Insurance Proceeds, business interruption insurance proceeds, awards from expropriation, and other moneys derived from the operation or leasing of the Facilities and all rights to receive the same, whether in the form of accounts, general intangibles, or other rights and the proceeds of such accounts general intangibles and other rights, whether now existing or hereafter acquired.

"Fiscal Year"

The fiscal year of the LSU Board, which at the date of this Lease is the period from July 1 of any year to and including the following June 30.

"Foundation"

LSU Real Estate and Facilities Foundation, a nonprofit corporation duly organized and validly existing under the laws of the State of Louisiana, and its successors, transferees and assigns.

"Force Majeure"

Any circumstances beyond the control of the Company or the LSU Board, including, without limitation, acts of God, hurricanes, tornadoes, power outages or lack of power supply due to a casualty, mandatory evacuations, acts of a public enemy, governmental interference, inability to obtain labor, energy or supplies, riot, civil commotion, strike, lockout or any other unforeseeable event (other than

an inability to obtain financing), the occurrence of which would prevent or preclude the Company or the LSU Board, respectively, from fully and completely carrying out the performance of their respective obligations under this Agreement, other than obligations in respect of the payment of money.

"Governmental Authority"

Any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, parish, district, municipality, city or otherwise) whether now or hereafter in existence, with jurisdiction over the Facilities.

"Ground Lease"

The Ground Lease Agreement dated effective \_\_\_\_\_, 2019, by and between the LSU Board and the Company, as amended, modified and supplemented from time to time.

"Insurance Requirements"

All terms of any insurance policy covering or applicable to all or any part of the Premises, and all requirements of the issuer of any such policy applicable to or affecting all or part of the Premises, or the use or condition thereof.

"LSU Board"

Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, a Louisiana public constitutional corporation organized and existing under the laws of the State, and its successors and assigns.

"LSU Board Representative"

One or more of the persons designated and authorized in writing from time to time by the LSU Board to represent the LSU Board in exercising LSU's rights and performing LSU's obligations under this Agreement; initially the LSU Board Representative(s) shall be (i) the President or his or her designee and (ii) the Vice Chancellor or his or her designee, until the LSU Board designates one or more other persons to represent the LSU Board under this Agreement.

"LSUS"

Louisiana State University Eunice, an institution of higher education under the management and supervision of the LSU Board.

"Permitted Sublessees"

Students, faculty, staff of the University and Persons other than University students, faculty and staff who are participants in any activities related to the mission of the University and who are using the Facilities pursuant to a

concession or other housing arrangement with the University.

"Permitted Use"

The operation of the Facilities for the housing of Permitted Sublessees and for purposes related to or associated with the foregoing.

"Person"

An individual, a trust, an estate, a Governmental Authority, or a partnership, joint venture, corporation, company, firm or any other entity whatsoever.

"Premises"

The immovable and movable property described in **Exhibit A** hereto composed of (a) the Site on which the Facilities were constructed under the provisions of the Ground Lease and (b) the Facilities described in **Exhibit A** hereto.

"President"

The President of Louisiana State University (or any successor officer or office) or his designee appointed in writing.

"Site"

The immovable property described in **Exhibit A** which has been leased to the Company pursuant to the Ground Lease and which is subleased by the Company to the LSU Board, for the benefit of LSUS, pursuant to the Facilities Lease.

"State"

The State of Louisiana.

"Term"

The term during which the Facilities Lease shall remain in full force and effect as set forth in Section 2.2 thereof.

"Termination Date"

The date on which the Facilities Lease shall expire or terminate pursuant to Section 2.2 thereof.

"University"

Louisiana State University at Shreveport, an institution of higher education under the management and supervision of LSU.

"University Leasing Act"

Louisiana Revised Statutes 17:3361, *et seq.*, as amended from time to time.

"Utility Service"

As defined in Section 4.4 of the Facilities Lease.





**Request from LSU A&M to Accept a Donation of Land for the Rural Life Museum**

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

This is a significant board matter pursuant to Article VII, Section 1 of the Board's Bylaws:

B. Transfer of Title to Immovable Property

**1. Summary of the Matter**

The Burden Foundation, which is an independent non-profit foundation not affiliated with LSU, owns several parcels of land in the area of the LSU Burden Center, the Windrush Gardens, and the Rural Life Museum. As part of a planned pattern of giving directed by John and Frances Monroe, long-time benefactors of LSU who are the heirs to the Jeanette Monroe Burden estate and who continue to live on property they still own in the area, the Burden Foundation periodically donates additional parcels of land to LSU to further support the mission of the LSU facilities and programs located in that area.

The current proposal is for the Burden Foundation to donate 1,000 acres to LSU as shown by the shaded section on the attached Exhibit B. The property has been appraised at a value of \$525,000.

**2. Review of Business Plan**

This will add to the area in the vicinity of the Rural Life Museum that LSU already maintains. There are no improvements on the parcel being donated, so additional maintenance costs are expected to be minimal and will be funded as part of the routine operational costs of the Rural Life Museum.

**3. Fiscal Impact**

The property being donated has been valued by an appraisal obtained by the donor at \$525,000.

**4. Description of Competitive Process**

Not applicable.

**5. Review of Legal Documents**

The proposed Act of Donation will be reviewed by the LSU Office of General Counsel prior to being executed by the President.

**6. Parties of Interest**

The following parties have an interest in and/or are involved with this transaction.

LSU  
The Burden Foundation

**7. Related Transactions**

None.

## **8. Conflicts of Interest**

None known.

## **ATTACHMENTS**

- I. Transmittal Letter
- II. Draft Act of Donation, with map

## **RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College hereby authorizes Dr. F. King Alexander, President of Louisiana State University, or his designee to accept the donation of land from the Burden Foundation as described herein, with the act of donation to contain such terms and conditions as he, in consultation with the General Counsel, deem to be in the best interests of LSU.



---

**CAMPUS CORRESPONDENCE**


---

**To:** F. King Alexander, President of LSU  
Finance & Administration / CFO

**Date:** August 26, 2019

**Through:** Daniel T. Layzell, Executive Vice President for  
Finance & Administration / CFO

**Through:** Tony Lombardo, Associate Vice President for  
Facilities & Property Oversight

**From:** Patrick H. Martin, V, Assistant Vice President for  
Real Estate, Public Partnerships, and Compliance 

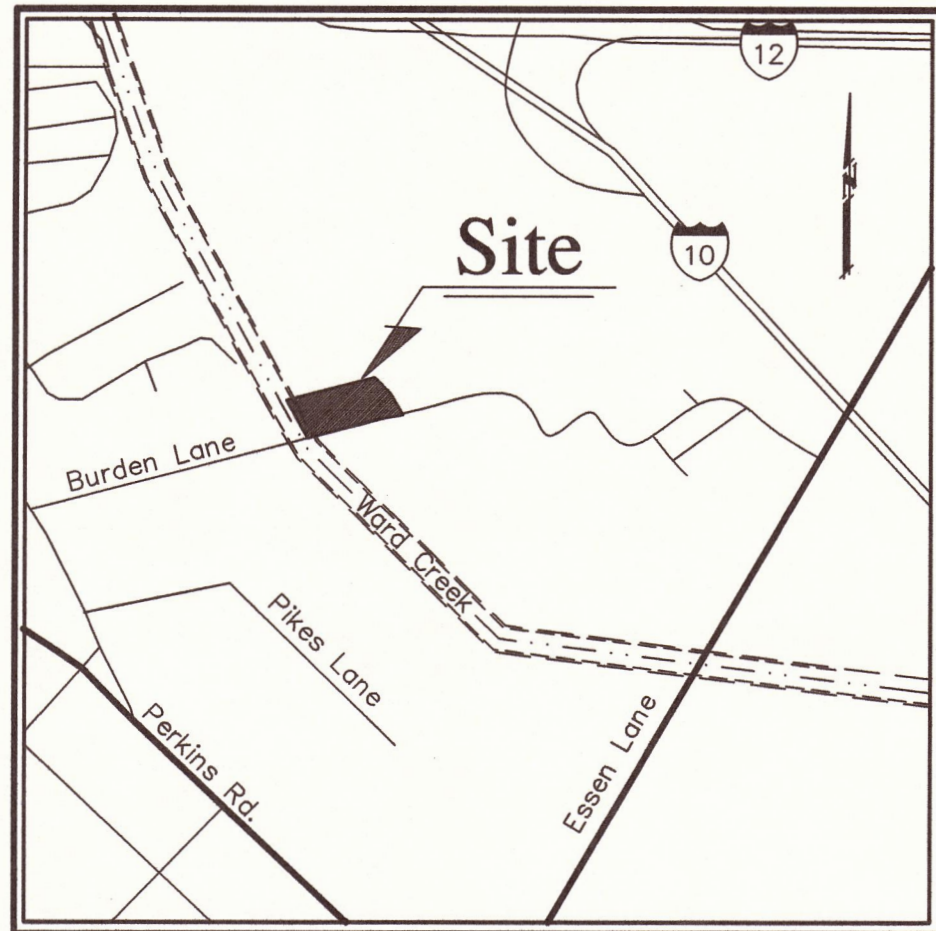
**Re:** Board of Supervisors Agenda, September 13, 2019  
Request from LSU A&M to Accept a Donation of Land for the Rural Life Museum

LSU A&M is requesting that the LSU Board of Supervisors authorize the President F. King Alexander, in his capacity as President of LSU, to accept the donation of land from the Burden Foundation as described herein, with the act of donation to contain such terms and conditions as he, in consultation with the General Counsel, deem to be in the best interests of LSU.

We request this item be placed on the agenda for the September 13, 2019 Board of Supervisors meeting.

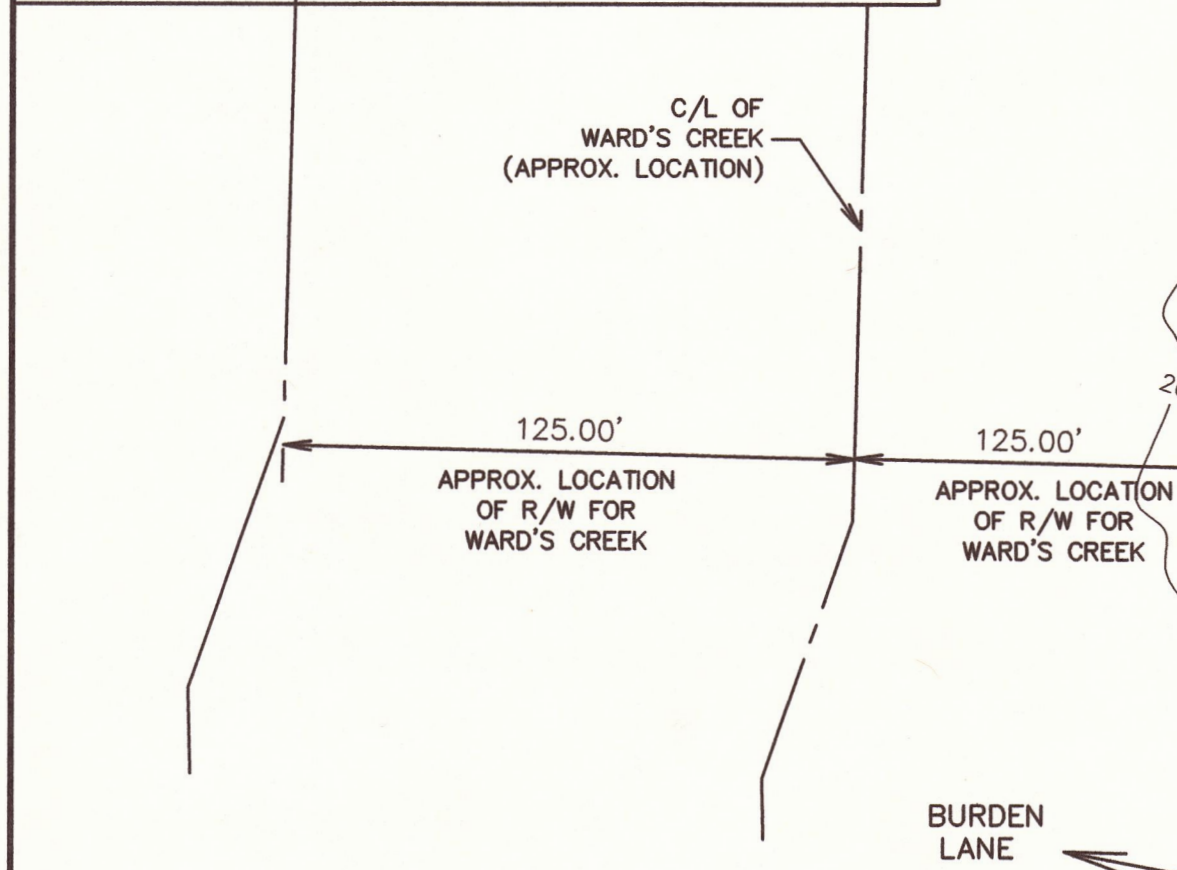
Thank you.

ORIG: 162 BNDL: 12680  
9/10/2015 10:39:07 AM  
FILED AND RECORDED  
EAST BATON ROUGE PARISH, LA  
DORIS WALBURN  
CLERK OF COURT AND RECORDER  
CUSTOMER PROVIDED COPY FOR  
CERTIFIED TRUE COPY  
DEPUTY CLERK AND RECORDER



VICINITY MAP

0 2000'  
SCALE: 1"=2000'



GENERAL NOTES:

- 1.) FLOOD NOTE: IN ACCORDANCE WITH FEMA, FLOOD INSURANCE RATE MAP, PANEL NO.220033C0265F OF EAST BATON ROUGE PARISH, LOUISIANA, LAST REVISED JUNE 19, 2012, THE PROPERTY SHOWN HEREON IS LOCATED IN FLOOD ZONE "AE" & "X". BASE FLOOD ELEVATION = 33. INUNDATION LEVEL=33 NAVD 88.  
BASE FLOOD ELEVATIONS ARE SUBJECT TO CHANGE AND CURRENT BASE FLOOD ELEVATIONS SHOULD BE VERIFIED WITH THE DEPARTMENT OF PUBLIC WORKS ENGINEERING DIVISION.
- 2.) PROPERTY ZONING: A1 (SINGLE FAMILY RESIDENCE)  
DATA SOURCE: GIS.BRGOV.COM  
FUTURE LAND USE: INSTITUTIONAL
- 3.) SEWER DISTRICT: SOUTH TREATMENT PLANT
- 4.) CONTOURS SHOWN ARE FROM LIDAR.
- 5.) UTILITIES:  
WATER DISTRICT: BATON ROUGE WATER COMPANY  
ELECTRICITY: ENTERGY  
GAS: ENTERGY  
TELEPHONE: SOUTH CENTRAL BELL  
SEWER DISTRICT: EAST BATON ROUGE PARISH  
FIRE DISTRICT: ST. GEORGE FIRE DISTRICT #2
- 6.) SCHOOL DISTRICT: ELEMENTARY = WESTMINSTER  
MIDDLE = GLASGOW  
HIGH = ROBERT E. LEE  
REFERENCE: WWW.EBRSCHOOLS.ORG
- 7.) REFERENCE DOCUMENTS:  
A.) "MAP SHOWING SURVEY OF THREE TRACTS TAKEN FROM THE W.D. BURDEN, SR. PROPERTY " DATED APRIL 27, 1959 FOR W.P. (PIKE) BURDEN, et al BY CHAS A. COOPER, R.L.S.  
B.) "MAP SHOWING SURVEY OF WINDRUSH PLANTATION" DATED DECEMBER 5, 1966 FOR LOUISIANA STATE UNIVERSITY BY JOHN W. KELLEN, JR.  
C.) "MAP SHOWING RESUBDIVISION OF TRACT "A" INTO TRACT "A-1" AND TRACT "A-2" DATED 1-22-2008 FOR THE BURDEN FOUNDATION BY TAYLOR M. GRAVOIS, P.L.S. (ORG:971 BUNDLE: 12031)

**NOTE:**  
THE APPROVAL OF THIS PLAT OR MAP DOES NOT RELIEVE THE IMMEDIATE PROPERTY OWNER OR FUTURE PROPERTY OWNER FROM COMPLYING WITH ALL APPLICABLE FEDERAL, STATE AND CITY-PARISH LAWS AND ORDINANCES GOVERNING THE SALE AND DEVELOPMENT OF THE PROPERTY. IN PARTICULAR, NO FILING OF THE PROPERTY SHALL BE COMMENCED UNTIL ALL APPLICABLE PROVISIONS OF CHAPTER 15 OF THE UNIFIED DEVELOPMENT CODE ARE ADDRESSED.

THE CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE DOES NOT ENFORCE PRIVATE DEED AND/OR SUBDIVISION RESTRICTIONS. HOWEVER, THE APPROVAL OF THIS PLAT DOES NOT RELEASE THE OWNER AND/OR CONTRACTOR/BUILDER FROM COMPLYING WITH ANY SUCH RESTRICTIONS THAT MAY BE ATTACHED TO THE PROPERTY ON THIS PLAT.

**SEWAGE DISPOSAL:**  
NO PERSON SHALL PROVIDE A METHOD OF SEWAGE DISPOSAL, EXCEPT CONNECTION TO AN APPROVED SANITARY SEWER SYSTEM, UNTIL THE METHOD OF SEWAGE TREATMENT AND DISPOSAL HAS BEEN APPROVED BY THE HEALTH UNIT OF EAST BATON ROUGE PARISH.

**PUBLIC DEDICATION:**  
THE PUBLIC STREETS AND RIGHTS-OF-WAY SHOWN HEREON, IF NOT PREVIOUSLY DEDICATED ARE HEREBY DEDICATED TO THE PERPETUAL USE OF THE PUBLIC FOR PROPER PURPOSES. ALL AREAS SHOWN AS PUBLIC SERVITUDE ARE GRANTED TO THE PUBLIC FOR THE USE OF UTILITIES, DRAINAGE, SEWAGE REMOVAL OR OTHER PROPER PURPOSE FOR THE GENERAL USE OF THE PUBLIC. NO TREES, SHRUBS, OR OTHER PLANTS MAY BE PLANTED, NOR SHALL ANY BUILDING, FENCE STRUCTURE OF IMPROVEMENTS BE CONSTRUCTED OR INSTALLED WITHIN OR OVER ANY SERVITUDE OR RIGHT-OF-WAY SO AS TO PREVENT OR UNREASONABLY INTERFERE WITH ANY PURPOSE FOR WHICH THE SERVITUDE OR RIGHT-OF-WAY IS GRANTED.

**PRIVATE DEDICATION:**  
THE SERVITUDE DESIGNATED HEREON AS "PRIVATE SERVITUDE" IS HEREBY RESERVED FOR THE USE OF THE OWNERS OF TRACTS "A-1-A", "A-1-B", "A-1-C" AND "A-1-D", THEIR SUCCESSORS AND ASSIGNS, PURSUANT TO THE DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS RECORDED AS ORIGINAL 39, BNDL. 4440, EAST BATON ROUGE PARISH, LA. EAST BATON ROUGE CITY/PARISH DEPARTMENT OF PUBLIC WORKS SHALL HAVE THE RIGHT OF ENTRY INTO THE "PRIVATE SERVITUDE" FOR ACCESS TO THE "PUBLIC (DRAINAGE OR SEWER) SERVITUDES." THE SALE OF ANY PROPERTY SHOWN HEREON BY REFERENCE TO THIS PLAT SHALL NOT CONSTITUTE A DEDICATION TO THE PUBLIC OF ANY "PRIVATE SERVITUDE" SHOWN HEREON. FURTHERMORE, THE PUBLIC SHALL NOT BE RESPONSIBLE FOR THE MAINTENANCE OF ANY IMPROVEMENTS LOCATED WITHIN THE "PRIVATE SERVITUDES." THE "PUBLIC (DRAINAGE OR SEWER) SERVITUDES" ARE FURTHER GRANTED FOR THE NON-EXCLUSIVE USE OF ALL PUBLIC UTILITY COMPANIES WHICH PROVIDE PUBLIC UTILITIES. THE USE OF SAID "PRIVATE SERVITUDE" BY SAID UTILITY COMPANIES SHALL BE LIMITED TO THE "PRIVATE SERVITUDE" IN WHICH THE RESPECTIVE PUBLIC UTILITY COMPANY'S FACILITIES ARE LOCATED. FURTHER, INSTALLATION OF ANY NEW FACILITIES (EXCLUDING ADDITIONAL TIE-INS TO EXISTING FACILITIES WITHIN ANY NEW OR EXISTING "PRIVATE SERVITUDE") BY ANY PUBLIC COMPANY SHALL BE SUBJECT TO PRIOR WRITTEN APPROVAL OF THE PROPERTY OWNER, ITS SUCCESSORS AND ASSIGNS. THE CITY/PARISH DEPARTMENT OF PUBLIC WORKS IS NOT RESPONSIBLE FOR MAINTENANCE OF PRIVATE FACILITIES.

OWNER: John Carlton Monroe  
DATE: 9/4/15

**LEGEND:**

| SYMBOL    | DESCRIPTION        |
|-----------|--------------------|
| ○         | FND CORNER         |
| ●         | SET 1/2" IRON PIPE |
| [Pattern] | FLOOD ZONE "AE"    |

| Tract "A-1-A"           |  |
|-------------------------|--|
| Un-incumbered:          | 36,000.00 SQ. FT.<br>0.826 ACRES         |
| Ward Creek Drainage R/W | 11,137.61 SQ. FT.<br>0.257 ACRES         |
| <b>Total Acreage:</b>   | <b>47,137.61 SQ. FT.<br/>1.083 ACRES</b> |

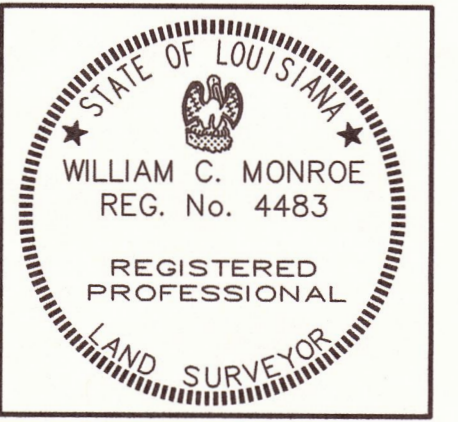
APPROVED:  
Frank M. Duke  
FRANK M. DUKE, DIRECTOR  
OR HIS DESIGNEE  
CITY-PARISH PLANNING COMMISSION

DATE: 9/10/2015  
C-48298  
SS-24-15

CERTIFICATION:  
I HEREBY CERTIFY THAT I MADE A SURVEY ON THE GROUND OF THE PROPERTY SHOWN AND THAT THIS DRAWING ACCURATELY REFLECTS THE FINDINGS OF SAID SURVEY, AND THAT THIS SURVEY CONFORMS TO A CLASS B SURVEY IN ACCORDANCE WITH THE STATE OF LOUISIANA MINIMUM STANDARDS FOR PROPERTY BOUNDARY SURVEYS.

William C. Monroe  
WILLIAM C. MONROE, P.E. & P.L.S.  
LA. REGISTRATION NO. 04483  
MONROE & CORIE, INC. - CONSULTING ENGINEERS, 11325 PENNYWOOD AVE,  
BATON ROUGE, LA 70809 TELEPHONE: 225 923-1905  
EMAIL: WCM@MONROECORIE.COM

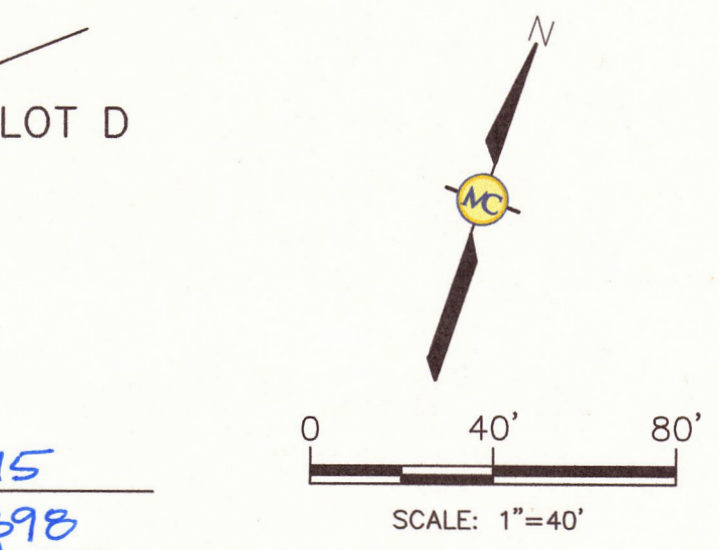
DATE: 09-04-2015



NO BUILDING PERMITS SHALL BE ISSUED FOR TRACT A-1-A, TRACT A-1-B OR TRACT A-1-D UNTIL THE FOLLOWING REQUIREMENTS HAVE BEEN COMPLETED:  
(1) SANITARY SEWER PLANS SHALL BE DESIGNED BY A QUALIFIED LICENSED ENGINEER; (2) PLANS SHALL BE REVIEWED AND APPROVED BY THE DEPARTMENT OF PUBLIC WORKS; (3) THE REQUIRED SANITARY SEWER IMPROVEMENTS SHALL BE CONSTRUCTED AND BONDED BY THE OWNER/CONTRACTOR; (4) DEPARTMENT OF PUBLIC WORKS SHALL INSPECT AND APPROVE SANITARY SEWER IMPROVEMENTS; (5) UPON ACCEPTANCE OF THE WORK BY THE DEPARTMENT OF PUBLIC WORKS OR THE POSTING OF A BOND BY THE OWNER/CONTRACTOR, A REVISION TO THIS PLAT REMOVING THIS STIPULATION (SEE PROPOSED SEWER INSTALLATION DEDICATION SHALL BE SUBMITTED TO THE DEPARTMENT OF PUBLIC WORKS AND THE PLANNING COMMISSION FOR APPROVAL; AND (6) THE REVISED PLAT SHALL THEN BE RECORDED IN THE CLERK OF COURT CONVEYANCE RECORDS AND THE REQUIRED CERTIFIED COPIES SUBMITTED TO THE PLANNING COMMISSION FOR DISTRIBUTION.

**STORMWATER NOTE:** AS PART OF CONSTRUCTION, IT SHALL BE THE RESPONSIBILITY OF THE OWNER TO COMPLY WITH STORMWATER MANAGEMENT AND DRAINAGE REQUIREMENTS SET FORTH IN SECTION 15.13 OF THE UNIFIED DEVELOPMENT CODE (UDC), LATEST VERSION.

**Map Showing Subdivision OF Tract "A-1" INTO**  
**Tract "A-1-A", Tract "A-1-B", Tract "A-1-C" and Tract "A-1-D"**  
Being a Portion of the  
**The W.P. Burden, Sr. Property**  
Located in SECTION 41 T-7-S R-1-E GREENSBURG LAND DISTRICT EAST BATON ROUGE PARISH LOUISIANA  
For  
**The Burden Foundation and Louisiana State University**



M:\WCI Projects\1079 Burden Lane Bridge Rating\TRACT A-1\RESUB TRACT A-1.dwg Sep 04, 2015 - 10:09am

**STATE OF LOUISIANA  
PARISH OF EAST BATON ROUGE**

**ACT OF DONATION AND ACCEPTANCE**

BE IT KNOWN that, on the dates set forth hereinbelow, before us, the undersigned Notary Public, duly commissioned and qualified in and for the Parish of East Baton Rouge, State of Louisiana, and in the presence of the undersigned competent witnesses, personally came and appeared:

**THE BURDEN FOUNDATION**, a nonprofit corporation organized under the laws of the State of Louisiana, with a mailing address of c/o Tom J. Meek, Jr., P.O. Box 3513, Baton Rouge, Louisiana 70821, represented by Tom J. Meek, Jr., its President, duly authorized by virtue of a resolution adopted by its Board of Directors, a certified copy of which is attached hereto and made a part hereof (hereinafter referred to as **“Donor”**),

who, being first duly sworn, did declare that, for and in consideration of Donor’s interest in the furtherance of the research mission of the Donee, Donor does, by these presents, irrevocably give, grant, confirm and donate, with warranty of title only and with full substitution and subrogation in and to all the rights and actions of warranty which they have or may have against all preceding owners and vendors, subject to all the terms and conditions contained in this act, unto:

**BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE**, a public constitutional corporation organized and existing under the laws of the State of Louisiana, herein represented by the President of the Louisiana State University System, duly authorized, with a mailing address of 3810 West Lakeshore Drive, Louisiana State University, Baton Rouge, Louisiana 70808 (Federal I.D. No. 72-6000848) (hereinafter referred to as **“Donee”**);

all of the following described property, subject to any and all existing servitudes, including, but not limited to that 50’ servitude or right of passage created by act dated June 15, 1959, and recorded in Original 39, Bundle 4440, and with Donor reserving the right to use all existing servitudes appurtenant thereto (the **“Property”**), the possession and delivery of which Donee acknowledges, to-wit:

A certain tract or parcel of ground, together with all improvements situation thereon, situated in Section 41, T7S, R1E, Greensburg Land District, Parish of East Baton Rouge, State of Louisiana, and being more particularly described in **Exhibit “A”** attached hereto;

Donor reserves any and all mineral rights in and to the Property, including all executive rights, but waives any right to use or disturb the surface of the Property.

TO HAVE AND TO HOLD said Property, unto said Donee, its successors and assigns, forever.

This act of donation is given and accepted without any warranty whatsoever as to the condition or fitness of the Property for any purpose, whether express or implied, including, but

not limited to, any warranties against redhibitory defects, and Donee declares that it has had ample opportunity to examine the Property in connection with the use the Donee intends to make of the Property, and that it accepts the Property “as-is,” “where-is,” and “with all faults.” Donee acknowledges and declares that neither Donor nor any party, whomever, acting or purporting to act in any capacity whatsoever on behalf of Donor, has made any direct, indirect, explicit or implicit statement, representation or declaration whether by written or oral statement or otherwise, and upon which Donee has relied, concerning the existence or non-existence of any quality, characteristic or condition of the Property. To the maximum extent allowed by law, Donee expressly waives warranty of fitness and the warranty against redhibitory vices and defects, whether apparent or latent, imposed by Louisiana Civil Code Articles 2475 and 2500, any other applicable state or federal law, and the jurisprudence thereunder. By its signature, Donee expressly acknowledges all such waivers and its existence of Donee’s right to waive warranty pursuant to Louisiana Civil Code Articles 2503 and 2548.

This act of donation is given and accepted subject to any and all restrictions, servitudes and other matters of record affecting said Property, and in addition the following special conditions which are hereby imposed as restrictive covenants running with the land:

1. The Property may not be used for commercial purposes except as incidental to activities of and consistent with the mission of the Burden Museum & Gardens or its successors.
2. No part of the Property shall be used for a public park, golf course, tennis courts, or other athletic facilities. No building or above ground structure or vehicle parking area may be built or erected on the Property without the prior written consent of Donor.
3. The Property shall be used primarily for the preservation of rural culture and horticulture, ecological and wetlands research and preservation, forestry research and preservation, woodlands and natural habitat preservation, and educational activities related thereto, or, alternatively, the Property may be treated and used as part of the “Wooded Area” described in the document entitled “Restated Master List of Conditions to Donations” affecting the adjoining property and recorded as Original 94, Bundle 11479, of the official records of the Clerk and Recorder for the Parish of East Baton Rouge, State of Louisiana.
4. Donee shall maintain the Property in a first class condition and administer the Property as would a prudent administrator.
5. This act of donation is also subject to conditions in that certain Act of Donation and Acceptance of the Property to Donor from John Carlton Monroe III and Frances Hochenedel Monroe dated the date hereof and recorded in the official records of the Clerk and Recorder for the Parish of East Baton Rouge, State of Louisiana; Donee expressly assumes any and all obligations contained therein.

Donee may apply in writing to Donor for confirmation that a specific use or activity for all or a portion of the Property will not violate these conditions, and Donor shall respond within a reasonable time.

Donor reserves the right of return. If Donee should fail to comply with or fail to perform any of the conditions stated above or violate any of the conditions or agreements contained herein, and should such non-performance, failure or violation continue for a period of ninety (90) days after Donor shall have served written notice on Donee by certified or registered mail describing the non-performance, failure or violation, then Donor shall have the right to revoke or dissolve this act of donation. Failure to strictly and promptly enforce the conditions and other obligations imposed by this act of donation shall not operate as a waiver of rights, and either party expressly reserves the right always to strictly enforce such conditions, and other obligations, regardless of any indulgences or extensions.

Any successor in interest to Donee shall be bound by the obligations of this act of donation. In the event Donee is dissolved, merged or ceases to exist in such a manner that its successor to the Property is not an institution, agency or public body devoted to the same purposes, or for whatever reason is not bound by the obligations of this act of donation, the act of donation shall be considered revoked and the Property shall revert to Donor or its successor.

If any provisions of this act of donation should be unenforceable or against public policy, that provision shall be reformed to the extent necessary to make it enforceable or to remove such invalidity, or such provision shall be stricken if necessary and the remaining provisions shall be valid and enforceable and given effect to the fullest extent possible.

No alteration, amendment, change or addition to this act of donation shall be binding unless reduced to writing and executed by authentic act or other form proper for donations of immovable property in Louisiana.

ALSO TO THESE PRESENTS comes the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, through its President of the Louisiana State University System, F. King Alexander, who declares that he accepts, on behalf of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, this donation with gratitude and accepts delivery of the Property described hereinabove.

All agreements herein and all obligations herein assumed shall inure to the benefit of and be binding upon the successors and assigns of the respective parties.

No title examinations were requested from or provided by the undersigned Notaries, and the description of said Property is provided by the parties.

This act of donation may be signed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one agreement.

THUS DONE, READ AND SIGNED by the Donor in the City of Baton Rouge, State of Louisiana, in the presence of the undersigned competent witnesses, who have hereunto signed their names with Donor and me, Notary, on this \_\_\_\_ day of \_\_\_\_\_, 2019.

**WITNESSES TO ALL SIGNATURES:**

**THE BURDEN FOUNDATION:**

Name: \_\_\_\_\_

\_\_\_\_\_  
**Tom J. Meek, Jr., President**

Name: \_\_\_\_\_

\_\_\_\_\_  
**Notary Public**  
Name: \_\_\_\_\_  
La. Bar Roll Number: \_\_\_\_\_  
My Commission is for Life



THUS DONE, READ AND SIGNED by Donee in the City of Baton Rouge, State of Louisiana, in the presence of the undersigned competent witnesses, who have hereunto signed their names with Donee and me, Notary, on this \_\_\_\_ day of \_\_\_\_\_, 2019.

**WITNESSES TO ALL SIGNATURES:**

**BOARD OF SUPERVISORS OF  
LOUISIANA STATE UNIVERSITY  
AND AGRICULTURAL AND  
MECHANICAL COLLEGE**

\_\_\_\_\_  
**Name:** \_\_\_\_\_

\_\_\_\_\_  
**F. King Alexander,  
President, LSU System**

\_\_\_\_\_  
**Name:** \_\_\_\_\_

\_\_\_\_\_  
**Notary Public**  
**Name:** \_\_\_\_\_  
**La. Bar Roll Number:** \_\_\_\_\_  
**My Commission is for Life**

## **Exhibit "A"**

### **Legal Description of Property**

A certain tract or parcel of land, together with all improvements thereon, containing 1.000 acres and designated as **TRACT "A-1-B"** on a survey made by William C. Monroe, Registered Professional Land Surveyor, dated September 4, 2015, entitled "Map Showing Subdivision of Tract "A-1" into Tract "A-1-A", Tract "A-1-B", Tract "A-1-C" and Tract "A-1-D" Being a Portion of The W.P. Burden, Sr. Property Located in SECTION 41 T-7-S R-1-E GREENSBURG LAND DISTRICT EAST BATON ROUGE PARISH LOUISIANA For The Burden Foundation and Louisiana State University," a copy of which survey has been filed in the records of East Baton Rouge Parish, Louisiana, on September 10, 2015 at Original 162, Bundle 12680.

TOGETHER WITH all rights, ways, appurtenances, and privileges pertaining to that property but subject to all servitudes and other matters of record, including, but not limited to those servitudes and other notations shown on the survey referred to above.



**Request from LSU AgCenter to Approve a First Amendment to Ground Lease Agreement for Solar Energy Generation and a Servitude Agreement related thereto at Southeast Research Station, Washington Parish, Franklinton, Louisiana**

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

Pursuant to Article VII, Section 1 of the By-Laws of the Louisiana State University Board of Supervisors, this matter is a "significant Board matter."

1.C. Lease of Immovable Property

**1. Summary of the Matter**

In May 2016, the LSU Board of Supervisors approved a request from the LSU AgCenter to approve the lease of a portion of the Southeast Research Station property for developing a utility scale Solar Photovoltaic Generating System ("Solar Farm"). The proposed parcel of land available for lease included up to approximately 531 acres of the total of approximately 832 acres at that location.

The LSU AgCenter solicited proposals from top solar development firms using a competitive process and selected Iris Solar, LLC as the successful proposer. The Ground Lease Agreement for Solar Energy Generation was entered into effective as of August 1, 2016.

Iris Solar, LLC performed due diligence at the location and determined that a portion of the property constitutes wetlands. As a result, Iris Solar has asked for a revision of the area to be leased. It is proposed that the total leased area now will contain 492.104 acres including the portion that has been determined to be a wetland area. The wetland area cannot be used for production of solar energy, so a lower rental will be paid on the portions that cannot be used for solar panels, but the rental has been adjusted in such a way to ensure that the LSU AgCenter will receive a minimum of \$264,000.00 per year, once the Solar Farm goes on-line, which is the amount that was payable under the original ground lease. There are other relatively minor revisions proposed to the lease including revisions to the construction sections addressing construction on the leased property and revisions to the insurance requirements. The term of the lease of twenty-six (26) years remains the same, with two (2) additional renewal terms of seven (7) years each. The amendment will allow Iris Solar to renew at its sole option, instead of such extensions requiring the mutual consent of LSU and Iris Solar.

In addition, Entergy Louisiana, LLC will need to place a substation in the area in order to connect the solar project to the existing transmission system, which is the 115 KV line that runs across the LSU AgCenter property. The existing line will be cut, and the transmission will be re-routed to run in and out of the substation, which will be adjacent to the existing transmission line. The solar facility will feed power into the electrical grid by way of the new substation. Because the substation will become an integral part of the transmission system, Entergy requires a perpetual servitude for the substation which servitude is an exclusive servitude over approximately 1.65 acres. The consideration for the servitude, in addition to the construction of the Solar Farm, will be the one-time payment of \$20,000.00. The amount is based on an appraisal that was performed. The consideration is stated in a separate letter of agreement between the parties. The perpetual substation servitude will be granted to Iris Solar, and Iris Solar will transfer it to Entergy. Also granted will be a non-exclusive access servitude to access the substation and a temporary construction servitude.

## **2. Review of Business Plan**

This lease will generate revenue for the LSU AgCenter to be utilized to address budget shortfalls and/or supplement other priority programs.

## **3. Fiscal Impact**

The lease is anticipated to provide approximately \$25,000.00 per year (fair market rate for cattle pasture lease) in revenue during the development phase (approximately five (5) years) and at least \$264,000.00 per year once constructed and on-line. The consideration for the servitude is for a one-time payment of \$20,000.00.

## **4. Description of Competitive Process**

Iris Solar, LLC was chosen through a competitive process in 2016.

## **5. Review of Legal Documents**

- First Amendment to Ground Lease Agreement for Solar Energy Generation between the LSU Board of Supervisors and Iris Solar, LLC.
- Servitude and Right of Way Agreement between LSU Board of Supervisors and Iris Solar, LLC.

The above listed documents have been provided to General Counsel's office.

## **6. Parties of Interest**

- Board of Supervisors of Louisiana State University and Agricultural and Mechanical College
- LSU AgCenter
- Iris Solar, LLS, and its parent company DESRI Iris Holding, LLC;
- D. E. Shaw Renewable Investments, an affiliate of DESRI Iris Holdings, LLC; and
- Entergy Louisiana, LLS.

## **7. Related Transactions**

None, other than the original lease to Iris Solar, LLC.

## **8. Conflicts of Interest**

None.

## **ATTACHMENTS**

- I. Vice President Letter
- II. First Amendment to Ground Lease Agreement for Solar Energy Generation
- III. Servitude and Right of Way Agreement
- IV. Letter Agreement for Substation Servitude

## **RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby authorize F. King Alexander, President of Louisiana State University, or his designee, to execute a First Amendment to Ground Lease Agreement

for Solar Energy Generation, a Servitude and Right-of-Way Agreement and Letter Agreement for Substation Servitude each being between the LSU Board of Supervisors and Iris Solar, LLC.

**BE IT FURTHER RESOLVED** that F. King Alexander, President of Louisiana State University, or his designee, is authorized by and empowered for and on behalf of and in the name of the LSU Board of Supervisors, in consultation with General Counsel, to include in the First Amendment to Ground Lease for Generation of Solar Energy, in the Servitude and Right-of-Way Agreement and in the Letter Agreement for Substation Servitude any and all provisions and stipulations that he may deem to be in the best interest of the LSU Board of Supervisors, and any such documents executed by F. King Alexander or his designee, shall conclusively be deemed as duly authorized by and acts of the LSU Board of Supervisors.



Office of Vice President for Agriculture

101 J. Norman Efferson Hall  
 Baton Rouge, LA 70803-0106  
 (225) 578-4161  
 FAX: (225) 578-4143

August 12, 2019

Dr. F. King Alexander, President  
 LSU System  
 3810 West Lakeshore Drive  
 Baton Rouge, LA 70808

RE: **Significant Board Matter**  
 First Amendment to Ground Lease and Servitude Agreement – Solar Farm Development  
 Southeast Research Station  
 Washington Parish  
 Franklinton, Louisiana

Dear Dr. Alexander:

In May 2016, the LSU Board of Supervisors approved a request from the LSU AgCenter to approve the lease of a portion of the Southeast Research Station property for developing a utility scale Solar Photovoltaic Generating System ("*Solar Farm*"). The proposed parcel of land available for lease included up to approximately 531 acres of the total of approximately 832 acres at that location. The LSU AgCenter solicited proposals from top solar development firms using a competitive process and selected Iris Solar, LLC as the successful proposer. The Ground Lease Agreement for Solar Energy Generation was entered into effective as of August 1, 2016.

Iris Solar, LLC performed due diligence at the location and determined that a portion of the property constitutes wetlands. As a result, Iris Solar has asked for a revision of the area to be leased. It is proposed that the total leased area now will contain 492.104 acres including the portion that has been determined to be a wetland area. The rental has been adjusted in such a way to ensure that the LSU AgCenter will receive a minimum of \$264,000.00 per year, once the Solar Farm goes on-line, which is the amount that was payable under the original ground lease. There are other relatively minor revisions proposed to the lease detailed in Summary of the Matter. The term of the lease has not been changed.

In addition, Entergy Louisiana, LLC will need to place a substation in the area in order to connect the solar project to the existing transmission system, which is the 115 KV line that runs across the LSU AgCenter property. The existing line will be cut, and the transmission will be re-routed to run in and out of the substation, which will be adjacent to the existing transmission line. The solar facility will feed power into the electrical grid by way of the new substation. Because the substation will become an integral part of the transmission system, Entergy requires a perpetual servitude for the substation which servitude is an exclusive servitude over approximately 1.65 acres.

The AgCenter is further requesting the Board of Supervisors to authorize and empower you at this time to sign any subsequent lease(s) regarding this parcel of property at the Southeast Research Station which you believe is in the best interest of LSU.

DANNY KACH'S FIRST AMENDMENT (07-09-19)  
 D R A F T OF 8/13/2019 2:32 PM

**FIRST AMENDMENT TO GROUND LEASE AGREEMENT  
 FOR SOLAR ENERGY GENERATION**

This **FIRST AMENDMENT TO GROUND LEASE AGREEMENT FOR SOLAR ENERGY GENERATION** (this "*Amendment*") is effective as of the Effective Date (defined below), by and between **BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE**, a public constitutional corporation ("*Lessor*"), and **IRIS SOLAR, LLC**, a Delaware limited liability company ("*Lessee*").

**RECITALS:**

**A.** Lessor and Lessee entered into that certain Ground Lease Agreement for Solar Energy Generation dated August 1, 2016 (the "*Effective Date*") as evidenced by that certain Notice of Lease of even date recorded September 1, 2016 in Book 809, Page 458 in the Washington Parish, Louisiana Clerk's Office (collectively the "*Lease*"); and

**B.** Lessor and Lessee have agreed to make certain amendments and modifications to the Lease as expressly set forth in this Amendment.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee do hereby state, declare, establish and agree as follows:

**1. Recitals and Capitalized Terms.** The foregoing recitals are hereby incorporated herein by this reference. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Lease

**2. Amendments.**

**a. Recitals.** Recital A is hereby amended by deleting "440 acres" and replacing it with "492.104 acres."

**b. Options to Renew:** Article V is hereby deleted in its entirety and replaced with the following:

**Article V. Options to Renew.** Lessee may, upon written notice delivered sixty (60) days prior to expiration of the Term, extend the Term for up to two (2) additional renewal terms of seven years each (each a "*Renewal Term*"). The parties rights and obligations during the Renewal Terms shall be the same as those set forth in this Lease, including the Rent payable in the amounts set forth in Section 4.1.

**c. Article I. Lease of Property.** is amended to describe the Property leased as set forth on **Exhibit "1,"** and more fully shown on the map attached hereto as **Exhibit "2"**.

**d. Rent, Section 4.1** is deleted in its entirety and replaced with the following:

During the Development Term, Lessee shall pay Rent to Lessor for lease of the Property in the amount of FIFTY AND NO/100 DOLLARS (\$50.00) per acre per year computed on the basis of 492.104 acres to be payable on the first day of each Lease Year, which amount shall increase by two percent (2%) from the preceding Lease Year during each Lease Year of the Development Term. In addition, as Maintenance Rent During the Development Term, Lessee shall pay to Lessor FORTY-FIVE THOUSAND AND NO/100 DOLLARS (\$45,000.00) per year to cover Lessor's expense of maintenance of the Property During the Development Term as set forth in Article XI. Maintenance Rent During the Development Term shall be due and payable twice a year with one-half of the total annual amount due on the six (6) month anniversary and one-half of the total annual amount due on the twelve (12) month anniversary of the Effective Date, with the final payment prorated to reflect the final partial year of the Development Term.

Commencing on the Operating Period Commencement Date, Lessee shall pay Rent to Lessor in the full sum of SIX HUNDRED AND NO/100 DOLLARS (\$600.00) per acre per year for each acre of the Property covered by the Solar Facilities (the "Working Acreage"), which amount shall increase by two percent (2%) from the preceding Lease Year during each Lease Year of the Operational Term and any Renewal Term. Following substantial completion of the Solar Facilities, but prior to the Generation Commencement Date, the Parties shall amend this Lease to include an exhibit showing the Working Acreage for purposes of calculating Operating Term Rent. Notwithstanding anything herein to the contrary, Rent paid by Lessee during the Operational Term and any Renewal Term shall in no event be less than TWO HUNDRED SIXTY-FOUR THOUSAND AND NO/100 DOLLARS (\$264,000.00) per year, which amount shall increase by two percent (2%) from the preceding Lease Year during each Lease Year of the Operational Term and any Renewal Term.

Unpaid Maintenance Rent during the Development Term and unpaid Rent at any time during the Term of this Lease shall bear interest at a rate of five percent (5%) per annum from the date which is ten (10) days past the date on which it was due until paid. Except as otherwise set forth herein, in the event this Lease is cancelled or terminated pursuant to its terms during a Lease Year, the Rent shall be prorated accordingly. Rent during the Operational Term and any Renewal Term shall be payable annually on the first business day of each and every such applicable Lease Year. All Rent shall be payable to LSU AgCenter and delivered to the following location: LSU AgCenter, Office of Accounting Services, 103 Efferson Hall, 110 LSU Union Square, Baton Rouge, Louisiana 70803.

- e. **Plans and Specifications/Change Orders.** Section 6.2 is hereby modified by deleting subsection (2) from the definition of "Material Change Order" contained therein.
- f. **Payment and Performance Bonds and Security.** Notwithstanding anything in the Lease to the contrary, including without limitation the terms and conditions of Sections 6.4, 6.5 and 6.11, which Sections remain in effect, the total amount of the Payment and Performance Bonds and other security required to be obtained by Lessee or its Contractor is the full amount of the maximum contract price of Lessee's general contractor's contract (as such contract price may be increased or decreased from time to time by change orders and amendments).
- g. **Fencing.** Lessee may fence part or all of the perimeter of the Solar Facilities as a part of the Work, and as soon as possible after the completion of the site work, shall fence the entire perimeter of the Property (including the Rainwater Collection Area). Any fence, if applicable, shall include a gate for Lessor to access, at a location reasonably acceptable to Lessor, the Rainwater Collection Area, and Lessor may construct a second internal fence around the Rainwater Collection Area during the occurrence of Rainwater Collection Activities. Upon receipt by Lessee of written notice from Lessor that the Rainwater Collection Activities have terminated, Lessor may remove the structures in the Rainwater Collection Area and Lessee may, at any time thereafter, remove any such internal fencing around the Rainwater Collection Area.
- h. **LSU Rules and Regulations; Access During Construction.** The following sentence is hereby added to Section 6.8: "Lessee's obligation to comply with all Lessor and LSU AgCenter regulations, policies, and mandates in this Section 6.8 is conditioned on Lessor first providing written notice to Lessee of such regulations policies and mandates."



- i. On-Site Construction Inspector.** The first sentence of Section 6.12 is hereby amended by adding the following to the end of the sentence: "; provided, in no event shall the cost and expense of such inspector or clerk exceed Five Thousand and No/100 Dollars (\$5,000.00) per month, or Forty-Five Thousand and No/100 Dollars (\$45,000.00) in the aggregate."
- j. Future Construction, Alterations or Additions.** Section 6.16 is hereby modified by deleting the following phrase: "(2) adversely alter the quality of the Solar Project."
- k. Insurance.** Sections 10.1, 10.2 and 10.3 are hereby deleted in their entirety and replaced with the following:

**10.1 Required Insurance, Types and Amounts.** Throughout the Term of this Lease, Lessee shall at all times maintain or cause to be maintained, with respect to the Property and the Improvements, insurance in the following types and amounts. Such insurance shall be with insurance companies duly licensed to do business in the State of Louisiana and bearing a rate of A-VIII or better through the A. M. Best Company.

| TYPE   | AMOUNT  |
|--|---|
| To the extent there are completed, insurable improvements on the Property, Property Insurance for loss or damage to the Improvements and the Solar Facilities by fire, lightning, earthquake, collapse, vandalism and malicious mischief, flood and storm surge and other perils as included at a minimum, the ISO CP 1030 Causes of Loss – Special Form or equivalent.  | 100% repair or replacement (including cost of demolition and debris removal) cost of the Improvements and the Solar Facilities, subject to customary sublimits, less a commercially reasonable deductible acceptable to the LSU Representative, but without allowance for depreciation. |
| Commercial General Liability Insurance for the following where the exposure exists:<br>(a) Property-operations<br>(b) broad form Lease liability<br>(c) Products and Completed operations<br>(d) use of Contractors and subcontractors<br>(e) personal injury (bodily injury and death)<br>(f) broad form property damage<br>(g) explosion, collapse and underground property damage<br>(h) independent Contractors<br>(i) sprinkler leakage legal liability | Limits in an amount not less than:<br><br>\$1,000,000.00 per occurrence;<br>\$2,000,000.00 General Aggregate; and<br>\$5,000,000.00 Products & Completed Operations Aggregate; less a commercially reasonable deductible. "Claims Made" form is not acceptable.                         |
| Business Automobile Liability Insurance for bodily injury and property damage, covering owned  | Combined single limit of One Million Dollars (\$1,000,000.00) per occurrence  |

| TYPE  | AMOUNT  |
|---|---|
| automobiles, hired automobiles and leased automobiles.  |   |
| Worker's Compensation & Employer's Liability Insurance  | Limits as required by the Labor Code of the State of Louisiana and Employer's Liability coverage. |
| Business Interruption Insurance Commercial Property policy shall contain standard ISO forms (or similar) provisions insuring loss of "Business Income" (including, if applicable and insurable, rental income) and "extra expense" sustained due to the necessary suspension of insured's operations (for up to a 12-month period-of-restoration/indemnity-period/) due to direct physical damage to or loss of property covered under the policy. Reasonable time element deductible up to 30 days is allowed. | 12 months guaranteed revenue  |

**102 Additional Insurance Requirements During the Work.**

Unless otherwise approved in writing by the LSU Representative, during any Work, the Lessee shall maintain or require its Contractor(s) to maintain the following insurance in addition to the coverages provided by 10.1 above:

**10.2.1 Builders Risk Insurance.** Lessee or Contractor shall provide a Builder's Risk Insurance Policy. The insurance shall afford property hazard insurance coverage against loss or damage by fire, lightning, explosion, earthquake, collapse, theft, sprinkler leakage, vandalism and malicious mischief and such other perils as are included in the ISO Causes of Loss – Special Form (CP 1030) or equivalent, and against such other insurable perils as, under good insurance practices, from time to time are insured against for properties of similar character and location, for not less than one hundred percent (100%) of the full replacement value of the Work, the Property, and/or the Improvements and the Solar Facilities under construction to protect against any damage or loss prior to the completion of the Work, including the Property and/or Improvements and/or Solar Facilities, subject to customary limits. This policy shall be taken out prior to commencement of construction of any Work and may be discontinued only upon the provision to the LSU Representative by Lessee of written notice of Substantial Completion of all Work. The coverage shall include a sublimit for the architect's and engineer's fees to provide plans, specifications and supervision of Work for the repair and/or replacement of property damage following a loss during construction. A certificate of insurance as evidence of such insurance shall be provided to the LSU Representative prior to commencement of any Work. The policy shall include coverage for the insurable interests, if any, of Lessor, the LSU AgCenter, the Lessee and Lessee's Contractor(s), and any subcontractors as their interests may appear.

**10.2.2 General Liability and Property Damage Insurance.** Contractor(s), before commencing any Work, shall procure such comprehensive liability, including, but not limited to Commercial

General Liability, Personal and Advertising Injury Liability, Products and Completed Operations Liability and, to the extent Contractor is operating any vehicles on the Property, insurance for the operation of motor vehicles, which, subject to its terms, conditions and exclusions, will cover, to the extent allowed by law, the Lessee's, the Lessor's, the LSU AgCenter, and the architect's/engineer's legal liability (but not the architect's/engineer's professional liability) arising out of the Work performed by the Lessee, any of its Contractor(s) or subcontractors and by anyone directly or indirectly employed by any of them, for claims for damages for personal injury, including accidental death, as well as claims for property damage, including but not limited to damage to surrounding structures and buildings. Unless otherwise agreed to in writing by the Lessor, such policy or policies of insurance shall provide minimum liability limits of One Million and 00/100 Dollars (\$1,000,000.00) per occurrence and Two Million and 00/100 Dollars (\$2,000,000.00) general aggregate, plus Excess (or Umbrella) Liability coverage of at least Four Million and 00/100 Dollars (\$4,000,000.00) in excess of the primary Commercial General Liability policy limits. Lessee shall also require its Contractor(s) and subcontractors to have in full force and effect a policy of workers' compensation and employer's liability insurance before proceeding with the construction under this Lease, which insurance shall be in compliance with the Louisiana Workers Compensation Act. Employer's liability coverage shall be included with a minimum limit of \$1,000,000 per accident/per disease/per employee.

**10.2.3 Architect's/Engineer's Design, Errors and Omissions.**

To the extent applicable, as reasonably determined by Lessor, Lessee shall provide to the Lessor evidence that any architect/engineer for the Work has procured architect's/engineer's design, errors and omissions insurance coverage for the Work in an amount of not less than \$1,000,000 per claim.

**10.2.4 Pollution Liability.** At all times during the Term, Lessee shall maintain, and at all times during any Work, Contractor shall maintain, Pollution Liability Insurance, including sudden and accidental releases and such insurance, shall be obtained by Lessee at the Effective Date of this Lease, and by its Contractor(s) prior to commencement of any Work. Each policy shall include a minimum limit of not less than \$1,000,000.00 per claim.

**10.3 Additional Insurance Requirements.** Lessee agrees that with respect to the above required insurance, Lessee shall: (a) Name Lessor, its board members, employees, and agents and the LSU AgCenter on all Commercial General Liability and Property Damage insurance policies as additional insureds and on all Property Damage insurance as loss payees (to the extent of their respective insurable interests), as applicable; (b) Provide Lessor with thirty (30) days advance notice, in writing, of any cancellation or material change in coverage of any required insurance except ten (10) days for nonpayment of premium; and (c) Prior to the Effective Date of this Lease, provide Lessor with a Certificate of Insurance evidencing the above required insurance provided, however, the Certificate of Insurance to be provided by Contractor shall be provided prior to commencement of any Work, and thereafter with certificates evidencing renewals or replacements of said policies or insurance at least ten (10) business days after the expiration or renewal of each policy.

**I. Condemnation.** The second to last sentence of Article XII is amended by adding the following to the end thereof:

including, but not by way of limitation, any claims Lessee, or anyone claiming under it, including, without limitation, any Mortgagee, may have, for: (a) the value of Lessee's leasehold estate and interests created by this Lease; (b) the value of any improvements and other personal property of Lessee that were condemned but which under the terms of this Lease Lessee is permitted to remove from the Property; (c) the unamortized cost of improvements of Lessee that are not so removable

by Lessee upon the termination of this Lease; and (d) any other claim that Lessee may be entitled to make.

- m. No Liability for Consequential Damages.** Section 15.6 is hereby deleted in its entirety and replaced with the following: "Notwithstanding anything in this Lease to the contrary, Lessee shall not be liable to Lessor for any consequential damages of any type except to the extent such damages arise from Lessee's gross negligence or intentional misconduct."
- n. No Liability for Consequential Damages.** Section 16.2 is hereby deleted in its entirety and replaced with the following: "Notwithstanding anything in this Lease to the contrary, Lessor shall not be liable to Lessee for any consequential damages of any type except to the extent such damages arise from Lessor's gross negligence or intentional misconduct."
- o. Assignment.** Article XVII is hereby deleted in its entirety and replaced with the following:

Notwithstanding anything to the contrary set forth in this Lease, Lessee and/or any Mortgagee shall not enter into a mortgage, collateral assignment, financing statement, or other security interest, or encumber this Lease or the Solar Facilities or any interest herein (collectively "Mortgage"), nor may Lessee or any Mortgagee assign or sublet all or any part of the Property or lease the Solar Facilities, or any part thereof, to any person or entity without the prior written consent of the LSU Representative, which consent shall not be unreasonably withheld or delayed; provided, however, no such consent shall be required for any first priority Mortgage to a third party for financing purposes or for any foreclosure, assignment in lieu of foreclosure, subsequent assignment by such third party or other exercise of remedies thereunder if the Mortgagee, sublessee, assignee or other party acquiring rights in this Lease: (i) cures all defaults of Lessee hereunder that are reasonably susceptible of being cured, and (ii) assumes all liability of Lessee accruing under this Lease after the effective date of such acquisition of rights. Lessor or Lessee, as the case may be, shall not be released from any liability as to the terms of this Lease by any assignment or sublease unless the assignee agrees to assume all obligations hereunder and such release is specifically agreed to in writing by the other party to this Lease. If requested by Lessee, Lessor agrees to negotiate in good faith a servitude for up to two (2) one hundred foot (100') corridors over the Leased Premises with an affiliate of Lessee that is developing an energy generation and/or storage facility on nearby property for the purpose of connecting electrical and communications lines to the substation

- p. Estoppel Certificates.** Section 18.1.4 is hereby revised by adding the following: "If requested by Lessee, Lessor will address the estoppel certificate to any Mortgagee or prospective Mortgagee of Lessee."
- q. Lessee's Right to Terminate.** The following is hereby added to Section 22.28:

Notwithstanding the foregoing to the contrary, if a casualty or fire not caused by the negligence of Lessee or its invitees, customers, contractors, employees, affiliates, or agents, damages or destroys Solar Facilities where the replacement cost of such damaged or destroyed Solar Facilities is equal to or exceeds fifty percent (50%) of the replacement cost of all Solar Facilities installed on the Property, and Lessee terminates pursuant to this Section 22.28 before rebuilding such Solar Facilities, then Lessee shall not be required to continue to pay Operational Term Rent to Lessor through (but not including) the (10<sup>th</sup>) anniversary of the Operational Term commencement date.

- r. Legal Description of the Leased Property and Rainwater Collection Area.** Exhibits "A " and Exhibit "A-1" to the original Lease are hereby deleted in their entirety and replaced with **Exhibit "1,"** the legal description of the leased Property, and **Exhibit "2,"** which is the surveyor's drawing of the leased Property and which shows the Rainwater

Collection Area and the Primary Access to the Rainwater Collection Area both located within the Property.

- s. **Definition of Rent.** The definition of "Rent" in **Exhibit " \_ "** Definitions is hereby modified by adding ". . . and all Maintenance Rent During the Operational Term."

**3. Servitude and Right-of-Way Agreement.** It is specifically acknowledged by Lessor that the Servitude and Right-of-Way Agreement between Lessor (as Grantor) and Lessee (as Grantee) dated effective as of \_\_\_\_\_, 2019, granting personal servitudes to Lessee, will remain in effect after the termination of this Lease, but subject to the prescription of nonuse as provided by Louisiana law.

**4. Counterparts: Signatures.** This Amendment may be executed in any number of counterparts, and each executed counterpart shall have the same force and effect as an original instrument.

**5. Conflicts and Ratification.** In the event of any conflict between the terms of this Amendment and the Lease, the terms of this Amendment shall prevail. The Lease as amended and modified by this Amendment is ratified and confirmed by the parties and remains in full force and effect.

[SIGNATURE PAGES FOLLOW.]

*[Signature Page for Lessor to First Amendment to Ground Lease Agreement for Solar Energy Generation between the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College and Iris Solar, LLC]*

**IN WITNESS WHEREOF, Lessor, Board of Supervisors of Louisiana State University and Agricultural and Mechanical College** have executed this Amendment with as of the Effective Date.

**WITNESSES:**

**LESSOR:**

**BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
F. King Alexander, President  
Louisiana State University

\_\_\_\_\_  
Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

*[Signature Page for Lessee to First Amendment to Ground Lease Agreement for Solar Energy Generation between the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College and Iris Solar, LLC]*

**IN WITNESS WHEREOF, Lessee, Iris Solar, LLC,** have executed this Amendment with as of the Effective Date.

**WITNESSES:**

**LESSEE:**

**IRIS SOLAR, LLC**

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT "1"**  
**PROPERTY DESCRIPTION**  
**(Legal Description)**

That part of Section 16, the Southeast Quarter of Section 17, the Northeast Quarter of Section 20, and the North Half of Section 21, all in Township 3 South, Range 10 East, Parish of Washington, State of Louisiana, described as follows:

Beginning at the southeast corner of the North Half of the South Half of the Northeast Quarter of said Section 20 and the point of beginning located at coordinates N: 829,461.98, E: 3,633,381.24; thence South 89 degrees 19 minutes 28 seconds West, along the south line of said North Half of the South Half of the Northeast Quarter, a distance of 2660.92 feet to the southwest corner of said North Half of the South Half of the Northeast Quarter; thence North 00 degrees 44 minutes 29 seconds West, along the west line of the Northeast Quarter of said Section 20, a distance of 760.29 feet to a point on the southeasterly of the right of way line of County Highway 16; thence North 36 degrees 54 minutes 17 seconds East, along said southeasterly right of way line, a distance of 100.79 feet; thence North 41 degrees 21 minutes 42 seconds East, along said southeasterly right of way line, a distance of 1495.00 feet; thence North 48 degrees 37 minutes 13 seconds West, along said southeasterly right of way line, a distance of 20.00 feet; thence North 41 degrees 18 minutes 47 seconds East, along said southeasterly right of way line, a distance of 896.36 feet; thence North 48 degrees 41 minutes 13 seconds West, along said southeasterly right of way line, a distance of 15.00 feet; thence North 41 degrees 18 minutes 47 seconds East, along said southeasterly right of way line, a distance of 500.00 feet; thence South 48 degrees 41 minutes 13 seconds East, along said southeasterly right of way line, a distance of 5.00 feet; thence North 41 degrees 23 minutes 45 seconds East, along said southeasterly right of way line, a distance of 200.00 feet; thence North 48 degrees 31 minutes 13 seconds West, along said southeasterly right of way line, a distance of 5.00 feet; thence North 41 degrees 28 minutes 47 seconds East, along said southeasterly right of way line, a distance of 500.00 feet; thence South 48 degrees 31 minutes 13 seconds East, along said southeasterly right of way line, a distance of 20.00 feet; thence North 41 degrees 28 minutes 47 seconds East, a distance of 283.67 feet; thence South 88 degrees 08 minutes 36 seconds East, along said southeasterly right of way line, a distance of 61.49 feet; thence North 41 degrees 28 minutes 47 seconds East, along said southeasterly right of way line, a distance of 30.54 feet to the centerline of C C Road; thence South 37 degrees 46 minutes 00 seconds East, along said centerline, a distance of 140.03 feet; thence North 87 degrees 41 minutes 39 seconds East, a distance of 272.88 feet; thence North 39 degrees 49 minutes 11 seconds East, a distance of 269.83 feet; thence North 10 degrees 18 minutes 55 seconds West, a distance of 126.41 feet; thence North 46 degrees 37 minutes 01 second West, a distance of 103.57 feet; thence North 42 degrees 22 minutes 46 seconds East, a distance of 703.33 feet; thence North 47 degrees 58 minutes 09 seconds West, a distance of 192.32 feet, to said southeasterly right of way line;



thence North 41 degrees 28 minutes 47 seconds East, along said southeasterly right of way line, a distance of 566.92 feet; thence South 37 degrees 32 minutes 51 seconds East, a distance of 723.56 feet; thence South 24 degrees 17 minutes 08 seconds East, a distance of 264.85 feet; thence South 06 degrees 08 minutes 02 seconds East, a distance of 106.43 feet; thence South 16 degrees 19 minutes 06 seconds West, a distance of 163.93 feet; thence South 08 degrees 33 minutes 31 seconds East, a distance of 74.90 feet; thence South 20 degrees 22 minutes 08 seconds East, a distance of 102.59 feet; thence South 14 degrees 22 minutes 50 seconds East, a distance of 810.30 feet; thence South 72 degrees 21 minutes 46 seconds West, a distance of 246.85 feet; thence South 15 degrees 41 minutes 07 seconds East, a distance of 155.47 feet; thence North 74 degrees 53 minutes 56 seconds East, a distance of 1044.09 feet; thence North 14 degrees 16 minutes 45 seconds West, a distance of 155.90 feet; thence North 80 degrees 24 minutes 15 seconds East, a distance of 215.50 feet to a point hereinafter referred to as POINT A; thence South 86 degrees 26 minutes 45 seconds East, a distance of 1915.90 feet; thence South 73 degrees 35 minutes 58 seconds East, a distance of 347.71 feet; thence South 04 degrees 17 minutes 11 seconds East, a distance of 1017.30 feet, to the northeast corner of said Section 21; thence South 00 degrees 30 minutes 37 seconds East, along the east line of the Northeast Quarter of said Section 21, a distance of 2013.72 feet, to the southeast corner of the North Half of the South Half of the Northeast Quarter of said Section 21; thence South 89 degrees 11 minutes 19 seconds West, along the south line of said North Half of the South Half Northeast Quarter, a distance of 2637.61 feet to the southwest corner of said North Half of the South Half of the Northeast Quarter; thence North 00 degrees 39 minutes 03 seconds West, along the north/south quarter line of said Section 21, a distance of 2000.49 feet, to the north quarter corner of said Section 21; thence South 89 degrees 05 minutes 57 seconds West, along the north line of the Northwest Quarter of said Section 21, a distance of 1341.48 feet; thence South 02 degrees 35 minutes 09 seconds East, along the westerly property line described in Document No. 221949(Washington Parish Recorder's Office), a distance of 371.98 feet; thence South 01 degree 14 minutes 43 seconds West, continuing along said line, a distance of 1630.83 feet, to a point on the south line of said North Half of the South Half of the Northwest Quarter of Section 21; thence South 89 degrees 03 minutes 23 seconds West, along said south line of the North Half of the South Half of the Northwest Quarter, a distance of 1233.47 feet to the point of beginning.

**EXCEPTING:**

A strip of land known as Kat Kaw Road being 60.00 feet wide, over, under and across that part of the Northeast Quarter of Section 20 in Township 3 South, Range 10 East, Parish of Washington, State of Louisiana, the centerline as traveled is described as follows:

Beginning at the southeast corner of the North Half of the South Half of the Northeast Quarter of said Section 20 and the point of beginning located at coordinates N: 829,461.98, E: 3,633,381.24; thence South 89

degrees 19 minutes 28 seconds West, along the south line of said North Half of the South Half of the Northeast Quarter, a distance of 2615.11 feet to the centerline of Kat Kaw Road and the point of beginning of the centerline to be described; thence North 02 degrees 19 minutes 42 seconds East, a distance of 520.87 feet; thence northwesterly along a tangential curve concave to the southwest, having a central angle of 14 degrees 18 minutes 54 seconds, a radius of 750.00 feet for an arc distance of 187.38 feet; thence North 11 degrees 59 minutes 12 seconds West, tangent to said curve, for a distance of 107.07 feet to the southeasterly right of way line of County Highway 16 and said centerline there terminating.

The sidelines are to be prolonged or shortened to terminate at said south line North Half of the South Half of the Northeast Quarter and said southeasterly right of way line of County Highway 16.

ALSO EXCEPTING:

That part lying west of Kat Kaw Road.

ALSO EXCEPTING:

A strip of land known as C C Road being 60.00 feet wide, over, under and across that part of Section 16 and the North Half of Section 21 all in Township 3 South, Range 10 East, Parish of Washington, State of Louisiana, the centerline as traveled is described as follows:

Beginning at the southeast corner of the North Half of the South Half of the Northeast Quarter of said Section 20 and the point of beginning located at coordinates N: 829,461.98, E: 3,633,381.24; thence North 89 degrees 03 minutes 23 seconds East, along the south line of the North Half of the South Half of the Northwest Quarter of said Section 21, a distance of 1208.34 feet to the centerline of C C Road and the point of beginning of the centerline to be described; thence North 01 degree 51 minutes 17 seconds East, a distance of 1189.68 feet; thence North 01 degree 31 minutes 42 seconds West, a distance of 705.38 feet; thence northwesterly along a tangential curve concave to the southwest, having a central angle of 35 degrees 07 minutes 32 seconds, a radius of 850.00 feet for an arc distance of 521.10 feet; thence North 36 degrees 39 minutes 14 seconds West, tangent to said curve, for a distance of 276.43 feet; thence North 37 degrees 46 minutes 00 seconds West, a distance of 1426.48 feet to the southeasterly right of way line of County Highway 16 and said centerline there terminating.

The sidelines are to be prolonged or shortened to terminate at said south line North Half of the South Half of the Northwest Quarter and said southeasterly right of way line of County Highway 16.

ALSO EXCEPTING:

That part lying between the east right of way line of C C Road and the west line of the westerly property line per Document No. 221949.

ALSO EXCEPTING:

A strip of land known as Par Road 139 being 60.00 feet wide, over, under and across that part of Section 16 in Township 3 South, Range 10 East, Parish of Washington, State of Louisiana, the centerline as traveled is described as follows:

Beginning at the southeast corner of the North Half of the South Half of the Northeast Quarter of said Section 20 and the point of beginning located at coordinates N: 829,461.98, E: 3,633,381.24; thence North 89 degrees 03 minutes 23 seconds East, along the south line of the North Half of the South Half of the Northwest Quarter of said Section 21, a distance of 1208.34 feet to the centerline of C C Road; thence North 01 degree 51 minutes 17 seconds East, a distance of 1189.68 feet; thence North 01 degree 31 minutes 42 seconds West, a distance of 705.38 feet; thence northwesterly along a tangential curve concave to the southwest, having a central angle of 35 degrees 07 minutes 32 seconds, a radius of 850.00 feet for an arc distance of 521.10 feet; thence North 36 degrees 39 minutes 14 seconds West, tangent to said curve, for a distance of 276.43 feet; thence North 37 degrees 46 minutes 00 seconds West, a distance of 143.62 feet to the point of beginning of the centerline to be described; thence North 72 degrees 12 minutes 29 seconds East, a distance of 812.97 feet; thence North 73 degrees 22 minutes 29 seconds East, a distance of 658.06 feet; thence North 74 degrees 46 minutes 31 seconds East, a distance of 488.39 feet; thence northeasterly along a tangential curve concave the southeast, having a central angle of 18 degrees 26 minutes 18 seconds, a radius of 750.00 feet for an arc distance of 241.36 feet; thence South 86 degrees 47 minutes 11 seconds East, tangent to said curve, for a distance of 555.60 feet; thence South 83 degrees 04 minutes 52 seconds East, a distance of 620.20 feet; thence southeasterly along a tangential curve concave the northeast, having a central angle of 07 degrees 56 minutes 08 seconds, a radius of 1500.00 feet for an arc distance of 207.76 feet; thence North 88 degrees 58 minutes 59 seconds East, tangent to said curve, for a distance of 357.87 feet; thence southeasterly along a tangential curve concave the southeast, having a central angle of 14 degrees 17 minutes 41 seconds, a radius of 500.00 feet for an arc distance of 124.75 feet; thence South 76 degrees 43 minutes 20 seconds East, tangent to said curve, for a distance of 363.00 feet; thence southeasterly along a tangential curve concave the northeast, having a central angle of 13 degrees 16 minutes 40 seconds, a radius of 250.00 feet for an arc distance of 57.94 feet; thence North 90 degrees 00 minutes 00 seconds East, tangent to said curve for a distance of 12.71 feet to the east line of said Section 16 and said centerline there terminating.

The sidelines are to be prolonged or shortened to terminate at the northeasterly right of way line of C C Road and said east line of Section 16.

ALSO EXCEPTING:

That part lying north of Par Road 139 and east of POINT A.

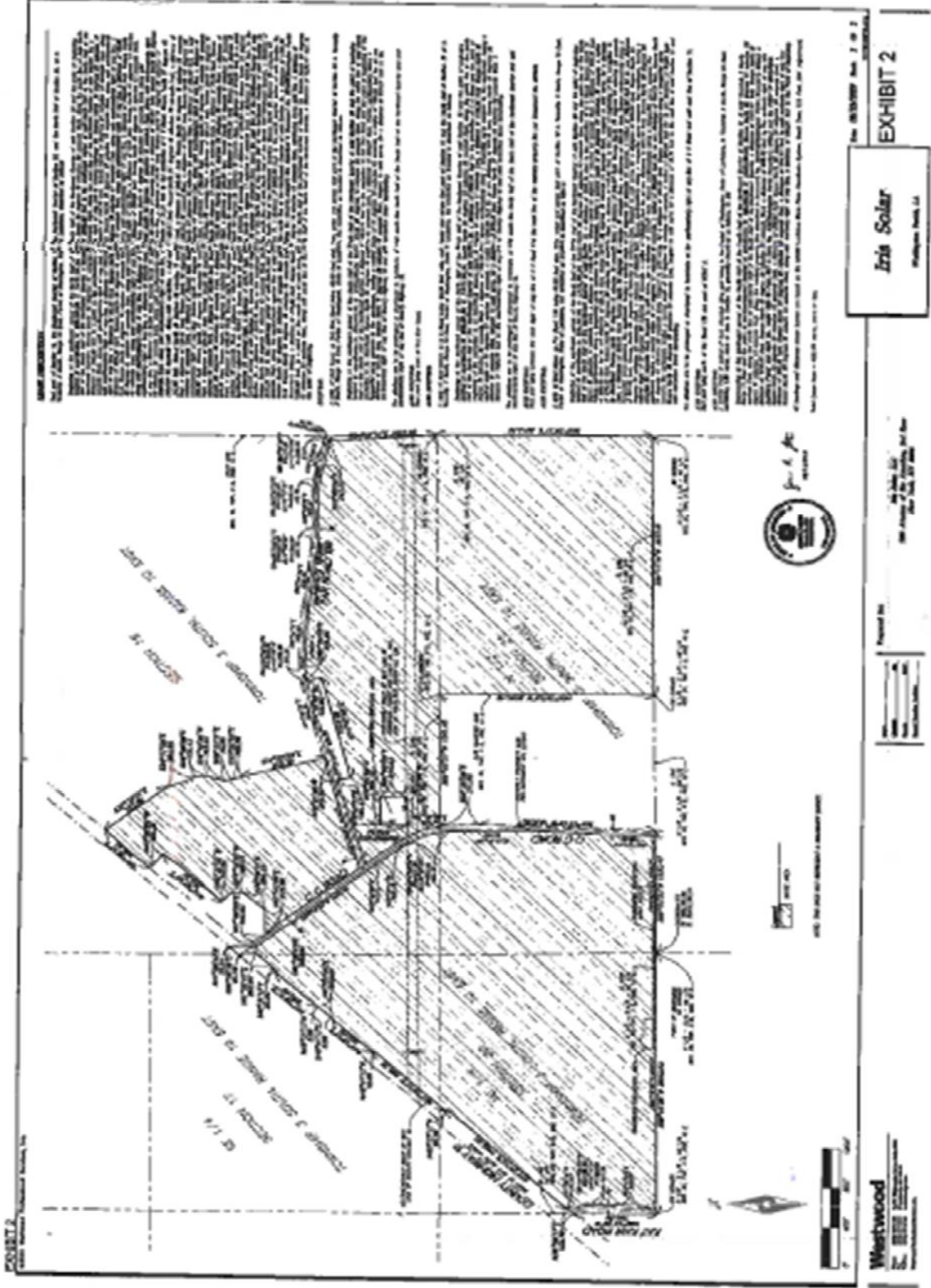
ALSO EXCEPTING:

A certain tract or parcel of land situated, lying and being in the Parish of Washington, State of Louisiana, in Township 3 South, Range 10 East, containing 1.65 acres, more or less in Section 16, generally described as follows, to wit:

Commencing at the southwest corner of the North Half of the South Half of the Northwest Quarter of Section 21 of said Township 3 South, Range 10 East and the point of commencement located at coordinates N: 829,461.98, E: 3,633,381.24; thence North 89 degrees 03 minutes 23 seconds East, along the south line of said North Half of the South Half of the Northwest Quarter, a distance of 1233.47 feet; thence North 01 degree 14 minutes 43 seconds East, along the westerly property line described in Document No. 221949(Washington Parish Recorder's Office), a distance of 1630.83 feet; thence North 01 degree 28 minutes 58 seconds West, a distance of 685.35 feet to the northerly right of way line Louisiana Power and Light Co., under COB 56 Folio 587 in Entry No. 439(Washington Parish Recorder's Office) and the POINT OF BEGINNING; thence North 00 degrees 00 minutes 45 seconds East, a distance of 249.84 feet; thence North 90 degree 00 minutes 00 seconds East, a distance of 289.95 feet; thence South 00 degrees 00 minutes 00 seconds East, a distance of 244.93 feet to said northerly right of way line; thence South 89 degrees 01 minute 44 seconds West, along said northerly right of way line, a distance of 290.04 feet to the Point of Beginning.

All bearings and distances shown hereon are based on the NAD83 Louisiana State Plane Coordinate System, South Zone, U.S. Feet, 2011 Adjustment.

Total Lease Area = 492.104 acres, more or less.



**GENERAL NOTES:**

1. ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
2. THE SHOWN SOLAR PANELS ARE BASED ON A 10% LOSS OF SPACE DUE TO ACCESS AND ROWS.
3. THE SHOWN SOLAR PANELS ARE BASED ON A 10% LOSS OF SPACE DUE TO ACCESS AND ROWS.
4. THE SHOWN SOLAR PANELS ARE BASED ON A 10% LOSS OF SPACE DUE TO ACCESS AND ROWS.
5. THE SHOWN SOLAR PANELS ARE BASED ON A 10% LOSS OF SPACE DUE TO ACCESS AND ROWS.
6. THE SHOWN SOLAR PANELS ARE BASED ON A 10% LOSS OF SPACE DUE TO ACCESS AND ROWS.
7. THE SHOWN SOLAR PANELS ARE BASED ON A 10% LOSS OF SPACE DUE TO ACCESS AND ROWS.
8. THE SHOWN SOLAR PANELS ARE BASED ON A 10% LOSS OF SPACE DUE TO ACCESS AND ROWS.
9. THE SHOWN SOLAR PANELS ARE BASED ON A 10% LOSS OF SPACE DUE TO ACCESS AND ROWS.
10. THE SHOWN SOLAR PANELS ARE BASED ON A 10% LOSS OF SPACE DUE TO ACCESS AND ROWS.

**Iris Solar**  
 Washington, D.C.

**EXHIBIT 2**

Prepared by: \_\_\_\_\_  
 Date: \_\_\_\_\_

**Westwood**  
 ENGINEERS & ARCHITECTS  
 1000 ...

**EXHIBIT "3"**  
**AMENDED NOTICE OF LEASE**

## AMENDED NOTICE OF LEASE

The following parties have entered into a First Amendment to Ground Lease for the Generation of Solar Energy of immovable property located in the Parish of Washington, State of Louisiana (the "Lease"). The parties record this notice of lease pursuant to La. R.S. 9:2742.

**1. NAMES OF PARTIES:**

Landowner: BOARD OF SUPERVISORS OF LOUISIANA  
STATE UNIVERSITY AND AGRICULTURAL AND  
MECHANICAL COLLEGE  
104B University Administration Bldg.  
3810 W. Lakeshore Dr.  
Baton Rouge, Louisiana 70808

Lessee: IRIS SOLAR, LLC  
1166 Avenue of the Americas, Ninth Floor  
New York, NY 10036

**2. EFFECTIVE DATE OF THE LEASE:** August 1, 2016

**3. PRIOR NOTICE OF LEASE FILED:** September 1, 2016 at COB 809, Page 458, File Number 2016-004068, records of Washington Parish, Louisiana.

**4. DESCRIPTION OF PROPERTY:**

See **Exhibits "1"** and **"2"** annexed hereto, which superseded and replaced the original property description and exhibits thereto.

**5. TERM OF LEASE**

The Lease provides for a base term of up to 26 years commencing on the Effective Date of the Lease.

**6. RENEWAL**

The Lease provides for two (2) renewal terms of seven (7) years each, exercisable by Lessee upon sixty (60) days' written notice prior to expiration of the Term.

**7. OPTION TO PURCHASE OR RIGHT OF FIRST REFUSAL**

None.

**8. CERTIFICATE.**

Third parties may contact the parties at the address stated above and the parties are authorized to certify whether the Lease is in full force and effect and the extent to which the obligations of the Lease have been performed.

This Amended Notice of Lease is executed by the parties hereto in accordance with the provisions of La. R.S. 9:2742, *et seq.* It is the intention of the parties hereto that this Amended Notice of Lease gives notice of the Lease. This Amended Notice of Lease may not be construed to otherwise grant any right in favor of or impose any obligation upon Landowner, Lessee, or any third party, it being the intention of the parties hereto that the rights and obligations of Landowner, Lessee and any third party be described solely in the Lease.

The Amendment to the Lease was executed effective September\_, 2019, and this Amended Notice of Lease is also executed effective September\_\_\_\_, 2019.

***[Remainder of Page Intentionally Left Blank; Signature Pages are Following.]***



*[Signature Page for Lessor, Board of Supervisors of Louisiana State University and Agricultural and Mechanical College to Amended Notice of Lease between the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, Lessor, and Iris Solar, L.L.C., Lessee]*

THUS DONE AND SIGNED before me, notary and the undersigned competent witnesses n this \_  
\_\_\_\_\_ day of \_\_\_\_\_, 2019 in Baton Rouge, Louisiana.

**WITNESSES:**

\_\_\_\_\_  
**Printed Name:** \_\_\_\_\_

\_\_\_\_\_  
**Printed Name:** \_\_\_\_\_

**LESSOR:**

**BOARD OF SUPERVISORS OF LOUISIANA  
STATE UNIVERSITY AND AGRICULTURAL  
AND MECHANICAL COLLEGE**

**By:** \_\_\_\_\_  
**F. King Alexander, President  
Louisiana State University**

\_\_\_\_\_  
**NOTARY PUBLIC**  
**PRINTED NAME:** \_\_\_\_\_  
**NOTARY/BAR ROLL NO.** \_\_\_\_\_  
**MY COMMISSION IS FOR LIFE.**

THUS DONE AND SIGNED before me, notary, and the undersigned competent witnesses on this \_\_\_\_\_ day of \_\_\_\_\_, 2019 in \_\_\_\_\_.

**WITNESSES:**

\_\_\_\_\_  
**Printed Name:** \_\_\_\_\_

\_\_\_\_\_  
**Printed Name:** \_\_\_\_\_

**LESSEE:**

**IRIS SOLAR, LLC**

By: \_\_\_\_\_

**David Zwillinger**  
**Authorized Signatory**

\_\_\_\_\_  
**NOTARY PUBLIC**

**PRINTED NAME:** \_\_\_\_\_

**NOTARY/BAR ROLL NO.** \_\_\_\_\_

**MY COMMISSION EXPIRES:** \_\_\_\_\_

**ACKNOWLEDGEMENT**

STATE OF LOUISIANA                   §  
  §  
PARISH OF EAST BATON ROUGE       §

IN WITNESS WHEREOF, on this \_\_\_\_ day of \_\_\_\_\_, 2019, before me, notary, appeared F. King Alexander, known to me to be the President of LOUISIANA STATE UNIVERSITY, and acknowledged that he signed this instrument on behalf of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, and in the presence of the foregoing witnesses after due reading of the whole.

\_\_\_\_\_  
F. King Alexander, President  
Louisiana State University

\_\_\_\_\_  
Notary Public  
Printed Name: \_\_\_\_\_  
Notary ID#: \_\_\_\_\_  
My Commission is for Life.

**ACKNOWLEDGEMENT**

STATE OF \_\_\_\_\_                   §  
  §  
COUNTY OF \_\_\_\_\_               §

IN WITNESS WHEREOF, on this \_\_\_\_ day of \_\_\_\_\_, 2019, before me, notary, appeared David Zwilling, known to me to be the Authorized Signatory of Iris Solar, LLC, and acknowledged that he signed this instrument on behalf of said company and in the presence of the foregoing witnesses after due reading of the whole.

\_\_\_\_\_  
Notary Public  
Printed Name: \_\_\_\_\_  
Notary ID#: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

**EXHIBIT "1"**  
**TO AMENDED NOTICE OF LEASE**

**PROPERTY DESCRIPTION**

That part of Section 16, the Southeast Quarter of Section 17, the Northeast Quarter of Section 20, and the North Half of Section 21, all in Township 3 South, Range 10 East, Parish of Washington, State of Louisiana, described as follows:

Beginning at the southeast corner of the North Half of the South Half of the Northeast Quarter of said Section 20 and the point of beginning located at coordinates N: 829,461.98, E: 3,633,381.24; thence South 89 degrees 19 minutes 28 seconds West, along the south line of said North Half of the South Half of the Northeast Quarter, a distance of 2660.92 feet to the southwest corner of said North Half of the South Half of the Northeast Quarter; thence North 00 degrees 44 minutes 29 seconds West, along the west line of the Northeast Quarter of said Section 20, a distance of 760.29 feet to a point on the southeasterly of the right of way line of County Highway 16; thence North 36 degrees 54 minutes 17 seconds East, along said southeasterly right of way line, a distance of 100.79 feet; thence North 41 degrees 21 minutes 42 seconds East, along said southeasterly right of way line, a distance of 1495.00 feet; thence North 48 degrees 37 minutes 13 seconds West, along said southeasterly right of way line, a distance of 20.00 feet; thence North 41 degrees 18 minutes 47 seconds East, along said southeasterly right of way line, a distance of 896.36 feet; thence North 48 degrees 41 minutes 13 seconds West, along said southeasterly right of way line, a distance of 15.00 feet; thence North 41 degrees 18 minutes 47 seconds East, along said southeasterly right of way line, a distance of 500.00 feet; thence South 48 degrees 41 minutes 13 seconds East, along said southeasterly right of way line, a distance of 5.00 feet; thence North 41 degrees 23 minutes 45 seconds East, along said southeasterly right of way line, a distance of 200.00 feet; thence North 48 degrees 31 minutes 13 seconds West, along said southeasterly right of way line, a distance of 5.00 feet; thence North 41 degrees 28 minutes 47 seconds East, along said southeasterly right of way line, a distance of 500.00 feet; thence South 48 degrees 31 minutes 13 seconds East, along said southeasterly right of way line, a distance of 20.00 feet; thence North 41 degrees 28 minutes 47 seconds East, a distance of 283.67 feet; thence South 88 degrees 08 minutes 36 seconds East, along said southeasterly right of way line, a distance of 61.49 feet; thence North 41 degrees 28 minutes 47 seconds East, along said southeasterly right of way line, a distance of 30.54 feet to the centerline of C C Road; thence South 37 degrees 46 minutes 00 seconds East, along said centerline, a distance of 140.03 feet; thence North 87 degrees 41 minutes 39 seconds East, a distance of 272.88 feet; thence North 39 degrees 49 minutes 11 seconds East, a distance of 269.83 feet; thence North 10 degrees 18 minutes 55 seconds West, a distance of 126.41 feet; thence North 46 degrees 37 minutes 01 second West, a distance of 103.57 feet; thence North 42 degrees 22 minutes 46 seconds East, a distance of 703.33 feet; thence North 47 degrees 58 minutes 09 seconds West, a distance of 192.32 feet, to said southeasterly right of way line; thence North 41 degrees 28 minutes 47 seconds East, along said southeasterly right of way line, a distance of 566.92 feet; thence South 37 degrees 32 minutes 51 seconds East, a distance of 723.56 feet; thence South 24 degrees 17 minutes 08 seconds East, a distance of 264.85 feet; thence South 06 degrees 08 minutes 02 seconds East, a distance of 106.43 feet; thence South 16 degrees 19 minutes 06 seconds West, a distance of 163.93 feet; thence South 08 degrees 33 minutes 31 seconds East, a distance of 74.90 feet; thence South 20 degrees 22 minutes 08 seconds East, a distance of 102.59 feet; thence

*[EXHIBIT "I" To Amended Notice of Lease Between the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College and Iris Solar, L.L.C.]*

South 14 degrees 22 minutes 50 seconds East, a distance of 810.30 feet; thence South 72 degrees 21 minutes 46 seconds West, a distance of 246.85 feet; thence South 15 degrees 41 minutes 07 seconds East, a distance of 155.47 feet; thence North 74 degrees 53 minutes 56 seconds East, a distance of 1044.09 feet; thence North 14 degrees 16 minutes 45 seconds West, a distance of 155.90 feet; thence North 80 degrees 24 minutes 15 seconds East, a distance of 215.50 feet to a point hereinafter referred to as POINT A; thence South 86 degrees 26 minutes 45 seconds East, a distance of 1915.90 feet; thence South 73 degrees 35 minutes 58 seconds East, a distance of 347.71 feet; thence South 04 degrees 17 minutes 11 seconds East, a distance of 1017.30 feet, to the northeast corner of said Section 21; thence South 00 degrees 30 minutes 37 seconds East, along the east line of the Northeast Quarter of said Section 21, a distance of 2013.72 feet, to the southeast corner of the North Half of the South Half of the Northeast Quarter of said Section 21; thence South 89 degrees 11 minutes 19 seconds West, along the south line of said North Half of the South Half Northeast Quarter, a distance of 2637.61 feet to the southwest corner of said North Half of the South Half of the Northeast Quarter; thence North 00 degrees 39 minutes 03 seconds West, along the north/south quarter line of said Section 21, a distance of 2000.49 feet, to the north quarter corner of said Section 21; thence South 89 degrees 05 minutes 57 seconds West, along the north line of the Northwest Quarter of said Section 21, a distance of 1341.48 feet; thence South 02 degrees 35 minutes 09 seconds East, along the westerly property line described in Document No. 221949(Washington Parish Recorder's Office), a distance of 371.98 feet; thence South 01 degree 14 minutes 43 seconds West, continuing along said line, a distance of 1630.83 feet, to a point on the south line of said North Half of the South Half of the Northwest Quarter of Section 21; thence South 89 degrees 03 minutes 23 seconds West, along said south line of the North Half of the South Half of the Northwest Quarter, a distance of 1233.47 feet to the point of beginning.

**EXCEPTING:**

A strip of land known as Kat Kaw Road being 60.00 feet wide, over, under and across that part of the Northeast Quarter of Section 20 in Township 3 South, Range 10 East, Parish of Washington, State of Louisiana, the centerline as traveled is described as follows:

Beginning at the southeast corner of the North Half of the South Half of the Northeast Quarter of said Section 20 and the point of beginning located at coordinates N: 829,461.98, E: 3,633,381.24; thence South 89 degrees 19 minutes 28 seconds West, along the south line of said North Half of the South Half of the Northeast Quarter, a distance of 2615.11 feet to the centerline of Kat Kaw Road and the point of beginning of the centerline to be described; thence North 02 degrees 19 minutes 42 seconds East, a distance of 520.87 feet; thence northwesterly along a tangential curve concave to the southwest, having a central angle of 14 degrees 18 minutes 54 seconds, a radius of 750.00 feet for an arc distance of 187.38 feet; thence North 11 degrees 59 minutes 12 seconds West, tangent to said curve, for a distance of 107.07 feet to the southeasterly right of way line of County Highway 16 and said centerline there terminating.

The sidelines are to be prolonged or shortened to terminate at said south line North Half of the South Half of the Northeast Quarter and said southeasterly right of way line of County Highway 16.

**ALSO EXCEPTING:**

That part lying west of Kat Kaw Road.

ALSO EXCEPTING:

A strip of land known as C C Road being 60.00 feet wide, over, under and across that part of Section 16 and the North Half of Section 21 all in Township 3 South, Range 10 East, Parish of Washington, State of Louisiana, the centerline as traveled is described as follows:

Beginning at the southeast corner of the North Half of the South Half of the Northeast Quarter of said Section 20 and the point of beginning located at coordinates N: 829,461.98, E: 3,633,381.24; thence North 89 degrees 03 minutes 23 seconds East, along the south line of the North Half of the South Half of the Northwest Quarter of said Section 21, a distance of 1208.34 feet to the centerline of C C Road and the point of beginning of the centerline to be described; thence North 01 degree 51 minutes 17 seconds East, a distance of 1189.68 feet; thence North 01 degree 31 minutes 42 seconds West, a distance of 705.38 feet; thence northwesterly along a tangential curve concave to the southwest, having a central angle of 35 degrees 07 minutes 32 seconds, a radius of 850.00 feet for an arc distance of 521.10 feet; thence North 36 degrees 39 minutes 14 seconds West, tangent to said curve, for a distance of 276.43 feet; thence North 37 degrees 46 minutes 00 seconds West, a distance of 1426.48 feet to the southeasterly right of way line of County Highway 16 and said centerline there terminating.

The sidelines are to be prolonged or shortened to terminate at said south line North Half of the South Half of the Northwest Quarter and said southeasterly right of way line of County Highway 16.

ALSO EXCEPTING:

That part lying between the east right of way line of C C Road and the west line of the westerly property line per Document No. 221949.

ALSO EXCEPTING:

A strip of land known as Par Road 139 being 60.00 feet wide, over, under and across that part of Section 16 in Township 3 South, Range 10 East, Parish of Washington, State of Louisiana, the centerline as traveled is described as follows:

Beginning at the southeast corner of the North Half of the South Half of the Northeast Quarter of said Section 20 and the point of beginning located at coordinates N: 829,461.98, E: 3,633,381.24; thence North 89 degrees 03 minutes 23 seconds East, along the south line of the North Half of the South Half of the Northwest Quarter of said Section 21, a distance of 1208.34 feet to the centerline of C C Road; thence North 01 degree 51 minutes 17 seconds East, a distance of 1189.68 feet; thence North 01 degree 31 minutes 42 seconds West, a distance of 705.38 feet; thence northwesterly along a tangential curve concave to the southwest, having a central angle of 35 degrees 07 minutes 32 seconds, a radius of 850.00 feet for an arc distance of 521.10 feet; thence North 36 degrees 39 minutes 14 seconds West, tangent to said curve, for a distance of 276.43 feet; thence North 37 degrees 46 minutes 00 seconds West, a distance of 143.62 feet to the point of beginning of the centerline to be described; thence North 72 degrees 12 minutes 29 seconds East, a distance of 812.97 feet; thence North 73 degrees 22 minutes 29

*[EXHIBIT "I" To Amended Notice of Lease Between the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College and Iris Solar, L.L.C.]*

seconds East, a distance of 658.06 feet; thence North 74 degrees 46 minutes 31 seconds East, a distance of 488.39 feet; thence northeasterly along a tangential curve concave the southeast, having a central angle of 18 degrees 26 minutes 18 seconds, a radius of 750.00 feet for an arc distance of 241.36 feet; thence South 86 degrees 47 minutes 11 seconds East, tangent to said curve, for a distance of 555.60 feet; thence South 83 degrees 04 minutes 52 seconds East, a distance of 620.20 feet; thence southeasterly along a tangential curve concave the northeast, having a central angle of 07 degrees 56 minutes 08 seconds, a radius of 1500.00 feet for an arc distance of 207.76 feet; thence North 88 degrees 58 minutes 59 seconds East, tangent to said curve, for a distance of 357.87 feet; thence southeasterly along a tangential curve concave the southeast, having a central angle of 14 degrees 17 minutes 41 seconds, a radius of 500.00 feet for an arc distance of 124.75 feet; thence South 76 degrees 43 minutes 20 seconds East, tangent to said curve, for a distance of 363.00 feet; thence southeasterly along a tangential curve concave the northeast, having a central angle of 13 degrees 16 minutes 40 seconds, a radius of 250.00 feet for an arc distance of 57.94 feet; thence North 90 degrees 00 minutes 00 seconds East, tangent to said curve for a distance of 12.71 feet to the east line of said Section 16 and said centerline there terminating.

The sidelines are to be prolonged or shortened to terminate at the northeasterly right of way line of C C Road and said east line of Section 16.

ALSO EXCEPTING:

That part lying north of Par Road 139 and east of POINT A.

ALSO EXCEPTING:

A certain tract or parcel of land situated, lying and being in the Parish of Washington, State of Louisiana, in Township 3 South, Range 10 East, containing 1.65 acres, more or less in Section 16, generally described as follows, to wit:

Commencing at the southwest corner of the North Half of the South Half of the Northwest Quarter of Section 21 of said Township 3 South, Range 10 East and the point of commencement located at coordinates N: 829,461.98, E: 3,633,381.24; thence North 89 degrees 03 minutes 23 seconds East, along the south line of said North Half of the South Half of the Northwest Quarter, a distance of 1233.47 feet; thence North 01 degree 14 minutes 43 seconds East, along the westerly property line described in Document No. 221949(Washington Parish Recorder's Office), a distance of 1630.83 feet; thence North 01 degree 28 minutes 58 seconds West, a distance of 685.35 feet to the northerly right of way line Louisiana Power and Light Co., under COB 56 Folio 587 in Entry No. 439(Washington Parish Recorder's Office) and the POINT OF BEGINNING; thence North 00 degrees 00 minutes 45 seconds East, a distance of 249.84 feet; thence North 90 degree 00 minutes 00 seconds East, a distance of 289.95 feet; thence South 00 degrees 00 minutes 00 seconds East, a distance of 244.93 feet to said northerly right of way line; thence South 89 degrees 01 minute 44 seconds West, along said northerly right of way line, a distance of 290.04 feet to the Point of Beginning.

All bearings and distances shown hereon are based on the NAD83 Louisiana State Plane Coordinate System, South Zone, U.S. Feet, 2011 Adjustment.

*[EXHIBIT "1" To Amended Notice of Lease Between the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College and Iris Solar, L.L.C.]*

Total Lease Area = 492.104 acres, more or less.



*[Exhibit "2" to First Amendment to Ground Lease Agreement between the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College and Iris Solar, LLC]*

**EXHIBIT "2"**  
**EXHIBIT 2 TO NOTICE OF LEASE**

**PLAT**



**SERVITUDE AND RIGHT OF WAY AGREEMENT**(Herein the "Agreement" or "Servitude Agreement")STATE OF LOUISIANA  
PARISH OF EAST BATON ROUGESTATE OF \_\_\_\_\_  
COUNTY/PARISH OF \_\_\_\_\_THIS AGREEMENT is made and entered into on the \_\_\_\_ day of \_\_\_\_\_, 2019  
(the "Effective Date"), by and between:

**Board of Supervisors of Louisiana State University and Agricultural and Mechanical College**, whose mailing address is 104B University Administration Bldg., 3810 E. Lakeshore Dr., Baton Rouge, LA 70808, represented herein by F. King Alexander, President of Louisiana State University (hereinafter referred to as "GRANTOR");

and

**IRIS Solar, LLC**, a Delaware limited liability company, whose mailing address is 1166 Avenue of the Americas, Ninth Floor, New York, NY 10036, represented herein by \_\_\_\_\_  
(hereinafter referred to as "GRANTEE").

**W I T N E S S E T H:**

**1.** GRANTOR, in consideration of the mutual covenants and agreements set forth below and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby grant to GRANTEE, its successors and assigns, the following personal servitude, including rights-of-way over, under, across, and through portions of GRANTOR's property situated in Washington Parish, Louisiana, being a portion of that certain property more particularly described as:

That certain tract or parcel of land located in Sections 16, 17, 20 and 21, Township 3 South, Range 10 East, Washington Parish, Louisiana, containing approximately 839.43 acres as shown on a map made by C. W. Shroder, dated September 16, 1947 attached hereto as **Exhibit "1"** (the "Property").

**A.** An exclusive personal servitude (hereinafter referred to as the "Substation Servitude") to survey, erect, lay, install, construct, maintain, use, alter, inspect, operate, repair, protect, replace and remove overhead and underground electrical transmission facilities and electric substation, including, but not limited to, poles, towers and other structures, guys, wires, cables, conduits, and appurtenances thereto, and all other necessary facilities, fixtures, structures, equipment, improvements, and appurtenances for the purpose of transporting and transmitting electricity (the "Transmission Facilities"), over, under, across and through the area of the Property

more particularly described and depicted on the plat attached hereto and made a part hereof as **Exhibit "2"** as the "Substation Servitude Area"; and

**B.** Non-exclusive personal servitude including right-of-way, 150 feet in width, fronting on C.C. Road and Parish Road 139 (hereinafter referred to as the "Access Servitude") for vehicular and pedestrian ingress and egress to and from the Substation Servitude Area, including the right to survey, erect, lay, install, construct, maintain, use, alter, inspect, operate, repair, protect, replace and remove access roads, and appurtenances thereto, over, under, across and through that portion of the Property described and depicted on the plat attached hereto and made a part hereof as **Exhibit "2"** as the "Access Servitude Area," and together with the Substation Servitude the "Servitude Area."

**2** GRANTEE shall have the additional right to use, only during such construction and installation of the Transmission Facilities, a temporary construction servitude 50 feet in total width around and extending from the perimeter of the Substation Servitude Area.

It is understood that included in the rights granted to GRANTEE herein, is the right of GRANTEE to install, over, under and across the Servitude Area, electrical transmission lines to and from the Substation Servitude and the Property boundary, and the right to maintain, use, operate, protect, remove, and replace such electrical transmission lines.

The location and description of the temporary construction servitude is shown on the plat attached hereto and made a part hereof as Exhibit "2" as the "Temporary Servitude Area."

The Substation Servitude Area, but not the Access Servitude Area or any Temporary Servitude Areas, may be fenced in whole or in part by GRANTEE. GRANTEE shall have exclusive use and possession of the Substation Servitude Area, and there shall be no right of use in, ingress to, or egress from, said right-of-way by GRANTOR. Except as to the Substation Servitude, GRANTOR shall have the right to use, cross over, and/or use the roads constructed on the Access Servitude Area.

All uses, which GRANTEE shall conduct on the Property, shall be done in a good and workmanlike manner and in accordance with accepted industry practices and standards and all governmental laws and regulations, including particularly all environmental rules and regulations. For the avoidance of doubt, Transmission Facilities are acknowledged and understood to be permitted uses.

**3** Subject to the terms and conditions set forth in this Agreement, GRANTOR grants to GRANTEE, its successors and assigns, the said personal servitudes above described as long as the same shall be used by GRANTEE for the purposes herein granted, together with the right of ingress, egress and regress over the property of GRANTOR for the purposes hereof, together with the right of GRANTEE to maintain said Servitude Area clear of trees, undergrowth, brush, and other obstructions so as to prevent damage to or interference with the efficient operation and patrol of the said servitudes; all at GRANTEE's sole cost and expense provided, however, the servitudes will terminate if GRANTEE has not commenced construction on or before August 1, 2022, of the Solar Facilities (herein "Solar Facilities") as provided in the Ground Lease Agreement for Solar

Energy Generation dated August 1, 2016, by and among GRANTEE and GRANTOR as amended, unless such date is extended in writing by GRANTOR.

**4** GRANTEE assumes all risks of and shall release, indemnify, defend and hold GRANTOR, its members, subsidiaries, affiliates, agents, employees, officers and insurers (individually each an "Indemnified Party" and collectively the "Indemnified Parties"), harmless from and against all third party claims, demands, actions, or suits, including but not limited to losses, damages, liabilities, costs, or expenses, including fines, penalties, court costs, reasonable attorneys' fees and any other expenses incident thereto of whatsoever kind or nature for or on account of any loss, damage, or injury arising out of the exercise of the rights granted herein, and/or relating to GRANTEE's use of GRANTOR's land, and/or the laying, maintaining, operations of, use of, changes in, alterations to, or removal of the Transmission Facilities.

Anything herein to the contrary notwithstanding, GRANTEE shall not be obligated to provide the above indemnity to an Indemnified Party, to the extent such claims, demands, actions or suits are caused in whole or in part by any Indemnified Party's gross negligence or willful misconduct.

In the event of any suit, action, arbitration or other proceeding, including any administrative proceedings, brought against any Indemnified Party for or on account of any item which GRANTEE is obligated hereunder to indemnify said Indemnified Party, GRANTOR shall promptly notify GRANTEE, and GRANTEE shall appear and defend said suit, action, arbitration or other proceeding at its sole cost and expense and shall pay and satisfy any judgment, penalty or fine that may be rendered therein by a final non-appealable court of competent jurisdiction against such Indemnified Party to the extent such Indemnified Party is indemnified herein, and GRANTEE agrees to abide by all laws, regulations, and policies applicable thereto.

**5** GRANTEE acknowledges that the lands covered and affected by these personal servitudes may be considered jurisdictional wetlands by the United States Army Corp of Engineers, and GRANTEE agrees to obtain all permits related thereto, as applicable.

**6** GRANTOR does not warrant title to the Property in any way, either express or implied, and GRANTOR makes no representations or warranties of any kind as to the condition, or suitability of the Property for any of the purposes contemplated in this Agreement or otherwise, and GRANTEE expressly waives and renounces any and all such warranties. To the best of GRANTOR's representative, Dale G. Frederick's, actual, personal knowledge and belief: (i) there are no hazardous materials (as defined in any applicable environmental laws) located on the Property in any amount which would require reporting under applicable environmental laws; and (ii) the Property has not been used for the generation, treatment, storage or disposal of hazardous materials.

**7** GRANTOR shall fully cooperate with GRANTEE, at no out-of-pocket expense to GRANTOR, with regard to GRANTEE's complying with or obtaining any land use permits and approvals, building permits, environmental impact reviews or any other approvals required for the financing, construction, installation, relocation, replacement, maintenance, operation or removal of any Transmission Facilities, including execution of applications for such approvals. In connection with any application by GRANTEE for a governmental use permit, approval,

authorization or other consent, or any governmental review of any previously issued permit, including, without limitation, for the installation, continued operation, modification or replacement of Transmission Facilities on the Property, GRANTOR agrees not to oppose, in any way, whether directly or indirectly, any such application or approval if granted, at any administrative, judicial or legislative level.

**8** If at any time after the original or any subsequent work by GRANTEE in the laying or maintaining of said line or in the operations hereunder and, as a result thereof, any road, headland, ditch or canal settles, caves or sloughs or otherwise becomes out of repair, GRANTEE shall make the necessary repairs and restorations on receipt of written notice from GRANTOR and, in the absence of flood, strike, insurrection or other conditions completely beyond GRANTEE's control, shall commence such repair or restoration work within thirty (30) days after receipt of such notice from GRANTOR and shall prosecute such work with diligence after its commencement.

**9** GRANTOR agrees that it will execute any additional documents and take any steps deemed necessary by GRANTEE, at GRANTEE's sole cost, as are reasonably necessary to carry out the terms and intent of this Agreement, including but not by way of limitation, amending this Agreement from time to time as needed to replace Exhibit 1 with an updated plat showing the Transmission Facilities, Substation Servitude, and Access Servitude, as mutually agreed upon.

**10** GRANTEE shall respect and not interfere with the use of all servitudes and rights-of-way presently existing on the Property and/or any of GRANTOR's other lands.

**11** GRANTEE and any of its permitted assignees may collaterally assign, mortgage or otherwise encumber its respective interest in this Agreement to a Financing Party (as hereinafter defined) under a Mortgage (as hereinafter defined). The term "Financing Party" means any institution (including any trustee or agent of behalf of such institution) providing debt or other financing (including lease financing) to or for the benefit of GRANTEE or their respective successors or assigns. The term "Mortgage" means any mortgage, deed of trust, deed to secure debt or other security instrument by which GRANTEE's interest in this Agreement or the right-of-way is collaterally assigned, mortgaged or otherwise encumbered to secure a debt or other obligation to a Financing Party. Each Financing Party who provides notice to GRANTOR of its Mortgage shall be referred to as "Mortgagee."

**12** GRANTOR shall execute subject to GRANTOR's reasonable approval, such estoppel certificates (certifying as to such matters as GRANTEE or any Mortgagee may reasonably request) and consent to any mortgage and/or collateral assignment permitted hereunder as GRANTEE or any Mortgagee may reasonably request from time to time. In addition, GRANTOR shall authorize, assist, and reasonably cooperate with GRANTEE to seek any Subordination, Non-Disclosure, and Attornment agreements from any mortgagee, lessee, secured creditor, or any other holder of any right, privilege, or encumbrance in or on the Servitude Area that is primary to or ranks higher than the servitudes granted herein.

**13** During the term of this Servitude Agreement, GRANTOR shall have no ownership or other interest in any Transmission Facilities installed on the Property or elsewhere, and GRANTEE may remove any or all Transmission Facilities or other facilities at any time. In

addition, GRANTEE shall control all decisions relating to the installation, operation, or maintenance of any Transmission Facilities or other facilities owned by GRANTEE; provided, however, GRANTEE must submit to GRANTOR the initial plans and specifications for the Transmission Facilities prior to beginning construction, and allow GRANTOR thirty (30) days from receipt to review and request changes to such initial plans and specifications. GRANTEE shall attempt, but shall have no obligation, to accommodate the reasonable changes requested by GRANTOR.

**14.** Upon completion and/or cessation of the use of the Property, and following written demand by GRANTOR, GRANTEE, at its sole cost, risk and expense, and within one hundred and eighty (180) days of such completion and/or cessation, shall promptly restore the surface of the Property to the condition it was in on the Effective Date as nearly as possible, reasonable wear and tear excepted. Such restoration shall include, without limitation, the following: (1) all surface facilities and/or property belonging to GRANTEE shall be removed; (2) all debris, waste or other materials and substances shall be hauled off of the Property; (3) GRANTOR shall perform any environmental remediation, if needed; (4) all areas shall be backfilled with "*dry dirt*" after being cleaned; and (5) the area in which operations have been conducted must be compacted so that its condition is equal to the adjoining land on which operations were not conducted. In the event that GRANTEE fails to promptly remove any surface facilities and/or property from the Property and perform any restoration work following written notice from GRANTOR as provided above, the surface facilities, underground facilities, and all other property of GRANTEE on the Property shall, at the option of GRANTOR, become the property of GRANTOR without compensation of any kind to GRANTEE; and/or GRANTOR may, at its option, remove and dispose of such facilities and/or property, and restore the Property at GRANTEE's cost and expense,

**15.** This instrument may be signed in any number of counterparts, each of which shall be binding on the party or parties so signing regardless of whether all of the owners join in the granting of this right-of-way and the failure of any party named herein as GRANTOR to sign this instrument shall not affect its validity as to those whose signatures appear hereon or on a counterpart hereof.

**16.** GRANTEE shall be liable for any and all damages suffered by GRANTOR and/or the Property or other property of GRANTOR located on or adjacent to the Property caused by GRANTEE's and/or its assigns and/or their respective employees, agents, contractors, permittees, and licensee's actions, including particularly for any environmental damage or claims.

**17.** It is understood and agreed that this Servitude Agreement does not constitute a conveyance of any part of the Land, the surface or surface rights of the Land or of the minerals therein and thereunder, but grants only the personal servitudes described.

**18.** All communications under or in connection with this Agreement shall be in writing and shall be sent by overnight mail delivery, telecopy or electronic mail, or personally delivered to the receiving party. All such communications shall be mailed, sent, or delivered to the following addresses:

If to **GRANTOR:** Board of Supervisors of Louisiana State University  
and Agricultural and Mechanical College

Attention: F. King Alexander, President  
Louisiana State University  
104B University Administration Bldg.  
3810 West Lakeshore Drive, Room 124  
Baton Rouge, LA 70808

with a copy to: Office of General Counsel  
3810 West Lakeshore Drive, Room 124  
Baton Rouge, LA 70808

With a copy to: LSU AgCenter:  
Attn: Dale G. Frederick  
Director of Facilities Planning  
207 J. Norman Efferson Hall  
Baton Rouge, LA 70803  
Email: dfrederick@agcenter.lsu.edu

if to **GRANTEE**: Iris Solar, LLC  
Attn: \_\_\_\_\_  
1166 Avenue of the Americas, Ninth Floor,  
New York, NY 10036  
Email: \_\_\_\_\_

The giving of any notice required under this Agreement may be waived in writing by the party entitled to receive the notice. All notices, demands, requests, consents, approvals, declarations, and other communications shall be deemed to have been duly given or served: (i) on the date on which it is personally delivered, provided that receipt is acknowledged in writing; (ii) on the date it was electronically mailed, provided that receipt is acknowledged by return e-mail; (iii) or on the date after the same has been sent by overnight courier service; or (iv) on the date it was sent by facsimile with a report showing that such facsimile was received by the receiving party. Any party may by notice given as aforesaid change its address for all subsequent notices and communications. If a notice is mailed, it must be sent as provided above.

**19.** The rights of GRANTEE hereunder may not be assigned, in whole or in part, without the prior written consent of GRANTOR, except that, with at least fifteen (15) days' prior written notice to GRANTOR, including a copy of the proposed assignment, and after sixty percent (60%) of the modules have been installed in the Solar Facilities, GRANTEE shall be entitled to assign this Servitude, in whole to any affiliate of GRANTEE, or to Entergy Louisiana, LLC, a regulated electric utility company, without the consent of GRANTOR. If GRANTOR's consent is required, GRANTOR'S consent shall not be unreasonably withheld. If assignment is agreed to, GRANTOR shall accept performance of any of GRANTEE's obligations hereunder by or at the instigation of any assignee of any rights granted hereunder as if the same had been done by GRANTEE. This agreement shall inure to the benefit of and shall extend to and be binding on the heirs, executors, administrators, successors, tenants and assigns of the parties hereto. Whenever the term GRANTOR or GRANTEE is used herein, it shall mean and apply, respectively, to GRANTOR's and GRANTEE's successors and assigns.



**20.** The failure of either party to enforce at any time any of the provisions of this servitude agreement, or to require at any time performance by the other party of its provisions, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this servitude agreement, or any parts thereof, or the right of either party to thereafter enforce all provisions thereof.

**21.** This Servitude Agreement shall inure solely to the benefit of the parties hereto and their respective successors and assigns and will not inure to the benefit of any third parties.

**22.** This Servitude Agreement shall be binding on any assignee or successor-in-title of GRANTOR, and any transfer of all or part of any interest in the Property by GRANTOR shall include a statement that the assignee, purchaser, or transferee of the Property acknowledges and agrees to be bound by the terms of this Servitude Agreement. Any assignment by GRANTEE shall include a statement that the assignee or transferee of such servitudes acknowledges, and agrees to be bound by the terms and conditions of this Servitude Agreement, in favor of GRANTOR.

**23.** This Servitude Agreement shall be governed by the laws of the State of Louisiana, without regard to any conflict of laws provisions.

**24.** This Servitude Agreement is the product of arms' length negotiations between and among the parties. No party shall be deemed to be the drafter of this Servitude Agreement or of any provision. No presumption shall be deemed to exist in favor of or against any party as a result of the preparation or negotiation of this Servitude Agreement.

**25.** Upon written request from GRANTOR, GRANTEE agrees to provide GRANTOR with copies of all title opinions, title commitments, and title policies rendered for GRANTEE and/or its lender(s) pertaining to GRANTOR's Property and copies of all surveys and plats made for GRANTEE depicting the Property or any part thereof.

**26.** This Servitude Agreement contains the entire agreement between the parties relating to the rights herein granted and the obligations herein assumed. No waiver, modification, or amendment of any of the provisions of this Servitude Agreement shall be binding unless it is in writing and signed by the duly authorized representatives of both parties.

**27.** This Agreement may be executed in multiple counterparts, which together shall constitute one complete Agreement.

*[Signature Pages Follow.]*

**IN WITNESS WHEREOF, GRANTOR, Board of Supervisors of Louisiana State University and Agricultural and Mechanical College,** has executed this Agreement as of the date written below in the presence of the undersigned witnesses.

**WITNESSES:**

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

**GRANTOR:**

**BOARD OF SUPERVISORS OF  
LOUISIANA STATE UNIVERSITY AND  
AGRICULTURAL AND MECHANICAL  
COLLEGE**

By: \_\_\_\_\_  
F. King Alexander, President  
Louisiana State University  
Date: \_\_\_\_\_

**IN WITNESS WHEREOF, GRANTEE, Iris Solar, LLC**, has executed this Agreement as of the date written below in the presence of the undersigned witnesses.

**WITNESSES:**

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

**GRANTEE:**

**IRIS SOLAR, LLC**

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

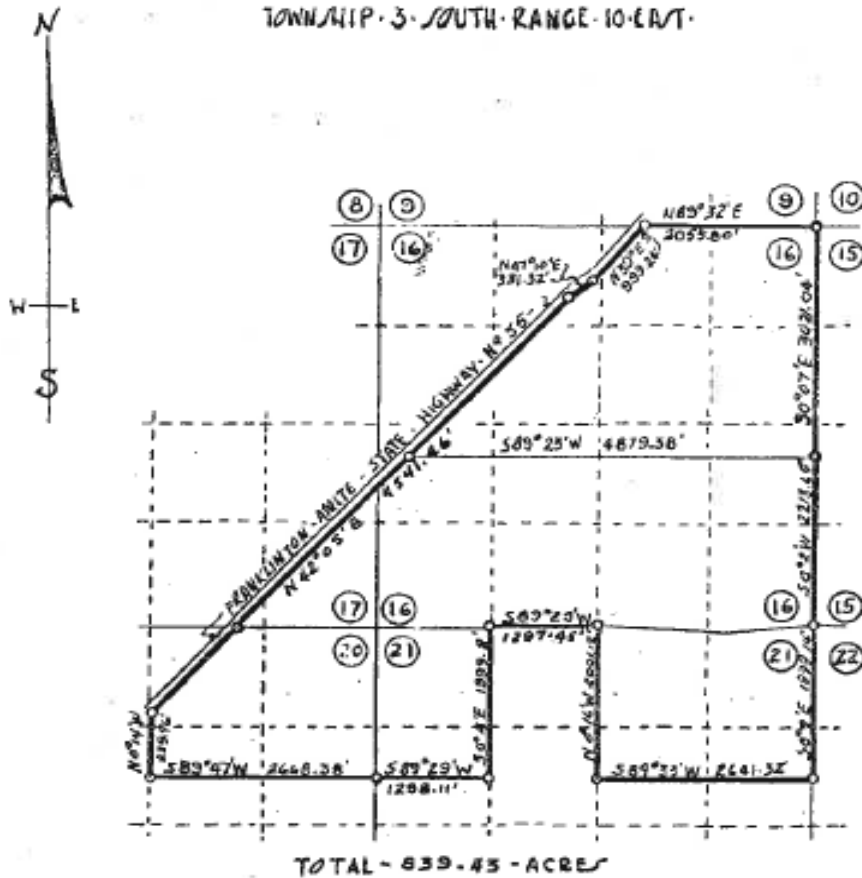




**EXHIBIT "1"**

SOUTHEAST LA DAIRY & LIVESTOCK  
EXPERIMENT STATION  
MAP SHOWING PROPERTY OWNED BY THE  
UNIVERSITY RESULTING FROM THE GAYLORD  
PURCHASE & DONATION

TOWNSHIP 3 SOUTH RANGE 10 EAST

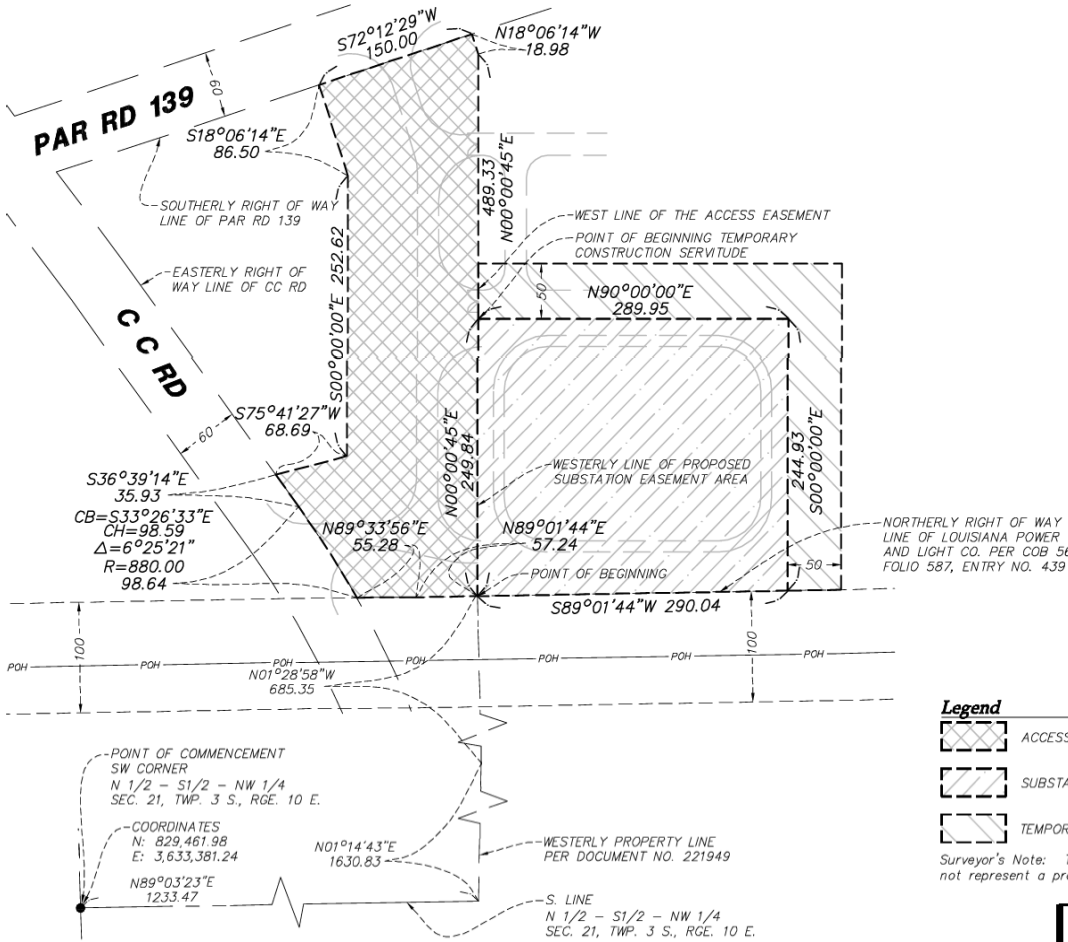


TOTAL - 839.43 - ACRES

Scale - 1" = 2000'

LOUISIANA STATE UNIVERSITY  
FROM THE OFFICE OF THE  
SPT. OF BLDGS. & GROUNDS  
Made by C.W. Shrader Sept. 16, 1947

**EXHIBIT "2"**



**ACCESS EASEMENT DESCRIPTION**

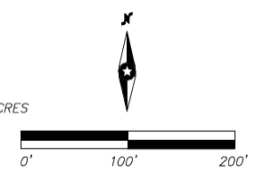
(SEE SHEET 2 FOR DESCRIPTION)

**SUBSTATION EASEMENT DESCRIPTION**

(SEE SHEET 2 FOR DESCRIPTION)



*Jason R. Latzke*  
07/19/2019



Date 7/19/19 Sheet 1 OF 2  
0022915ESF02.dwg

**Westwood**  
 Phone (952) 937-5150 12701 Whitewater Drive, Suite #000  
 Fax (952) 937-5822 Minnetonka, MN 55343  
 Toll Free (888) 937-5150 westwoodps.com  
 Westwood Professional Services, Inc.

Crew: \_\_\_\_\_  
 Checked: JRL  
 Drawn: EAW  
 Record Drawing by/date: \_\_\_\_\_

Prepared for:  
**Iris Solar, LLC**  
 1166 Avenue of the Americas, 3rd floor  
 New York, NY 10036

**Iris Solar**  
 Washington Parish, LA

**EASEMENT SKETCH AND DESCRIPTION**  
 Exhibit

**[Exhibit "2" to Servitude and Right-of-Way Agreement between Board of Supervisors of Louisiana State University and Agricultural and Mechanical College and IRIS Solar, LLC]**

**EXHIBIT "2"**

**ACCESS EASEMENT DESCRIPTION**

A certain tract or parcel of land situated, lying and being in the Parish of Washington, State of Louisiana, in Township 3 South, Range 10 East, containing 1.48 acres, more or less in Section 16, generally described as follows, to wit:

Commencing at the southwest corner of the North Half of the South Half of the Northwest Quarter of Section 21 of said Township 3 South, Range 10 East and the point of commencement located at coordinates N: 829,461.98, E: 3,633,381.24; thence North 89 degrees 03 minutes 23 seconds East, along the south line of said North Half of the South Half of the Northwest Quarter, a distance of 1233.47 feet; thence North 01 degree 14 minutes 43 seconds East, along the westerly property line described in Document No. 221949(Washington Parish Recorder's Office), a distance of 1630.83 feet; thence North 01 degree 28 minutes 58 seconds West, a distance of 685.35 feet to the northerly right of way line Louisiana Power and Light Co., under COB 56 Folio 587 in Entry No. 439(Washington Parish Recorder's Office) and the POINT OF BEGINNING; thence North 00 degrees 00 minutes 45 seconds East, a distance of 489.33 feet; thence North 18 degrees 06 minutes 14 seconds West, a distance of 18.98 feet to the southerly right of way line of Par Rd 139; thence South 72 degrees 12 minutes 29 seconds West, along said southerly right of way line, a distance of 150.00 feet; thence South 18 degrees 06 minutes 14 seconds East, a distance of 86.50 feet; thence South 00 degrees 00 minutes 00 seconds East, a distance of 252.62 feet; thence South 75 degrees 41 minutes 27 seconds West, a distance of 68.69 feet to the easterly right of way line of C C Road; thence South 36 degrees 39 minutes 14 seconds East, along said easterly right of way line, a distance of 35.93 feet; thence southeasterly along a tangential curve concave to the southwest, having a central angle of 06 degrees 25 minutes 21 seconds, a radius of 880.00 feet for an arc distance of 98.64 feet to said northerly right of way line of Louisiana Power and Light Co.; thence North 89 degrees 33 minutes 56 seconds East, not tangent to said curve and along said northerly right of way line, for a distance of 55.28 feet; thence North 89 degrees 01 minute 44 seconds East, along said northerly right of way line, a distance of 57.24 feet to the Point of Beginning.

All bearings and distances shown hereon are based on the NAD83 Louisiana State Plane Coordinate System, South Zone, U.S. Feet, 2011 Adjustment.

**SUBSTATION EASEMENT DESCRIPTION**

A certain tract or parcel of land situated, lying and being in the Parish of Washington, State of Louisiana, in Township 3 South, Range 10 East, containing 1.55 acres, more or less in Section 16, generally described as follows, to wit:

Commencing at the southwest corner of the North Half of the South Half of the Northwest Quarter of Section 21 of said Township 3 South, Range 10 East and the point of commencement located at coordinates N: 829,461.98, E: 3,633,381.24; thence North 89 degrees 03 minutes 23 seconds East, along the south line of said North Half of the South Half of the Northwest Quarter, a distance of 1233.47 feet; thence North 01 degree 14 minutes 43 seconds East, along the westerly property line described in Document No. 221949(Washington Parish Recorder's Office), a distance of 1630.83 feet; thence North 01 degree 28 minutes 58 seconds West, a distance of 685.35 feet to the northerly right of way line Louisiana Power and Light Co., under COB 56 Folio 587 in Entry No. 439(Washington Parish Recorder's Office) and the POINT OF BEGINNING; thence North 00 degrees 00 minutes 45 seconds East, a distance of 249.84 feet; thence North 90 degree 00 minutes 00 seconds East, a distance of 289.95 feet; thence South 00 degrees 00 minutes 00 seconds East, a distance of 244.93 feet to said northerly right of way line; thence South 89 degrees 01 minute 44 seconds West, along said northerly right of way line, a distance of 290.04 feet to the Point of Beginning.

All bearings and distances shown hereon are based on the NAD83 Louisiana State Plane Coordinate System, South Zone, U.S. Feet, 2011 Adjustment.

**TEMPORARY SERVITUDE EASEMENT DESCRIPTION**

A strip of land 50.00 feet wide situated, lying and being in the Parish of Washington, State of Louisiana, in Township 3 South, Range 10 East, containing 0.67 acres, more or less in Section 16, lying north and east of the following described line:

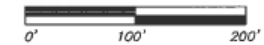
Commencing at the southwest corner of the North Half of the South Half of the Northwest Quarter of Section 21 of said Township 3 South, Range 10 East and the point of commencement located at coordinates N: 829,461.98, E: 3,633,381.24; thence North 89 degrees 03 minutes 23 seconds East, along the south line of said North Half of the South Half of the Northwest Quarter, a distance of 1233.47 feet; thence North 01 degree 14 minutes 43 seconds East, along the westerly property line described in Document No. 221949(Washington Parish Recorder's Office), a distance of 1630.83 feet; thence North 01 degree 28 minutes 58 seconds West, a distance of 685.35 feet to the northerly right of way line Louisiana Power and Light Co., under COB 56 Folio 587 in Entry No. 439(Washington Parish Recorder's Office); thence North 00 degrees 00 minutes 45 seconds East, a distance of 249.84 feet to the POINT OF BEGINNING of the said line to be described; thence North 90 degree 00 minutes 00 seconds East, a distance of 289.95 feet; thence South 00 degrees 00 minutes 00 seconds East, a distance of 244.93 feet to said northerly right of way line there terminating.

The sidelines are to be prolonged or shortened to terminate at the east line of the access easement and said northerly right of way line.

All bearings and distances shown hereon are based on the NAD83 Louisiana State Plane Coordinate System, South Zone, U.S. Feet, 2011 Adjustment.



Surveyor's Note: This easement exhibit does not represent a property boundary survey.



Date: 7/19/19 Sheet: 2 OF 2  
002291SESF02.dwg

**Westwood**  
 Phone (852) 837-6160 12701 Whitewater Drive, Suite #100  
 Fax (852) 837-6822 Minnetonka, MN 55343  
 Toll Free (888) 837-6160 westwoodps.com  
 Westwood Professional Services, Inc.

Drawn: \_\_\_\_\_  
 Checked: JKL  
 Drawn: RAW  
 Record Drawing by/date: \_\_\_\_\_

Prepared for:  
**Iris Solar, LLC**  
 1166 Avenue of the Americas, 3rd floor  
 New York, NY 10036

**Iris Solar**  
  
 Washington Parish, LA

**EASEMENT SKETCH AND DESCRIPTION**  
 Exhibit





## CARVER DARDEN

MATTHEW J. FANTACI

(504) 585-3840  
fantaci@carverdarden.com

\_\_\_\_\_, 2019

### **Grantor**

BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND  
AGRICULTURAL AND MECHANICAL COLLEGE  
104B University Administration Bldg.  
3810 E. Lakeshore Dr.  
Baton Rouge, LA 70808

### **Grantee**

IRIS SOLAR, LLC  
Attn: \_\_\_\_\_  
1166 Avenue of the Americas, Ninth Floor  
New York, NY 10036

RE: Servitude and Right of Way Agreement

This Letter Agreement is for purposes of documenting the understanding of the parties to that certain Servitude and Right of Way Agreement (the “Servitude”) dated effective \_\_\_\_\_, 2019, entered into between the BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE, as Grantor, and IRIS SOLAR, LLC as Grantee, affecting the following property owned by Grantor in Washington Parish, Louisiana:

See Exhibit “A”

The Servitude states that Grantor grants the Servitude for the “consideration of the mutual covenants and agreements set forth below and for other good and valuable consideration.” It is agreed and understood by the parties that the “other valuable consideration” given by Grantee in return for the rights granted in the Servitude shall be \$20,000.00 paid to Grantor upon the earlier to occur of commencement of construction of the Transmission Facilities as that term is defined in the Servitude or August 1, 2022. If Grantee formally releases in writing and abandons its rights under the Servitude prior to the earlier of beginning construction on the Transmission Facilities or August 1, 2022, the additional consideration payment set forth herein shall not be owed to Grantor.

2161659v.5

Carver Darden Koretzky Tessier Finn Blossman & Areaux LLC

ENERGY CENTRE • 1100 POYDRAS ST. • SUITE 3100 • NEW ORLEANS, LA 70163  
P: (504) 585.3800 • F: (504) 585.3801

It is further expressly understood and agreed by Grantor that should Grantor sell the property subject to the Servitude prior to the happening of one of the foregoing conditions, any payment due hereunder shall be paid to the new owner unless expressly provided otherwise in a written agreement between Grantor and the new owner.

This Letter Agreement shall not be recorded.

Please indicate your agreement to these terms by signing in the space provided below.

**WITNESSES**

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

**GRANTOR:**

BOARD OF SUPERVISORS OF LOUISIANA STATE  
UNIVERSITY AND AGRICULTURAL AND  
MECHANICAL COLLEGE

\_\_\_\_\_  
By: \_\_\_\_\_

Its: \_\_\_\_\_

**GRANTEE:**

IRIS SOLAR, LLC

\_\_\_\_\_  
By: \_\_\_\_\_

Its: \_\_\_\_\_

**ACKNOWLEDGEMENTS**

STATE OF LOUISIANA     §  
   §  
PARISH OF \_\_\_\_\_     §

IN WITNESS WHEREOF, on this \_\_\_\_ day of \_\_\_\_\_, 20  , before me, notary, appeared \_\_\_\_\_, known to me to be the \_\_\_\_\_ of the BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE, and acknowledged that he signed this instrument on behalf of said entity and in the presence of the foregoing witnesses after due reading of the whole.

\_\_\_\_\_  
Notary Public  
Print Name: \_\_\_\_\_  
Notary ID#: \_\_\_\_\_

STATE OF \_\_\_\_\_                                     §  
   §  
PARISH/COUNTY OF \_\_\_\_\_                     §

IN WITNESS WHEREOF, on this        day of \_\_\_\_\_, 20  , before me, notary, appeared \_\_\_\_\_, known to me to be the \_\_\_\_\_ IRIS SOLAR, LLC, and acknowledged that he signed this instrument on behalf of said company and in the presence of the foregoing witnesses after due reading of the whole.

\_\_\_\_\_  
Notary Public  
Print Name: \_\_\_\_\_  
Notary ID#: \_\_\_\_\_



**Request from LSU AgCenter and LSU A&M to Approve an  
ExxonMobil Pipeline Right of Way Iberville and East Baton Rouge  
Parishes, Louisiana**

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

This is a significant board matter pursuant to Article VIII, Section 2 of the Board's Bylaws:

- A. Servitudes: Agreements to provide servitudes, rights of passage, and similar encumbrances to immovable property owned or controlled by the Board. If the President, in consultation with the Chair and Chair-Elect and the chair of the relevant Board committee, determines that a particular servitude raises significant fiscal or policy issues, the President shall cause the matter to be submitted to the Board for consideration.

**1. Summary of the Matter**

ExxonMobil company has approached LSU and the LSU Agricultural Center (LSU AgCenter) to purchase a servitude allowing it to lay a pipeline across portions of property owned by the Board and assigned to each of those campuses. ExxonMobil has provided copies of appraisals it had performed by an independent appraisal firm. LSU staff have reviewed those appraisals based on their own knowledge of current market rates for land in the affected areas as well as review of appraisals LSU has recently had conducted itself relative to property in that area. Based on that review, LSU and the LSU AgCenter believe the price negotiated with ExxonMobil is an appropriate, fair market value price.

The pipeline will run across multiple tracts of LSU-owned property located in Iberville and East Baton Rouge parishes. Most of the tracts are administered by the LSU AgCenter, with the rest administered by the LSU flagship campus. All total, the servitude will cover approximately 31.5 acres. Different tracts have different values based on a variety of factors, including road frontage. Some tracts have substantially higher value because they could otherwise be used for mitigation bank purposes, which are currently attracting a very high rate per acre. In sum, ExxonMobil will pay LSU \$1,316,996 for these servitudes, including the amount paid for temporary work servitudes which will be used only during the period in which the pipeline is being constructed. Values for each tract, including the temporary work servitudes, are shown on the attached.

**2. Review of Business Plan**

N/A. There are no operating or other long-term costs associated with the servitudes being granted, and they will not generate on-going annual payments.

**3. Fiscal Impact**

LSU AgCenter and the LSU flagship campus will receive the full amount of \$1,316,996 paid by ExxonMobil for the servitude.

**4. Description of Competitive Process**

Not applicable.

**5. Review of Legal Documents**

The attached pipeline servitude document has been prepared by ExxonMobil and LSU staff based on the last pipeline servitude approved by the Board. Prior to execution by the President, it will be reviewed by the LSU Office of General Counsel.

**6. Parties of Interest**

The following parties have an interest in and/or are involved with this transaction.

LSU  
LSU AgCenter  
ExxonMobil Pipeline Company

**7. Related Transactions**

None.

**8. Conflicts of Interest**

None known.

**ATTACHMENTS**

- I. Transmittal Letter, including transmittal and recommendation from LSU AgCenter
- II. Draft Servitude Agreement

**RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College hereby authorizes Dr. F. King Alexander, President of Louisiana State University, or his designee to execute one or more servitude agreements as described herein with ExxonMobil Pipeline Company, with the agreements to contain such terms and conditions as he, in consultation with the General Counsel, deem to be in LSU's best interests.



---

**CAMPUS CORRESPONDENCE**

---

**To:** F. King Alexander, President of LSU  
Finance & Administration / CFO


**Date:** August 26, 2019

**Through:** Daniel T. Layzell, Executive Vice President for  
Finance & Administration / CFO

**Through:** Tony Lombardo, Associate Vice President for  
Facilities & Property Oversight

**From:** Patrick H. Martin, V, Assistant Vice President for  
Real Estate, Public Partnerships, and Compliance

**Re:** Board of Supervisors Agenda, September 13, 2019  
Request from LSU AgCenter and LSU A&M to Approve an ExxonMobil Pipeline Right of  
Way Iberville and East Baton Rouge Parishes, Louisiana



LSU A&M is requesting that the LSU Board of Supervisors authorize the President F. King Alexander, in his capacity as President of LSU, to execute one or more servitude agreements as described herein with ExxonMobil Pipeline Company, with the agreements to contain such terms and conditions as he, in consultation with the General Counsel, deem to be in LSU's best interests.

We request this item be placed on the agenda for the September 13, 2019 Board of Supervisors meeting.

Thank you.



[225] 387.3573 OFFICE • [225] 387.3575 FAX • [www.rampartresources.net](http://www.rampartresources.net)  
7915 Wrenwood Blvd., Baton Rouge, LA 70809 • P.O. Box 4537, Baton Rouge, LA 70821

August 21, 2019

HAND DELIVERED

Mr. Dale G. Frederick, M.S., P.E.  
Director  
LSU AgCenter Facilities Planning  
207 J. Norman Efferson Hall  
Baton Rouge, LA 70803

**RE: ExxonMobil Servitude**

Dear Mr. Frederick:

Enclosed are three (3) originals of the servitude agreements with revised certified plats of the proposed servitudes for the Iberville Parish tract that we reviewed at our meeting on August 20<sup>th</sup>. Please replace the servitude agreements for the Iberville tract previously given to you with these for submission to the Board of Supervisors. Also included is the revised worksheet showing the additional compensation that we agreed to.

If you have any questions or need any additional information, please do not hesitate to contact me by phone at the number(s) listed below or via email.

Sincerely,

A handwritten signature in black ink, appearing to read 'T. Butler', written over the printed name.

Thomas A. Butler  
Office: 225-387-3573 ext. 206  
Cell: 225-921-3688  
Email: [tbutler@rampartresources.net](mailto:tbutler@rampartresources.net)

Enclosures

CC: Betsy Reeves  
Patrick H. Martin, V

**EXXONMOBIL PIPELINE CO.(EMPCo) - BATON ROUGE PIPELINE PROJECT 8/15/2019**

| TRACT #                    | NAME OF SURFACE OWNER      | SERVITUDE ACRES | SURFACE | SERVITUDE UNIT PRICE/ACRE | TWS ACRES | TWS UNIT PRICE/ACRE | TOTAL IOL AMOUNT |
|----------------------------|----------------------------|-----------------|---------|---------------------------|-----------|---------------------|------------------|
| LA EBR 001A                | LOUISIANA STATE UNIVERSITY | 5.59            | 0.025   | \$35,000                  | 6.697     | \$3,500             | \$219,964.50     |
| LA EBR 001                 |                            | 11.32           |         | \$35,000                  | 12.72     | \$3,500             | \$440,720.00     |
| LA EBR 010, 011, 012 & 013 |                            | 4.65            |         | \$55,000                  | 7.063     | \$5,500             | \$294,596.50     |
|                            |                            | 5.4             |         | \$7,500                   | 3.62      | \$750               | \$43,215.00      |
| LA IBE 031                 |                            | * 4.55          |         | \$70,000                  | 0         | \$0                 | \$318,500.00     |
|                            |                            |                 |         |                           |           |                     | \$1,316,996.00   |

\*Additional Permanent Servitude



**STATE OF LOUISIANA**

**PARISH OF EAST BATON ROUGE**

**PIPELINE RIGHT-OF-WAY AGREEMENT**

**KNOW ALL MEN BY THESE PRESENTS** that this Agreement made and entered into by and between BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE, a public constitutional corporation herein appearing through and represented by Dr. F. King Alexander, President of the Louisiana State University System, whose address is 104 System Building, 3810 West Lakeshore Drive, Baton Rouge, Louisiana 70803, hereunto duly authorized by a Resolution of said Board of Supervisors adopted on \_\_\_\_\_, a certified copy of which is annexed hereto and made a part hereof, sometimes hereinafter known and designated as OWNER, and EXXONMOBIL PIPELINE COMPANY, a Delaware corporation, whose address is P.O. Box 9677, Spring, Texas 77387, qualified to do and doing business in Louisiana hereinafter known and designated as EMPCo.

The OWNER, for and in consideration of the sum of ONE HUNDRED AND NO/100 DOLLARS (\$100.00), and for other valuable consideration, cash in hand paid, and the obligations of EMPCo herein contained, hereby grants and conveys unto EMPCo the right at any time to lay, construct, operate, inspect, test, maintain, repair, renew, replace, substitute, change the size of (up to a maximum of 12"), upgrade, alter, mark, protect and remove one or more pipelines and appurtenances, equipment and facilities, either above or below ground (with the pipelines to be below ground), useful or incidental to or for the operation, maintenance or protection thereof (including but not limited to electrical cables buried in the permanent right of way, air patrol markers, valves, test leads and corrosion control equipment as long as such are directly related to the pipelines) for the transportation of crude petroleum products, distillate, condensate, liquefied petroleum gas, and hydrocarbon in a liquid state, any product in liquid state which is derived in whole or substantial part from any hydrocarbon, and any mixture of mixtures thereof, in, on, over, under, across and through the following described lands ("the land") in East Baton Rouge Parish, Louisiana:

**LA-EBR-001A**

**The remaining portion of that certain tract or parcel of land, forming a part of Arlington Plantation, originally described as containing 420 acres, more or less, being situated in portions of Sections 58, 59, 60, 62 & 65, Township 7 South, Range 1 West, as more particularly described in Paragraph "First" of that certain Cash Sale, dated April 21, 1921 granted by William A. McVay, et ux., to The Board of Supervisors of the Louisiana State University and Agricultural and Mechanical College and recorded in Conveyance Book 96, Folio 493 (Original 17, Bundle 322), in the records of East Baton Rouge Parish, Louisiana.**

**LA-EBR-001**

**TRACT 1: A certain tract or parcel of land containing 550 acres, more or less, being situated in Section 74, T8S-R1W, being the eastern portion of that tract known as Hope Estate, as shown on a survey dated July 12, 1935, attached to a Sale with Mortgage in a conveyance to LSU, filed 8/13/1935 at COB 299, Folio 396, Original 85 / Bundle 961 in the records of East Baton Rouge Parish, Louisiana.**

**TRACT 2: A certain tract or parcel of land containing 114.96 acres, more or less, being all that portion of Section 36, T7S-R1W, lying southwest of the Y. & M. V. railroad right of way and portions of Sections 1 and 41, T8S-R1W, lying southwest of the Y. & M. V. railroad right**

of way, as shown on a survey dated July 8, 1935, attached to a Sale with Mortgage in a conveyance to LSU, filed 8/31/1935 at COB 300, Folio 275, Original 79 / Bundle 963 in the records of East Baton Rouge Parish, Louisiana, LESS AND EXCEPT: That certain 5 acre tract or parcel of land, located in Section 36, T7S-R1W and Sections 1 and 41, T8S-R1W, conveyed to the East Baton Rouge School Board, as more particularly described and shown on a plat attached to that certain Cash Sale filed 11/8/1949 at COB 841, Folio 377, Original 97 / Bundle 2497.

**TRACT 3:** A certain tract or parcel of land containing 1,858.20 acres, located in Sections 2, 11, 41, 36, 35, 37, 65, 66, 67, 68, 69, 70, 71 & 72, T8S-R1W; and Sections 49 & 80, T8S-R1E, being a portion of Ben Hur Plantation, as shown on a survey dated January 4, 1936, attached to a Sale with Mortgage in a conveyance to LSU, filed 8/31/1935 at COB 307, Folio 430, Original 34 / Bundle 980 in the records of East Baton Rouge Parish, Louisiana.

LA-EBR-010

That certain tract or parcel of land, containing 10.74 acres, more or less, located in Sections 77 and 78, Township 8 South, Range 1 East, being designated as Tract C-2-B-1-A on that certain plat of survey entitled "Map Showing the Exchange of Property of Tracts C-2-A-1, C-2-B-1, C-3-A-1, C-4-A-1 & C-4-B-1 into Tracts C-2-A-1-A, C-2-B-1-A, C-3-A-1-A, C-4-A-1-A & C-4-B-1-A, Chatsworth Plantation, located in Section(s) 40, 77 & 78 T-8-S, R-1-E, Greensburg Land District, East Baton Rouge Parish, Louisiana for Louisiana State University Property Foundation", prepared by Taylor M. Gravois, P.L.S., dated December 12, 2012, filed in the records of the Clerk and Recorder for the Parish of East Baton Rouge, Louisiana, as Original 410, Bundle 12462.

LA-EBR-011

That certain tract or parcel of land containing 3.31 acres, located in Section 77, Township 8 South, Range 1 East, being more particularly described as Tract X-1 on that certain survey dated 12/10/1987, prepared by Samuel N. Brown, Jr., filed 12/30/1987 at Original 765, Bundle 9972 and on a survey dated 2/10/2004, prepared by Michael B. Songy, P.L.S., filed 2/10/2004 at Original 758, Bundle 11580, in the records of East Baton Rouge Parish, Louisiana.

LA-EBR-012

That certain tract or parcel of land, containing 1.58 acres, more or less, located in Section 77, Township 8 South, Range 1 East, being designated as Tract C-3-A-1-A on that certain plat of survey entitled "Map Showing the Exchange of Property of Tracts C-2-A-1, C-2-B-1, C-3-A-1, C-4-A-1 & C-4-B-1 into Tracts C-2-A-1-A, C-2-B-1-A, C-3-A-1-A, C-4-A-1-A & C-4-B-1-A, Chatsworth Plantation, located in Section(s) 40, 77 & 78 T-8-S, R-1-E, Greensburg Land District, East Baton Rouge Parish, Louisiana for Louisiana State University Property Foundation", prepared by Taylor M. Gravois, P.L.S., dated December 12, 2012, filed in the records of the Clerk and Recorder for the Parish of East Baton Rouge, Louisiana, as Original 410, Bundle 12462.

LA-EBR-013

That certain tract or parcel of land, containing 7.73 acres, more or less, located in Sections 40 & 77, Township 8 South, Range 1 East, being designated as Tract C-4-B-1-A on that certain plat of survey entitled "Map Showing the Exchange of Property of Tracts C-2-A-1, C-2-B-1, C-3-A-1, C-4-A-1 & C-4-B-1 into Tracts C-2-A-1-A, C-2-B-1-A, C-3-A-1-A, C-4-A-1-A & C-4-B-1-A, Chatsworth Plantation, located in Section(s) 40, 77 & 78 T-8-S, R-1-E, Greensburg Land District, East Baton Rouge Parish, Louisiana for Louisiana State University Property Foundation", prepared by Taylor M. Gravois, P.L.S., dated December 12, 2012, filed in the records of the Clerk and Recorder for the Parish of East Baton Rouge, Louisiana, as Original 410, Bundle 12462.

Hereinafter known as the "pipelines".

The location of the right-of-way and servitude herein granted is more clearly shown, indicated or delineated on the drawing NOS. BTR-SR-0000-WG-LD-0001-012, BTR-SR-0000-WG-LD-0001-022 and BTR-SR-0000-WG-LD-0001-001 by EMPCo (the "Drawing"), a copy of which is attached hereto as Exhibit "A" and made a part hereof.

The said right-of-way and servitude granted herein is described as a total of Fifty (50') feet wide as per the Drawing. Exhibit "A" also indicates a Temporary Work Space which may be used by EMPCo during the initial construction of the pipelines only, after which rights to use the Temporary Work Space shall cease.

The center line of the pipelines shall be as close to practicable to the center of said right-of-way.

The right-of-way as above described is granted by the OWNER and accepted by EMPCo under and subject to the following provisions and stipulations, to-wit:

1. Upon completion of the laying of said pipelines, EMPCo will provide and set visible monuments of concrete or other durable material where the pipelines enters and leaves the land of OWNER, where the pipelines changes direction, and all road, utility crossings, stream and major ditch crossings. Additionally, upon completion of the pipelines, EMPCo shall provide to OWNER an "as built" map depicting the actual location of the pipelines.

2. EMPCo shall have the right of ingress and egress to and from said right-of-way, but shall enter and leave said right-of-way from its ends. In addition, EMPCo shall have the right of ingress and egress to and from said right-of-way on established public road or roads of OWNER; and EMPCo agrees that it will repair as soon as practicable, all damage to said roads caused by it in its use and operations hereunder. In the event EMPCo enters and leaves said right-of-way at its ends, EMPCo shall put in gates, cattle gaps or stiles, as reasonably required by OWNER, singly or in combination, at the ends of said right-of-way, and in the event it does erect gates at said points of entrance and exit, it will keep said gates securely locked in order to prevent strangers from entering the premises and to prevent cattle from straying therefrom. The said right of ingress and egress as above set forth shall be restricted to EMPCo's employees and/or agents for the sole and only purpose of constructing, maintaining, operating, replacing, protecting, repairing, changing the size of, inspecting and removing said pipelines. It is agreed, however, that during construction of the lines, EMPCo may, if necessary and if agreeable to OWNER, cross adjacent lands of OWNER at locations pointed out by OWNER, and thereafter repair and pay for such additional damages as may be caused by EMPCo and suffered by OWNER by reason of said crossings.

3. During construction, EMPCo shall maintain all fences that it crosses so as to prevent cattle from going or coming into the premises of OWNER.

4. EMPCo agrees that it will repair, as soon as practicable, all damage to roads, sidewalks, bike paths, or other flat work on or adjacent to this right-of-way caused by it in its use and operations hereunder. EMPCo's right of ingress and egress as above set forth shall be restricted to EMPCo's employees, contactors, and/or agents and assigns for the sole and only purposes granted in this agreement. When EMPCo intends to perform any work on the pipelines other than visual inspection, it shall notify OWNER, unless an emergency prevents such notice and approval; provided, however, that a failure to notify OWNER shall not be deemed a material default hereunder.

5. EMPCo shall not fence said right-of-way or construct any building or other structure thereon; and the pipelines shall be placed underground and buried so that the top of the pipelines are at least forty-eight inches (48") below the surface of the ground or when paralleling within fifty (50') feet of an existing pipeline, to substantially the same cover of the existing pipeline to the extent practicable. In no event shall the top of the pipelines be buried less than forty-eight (48") inches below the surface of the ground.

6. The drainage of OWNER's lands traversed by said right-of-way shall not be unreasonably interfered with, and EMPCo shall not obstruct said drainage during construction or at any time thereafter, all measures shall be taken to ensure immediate and proper repairs of any such disruption in drainage. EMPCo immediately after initial construction, and at all times thereafter that work on the pipelines are performed, will grade and maintain the land contours as nearly as practical to their original levels within the construction route. EMPCo agrees that the pipelines will be sagged at least four (4) feet below the present bottoms of the drainage ditches now existing.

7. EMPCo shall pay for any damages to growing crops, livestock, drainage, utilities, fences, buildings, sidewalks, bike paths, roads, other structures and marketable timber on land caused by EMPCo's construction operations, with such compensation being in an amount which includes the reasonable value of any research which is damaged, lost or set back by the activities of EMPCo hereunder.

8. EMPCo shall utilize the "double ditching" method of excavating. EMPCo shall remove the surface soil separately for the full length and width of the pipelines trench to a depth of not less than ten (10) inches. All subsoil material which is removed from the trench will be placed in a second stockpile that is separate from the topsoil stockpile. In backfilling the trench the stockpiled subsoil material will be placed back into the trench first followed by the topsoil stockpile. EMPCo shall have the right to use additional workspace that is reasonably necessary, adjacent to the permanent and temporary servitudes, to separate such soil and shall not be subject to compensation. EMPCo shall tractor tread tamp over and above the pipelines (Or otherwise adequately pack the ditch). At the time of such filling and tamping said pipelines ditch shall be, as nearly as practical, free of water; and in case of sinking or caving, EMPCo shall take the necessary steps to refill and re-level the location to its condition prior to construction, including EMPCo's responsibility to correct any future caving or sinking. Upon completion of the construction, EMPCo will clear all debris from the premises by removing same, and will level off the ground above the pipelines as nearly as practicable to that prior to the construction. Upon completion of construction in each area, all pasture lands shall be reseeded with Bermuda grass.

9. OWNER reserves the right to fully use and enjoy the lands included in said right-of-way for all purposes other than those herein granted, except OWNER shall not construct or maintain nor permit to be constructed or maintained on said right-of-way any house, structure, or obstruction, on or over said right-of-way. Without limiting the generality of the above, OWNER particularly reserves the right to cross the right-of-way with roadways and to cross the right-of-way with fences, electric lines, drainage lines, sewer lines, water lines, gas lines and other utilities as may be necessary, said lines or utilities to be adjacent to such roads or existing roads, if reasonably possible. Additionally, not less than 90 days prior to the commencement of any work which may impact the pipelines, with the exception of the construction of a fence, OWNER shall send EMPCo two sets of all final plans so that EMPCo can ascertain, within 45 days, whether or not such construction will conflict with the safe operation and maintenance of the right of way, pipelines or facilities. In addition, at least 48 hours prior to commencing any excavation or other construction activity in the vicinity of the right of way, pipelines, or facilities, OWNER shall notify LOUISIANA One-Call System, telephone 1-800-272-3020. All work in the vicinity of the pipelines must be done in accordance with generally accepted engineering practices and safety procedures. EMPCo and OWNER will mutually agree upon any necessary gates and fences.

10. In constructing, maintaining and operating said pipelines, EMPCo shall observe the safety procedures current in the industry. To insure safety of OWNER's operations after initial construction, EMPCo shall notify OWNER of any planned maintenance or operation work affecting or potentially effecting OWNER's utilities at least 30 days in advance of planned work. In the event of emergency work, EMPCo shall notify OWNER's Facility Services Department and LSU Ag Center Facilities Planning -- (225) 578-8731 no later than 24 hours after the emergency or as soon as reasonably possible where potential damage to OWNER's utilities exist.

11. EMPCo hereby assumes all liability for and agrees to pay for all damages, including environmental damages, to all property of any nature and kind, and all losses resulting from such injuries and damages, regardless of when such damages or losses incurred, caused by EMPCo's construction, operation, maintenance, inspection, replacement, abandonment in place, or removal of said pipelines, and agrees to indemnify OWNER, save it harmless and defend it from any and all claims, demands and causes of action for damage to property or injury to or death of persons or for environmental damage, including any claims arising under the Comprehensive Environmental Response Compensation and Liability Act (CERCLA) and other applicable federal and state environmental laws, arising in connection with, caused by or resulting from EMPCo's construction, operation, maintenance, inspection, replacement, protection, repairing, changing the size of, abandonment in place, or removal of

EMPCo's pipelines hereunder or the exercise by EMPCo of any of the rights herein granted except to the extent that such claims, demands, or causes of action result from OWNER's negligence, gross negligence or willful misconduct of OWNER, their contractors, agents or assigns. EMPCo's liability and indemnity, hold harmless and related obligations as described in this agreement shall survive the terms of this agreement and extend to OWNER after any transfer or reversion of the property or property rights to OWNER or to any third party. The indemnity, hold harmless, and defense provisions as provided above are applicable, but not limited to claims, demands, or suits for bodily injury, illness, disease, death, loss of services, maintenance, cure, property or wages, which may be brought by EMPCo's employees, agents and/or assigns, and the agents, employees and/or assigns of their subcontractors, incident to, arising out of, in connection with or resulting from the activities of EMPCo, its employees, agents and/or assigns of their subcontractors and their employees or in connection with the work to be performed, services to be rendered or materials to be furnished under this Agreement.

12. In all disputes involving discharge of oil, saltwater or other noxious substances on the property in the vicinity of the pipelines, EMPCo shall bear the burden of proving these substances did not originate from its pipelines operations covered by this agreement and that the presence of such substances did not damage the property or OWNER's other property.

13. EMPCo accepts the grant of said right-of-way subject to any and all recorded pre-existing leases, servitudes, rights-of-way and mineral rights or other rights heretofore granted and reserved affecting said land. The grant is also made by OWNER and accepted by EMPCo without warranty or recourse against OWNER, even for the return of all or any portion of the consideration paid for this servitude.

14. After the pipelines provided for herein shall have been constructed and put into operation, should EMPCo fail to use the same for the purposes herein provided for a period of thirty-six (36) consecutive months, then and in that event this right-of-way agreement and servitude shall be terminated, and EMPCo shall remove the pipelines within one year from date of termination of said right-of-way agreement, unless after notice to OWNER, the President notifies EMPCo not to remove the pipelines and to transfer ownership of the pipelines to OWNER. EMPCo shall immediately notify OWNER in writing, by United States mail, certified, return receipt requested, to the Director of the Louisiana Agricultural Experiment Station, and the Executive Vice President of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College of the termination of the right-of-way agreement and servitude and its intent and plan to remove the pipelines. OWNER shall not be prejudiced in requiring this removal if it is not aware that the servitude has terminated or has expired. Failure to notify or remove said pipelines within the above specified period, shall constitute an abandonment of any claim whatsoever to said pipelines on the part of EMPCo, but shall not remove EMPCo's obligation to remove the pipelines. Upon removal of the pipelines, EMPCo shall reasonably restore the premises as nearly as possible to their present condition. If the pipelines are not required to be removed EMPCo shall take all practical steps to leave the pipelines in a safe (including environmentally safe) condition, in accord with the highest industry standards for abandoning pipelines.

15. The consideration for this Agreement shall cover damages which are reasonably contemplated when a pipeline is installed or operations are conducted on an undeveloped property in this area and are incurred as a result of the initial construction of the pipelines. Abnormal damages, if not mutually agreed upon, shall be ascertained and determined by three disinterested persons, one to be appointed by OWNER, one to be appointed by EMPCo, and the third by the two so appointed as aforesaid, and the award of the amount of the damages so fixed by such three persons, or two of them, shall be final and conclusive.

16. EMPCo shall conduct operations on the property in a manner so as to conform with all local, state, and federal rules, ordinances, laws, and regulations applicable to EMPCo.

17. EMPCo may self-insure.

18. The instrument may be executed in several counterparts, and any such counterpart shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

19. The covenants and obligations of this right of way shall run with the land. Except to a parent subsidiary, affiliated or related company, the rights herein granted may not be assigned without the prior written consent of OWNER, with such assignment including OWNER's standard conditions to assignment, which consent shall not be unreasonably withheld, nor shall consent be required for any mortgage, pledge or other type of encumbrance of the pipeline servitude.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

WITNESSES:

BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND GRICULTURAL AND MECHANICAL COLLEGE

\_\_\_\_\_

By: \_\_\_\_\_

Print Name \_\_\_\_\_

Name: Dr. F. King, Alexander, President

\_\_\_\_\_

Print Name \_\_\_\_\_

EXXONMOBIL PIPELINE COMPANY

\_\_\_\_\_

By: \_\_\_\_\_

Print Name \_\_\_\_\_

Name: \_\_\_\_\_

\_\_\_\_\_

Print Name \_\_\_\_\_

STATE OF LOUISIANA

PARISH OF \_\_\_\_\_

ON THIS \_\_\_ day of \_\_\_\_\_, 20\_\_\_, before me, the undersigned Notary Public, duly commissioned and qualified, personally came and appeared \_\_\_\_\_ to me personally known, who, being by me duly sworn, did say that he/she signed the foregoing instrument and acknowledged said signing of the instrument to be his/her free act and deed.

\_\_\_\_\_

NOTARY PUBLIC

My commission expires: \_\_\_\_\_

STATE OF TEXAS §

COUNTY OF HARRIS §

This instrument was acknowledged before me on \_\_\_\_\_, 2019,  
by \_\_\_\_\_  
for ExxonMobil Pipeline Company, a Delaware corporation, on behalf of said corporation.

\_\_\_\_\_

NOTARY PUBLIC

My commission expires: \_\_\_\_\_

EAST BATON ROUGE PARISH, LOUISIANA

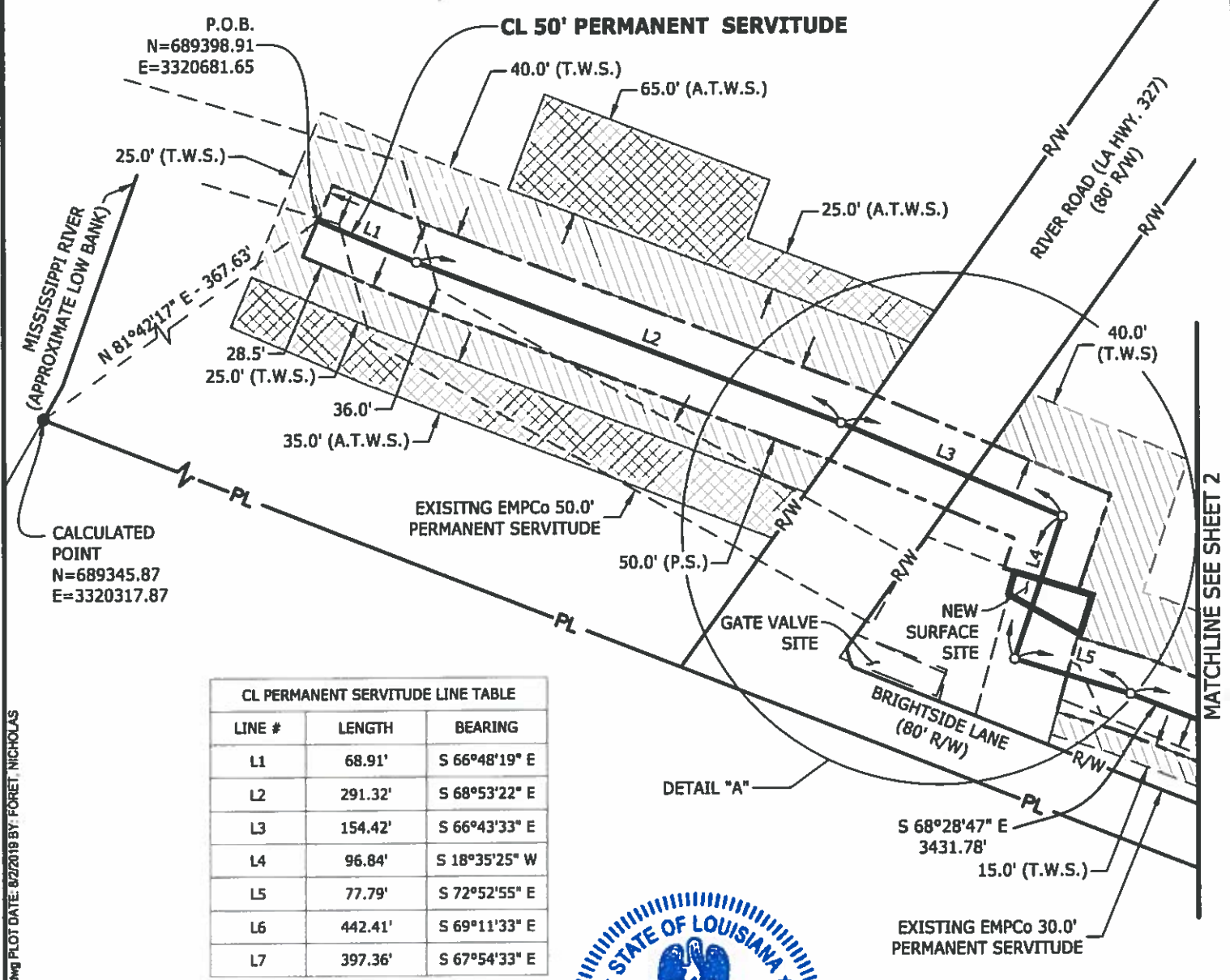
SECTION 60, T7S - R1W

EXHIBIT "A"

LA EBR 001A

BOARD OF SUPERVISORS OF  
LOUISIANA STATE UNIVERSITY AND  
AGRICULTURAL & MECHANICAL COLLEGE

ORIG: 17, BNDL: 322  
PORTIONS OF SECTIONS  
58, 59, 60, 61 & 65, T7S - R1W  
CALLED 420 ACRES



| LINE # | LENGTH  | BEARING       |
|--------|---------|---------------|
| L1     | 68.91'  | S 66°48'19" E |
| L2     | 291.32' | S 68°53'22" E |
| L3     | 154.42' | S 66°43'33" E |
| L4     | 96.84'  | S 18°35'25" W |
| L5     | 77.79'  | S 72°52'55" E |
| L6     | 442.41' | S 69°11'33" E |
| L7     | 397.36' | S 67°54'33" E |

SCALE: 1" = 100'



LEGEND

- P.O.B. - POINT OF BEGINNING
- P.O.T. - POINT OF TERMINUS
- P.O.X. - POINT OF EXIT
- PL - PROPERTY LINE
- P.S. - PERMANENT SERVITUDE
- T.W.S. - TEMPORARY WORKSPACE
- A.T.W.S. - ADDITIONAL TEMPORARY WORKSPACE
- ⊙ - FOUND MONUMENT
- - CALCULATED POINT

LENGTH OF CL PERMANENT SERVITUDE: 4960.83 FEET  
 PERMANENT SERVITUDE: (5.59 AC.)  
 TEMPORARY WORKSPACE: (6.09 AC.)  
 ADDITIONAL TEMPORARY WORKSPACE: (0.607 AC.)  
 EXISTING EMPCo PERMANENT SERVITUDE: (3.98 AC.)  
 NEW SURFACE SITE: (0.025 AC.)



*Lawrence O. Kelly* 8-5-19

LAWRENCE O. KELLY  
REGISTERED PROFESSIONAL LAND SURVEYOR, NO. 5095

WOOD GROUP USA, INC. FIRM NO. VF.0000489

BEARINGS, DISTANCES AND COORDINATES ARE BASED ON LAMBERT GRID - LA SOUTH ZONE 1702 (NAD 83), U.S. SURVEY FEET AS DERIVED FROM GPS OBSERVATIONS (OPUS).

NOTE: THIS PLAT WAS PREPARED FOR RIGHT-OF-WAY ACQUISITION PURPOSES ONLY AND DOES NOT CONSTITUTE A PROPER BOUNDARY SURVEY. THIS PLAT CONFORMS TO THE STANDARDS OF PRACTICE AS FOUND IN L.A.C. TITLE 46:LXI, CHAPTER 29 FOR A CLASS "D" ROUTE SURVEY. THE LOCATION OF SECTION, TOWNSHIP AND RANGE LINES SHOWN HEREON ARE APPROXIMATE AND SHOULD BE USED FOR LOCATIVE PURPOSES ONLY.

SHEET 1 OF 8

| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | ExxonMobil Pipeline Company<br>BATON ROUGE PIPELINE PROJECT   |
|------|----------|----------------|-------|-------|-------|---|
| 0    | 08/05/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |   |
|      |          |                |       |       |       | LA EBR 001A<br>BOARD OF SUPERVISORS OF LOUISIANA<br>STATE UNIVERSITY AND AGRICULTURAL<br>& MECHANICAL COLLEGE |
|      |          |                |       |       |       | SCALE 1"=100' DATE 08/10/18   |
|      |          |                |       |       |       | DWG. NO. BTR-SR-0000-WG-LD-0001-022   |

FILE: R:\Projects\108729\Discipline\CAD\Drawings\BTR-SR-0000-WG-LD-0001-022.dwg PLOT DATE: 8/22/2019 BY: FORET, NICHOLAS



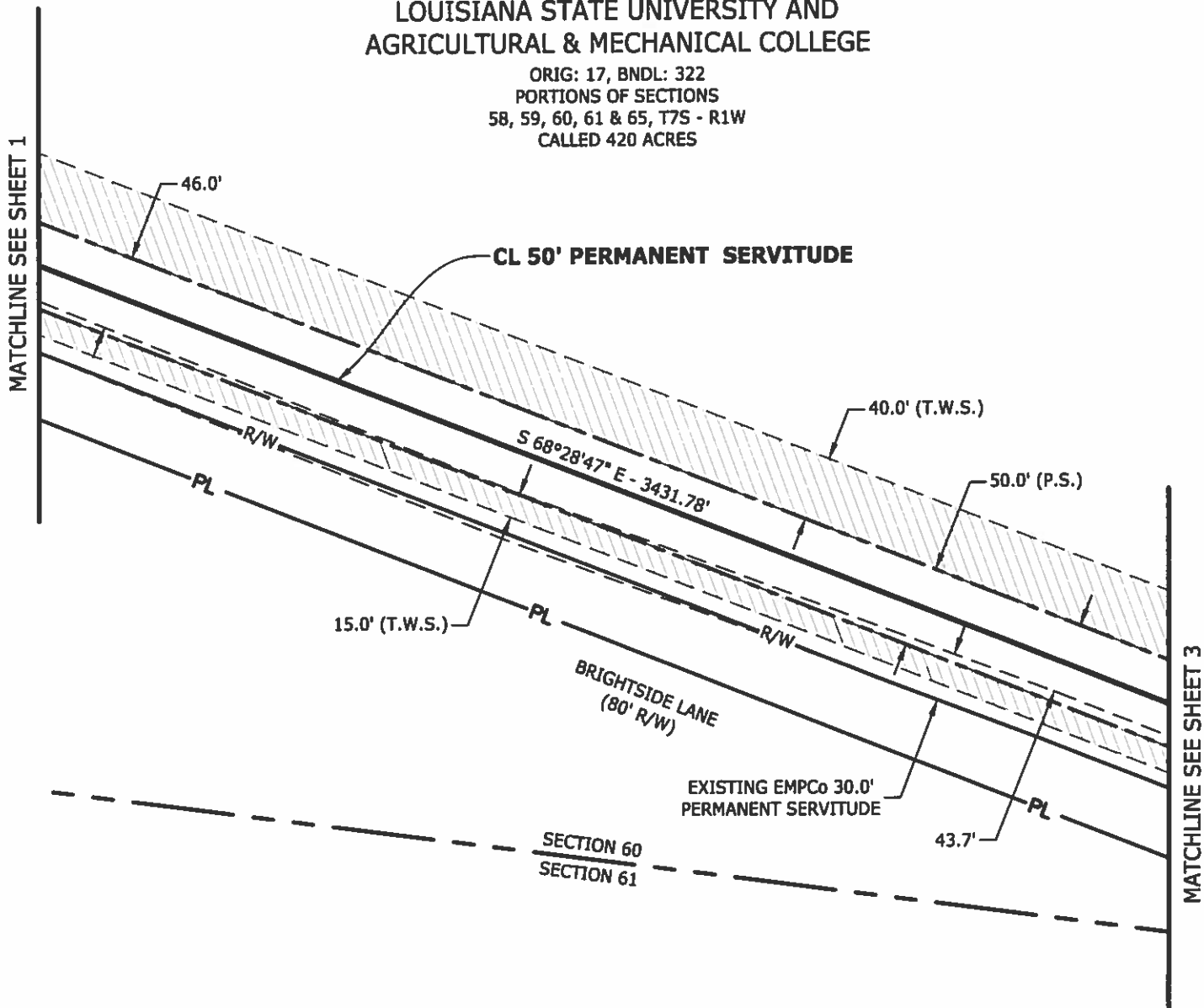
**EAST BATON ROUGE PARISH, LOUISIANA**  
**SECTION 60, T7S - R1W**  
**EXHIBIT "A"**



LA EBR 001A

**BOARD OF SUPERVISORS OF  
 LOUISIANA STATE UNIVERSITY AND  
 AGRICULTURAL & MECHANICAL COLLEGE**

ORIG: 17, BNDL: 322  
 PORTIONS OF SECTIONS  
 58, 59, 60, 61 & 65, T7S - R1W  
 CALLED 420 ACRES



FILE: R:\Projects\105728\Discipline\CAD\Drawings\94-Property\_Plat\BTR-SR-0000-WG-LD-0001-022.dwg PLOT DATE: 8/22/2018 BY: FORET, NICHOLAS

SCALE: 1" = 100'



SHEET 2 OF 8

| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | <b>ExxonMobil Pipeline Company</b><br><b>BATON ROUGE PIPELINE PROJECT</b> |
|------|----------|----------------|-------|-------|-------|---|
| 0    | 08/05/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |   |
|      |          |                |       |       |       | SCALE 1" = 100'      DATE 08/10/18<br>DWG. NO. BTR-SR-0000-WG-LD-0001-022 |

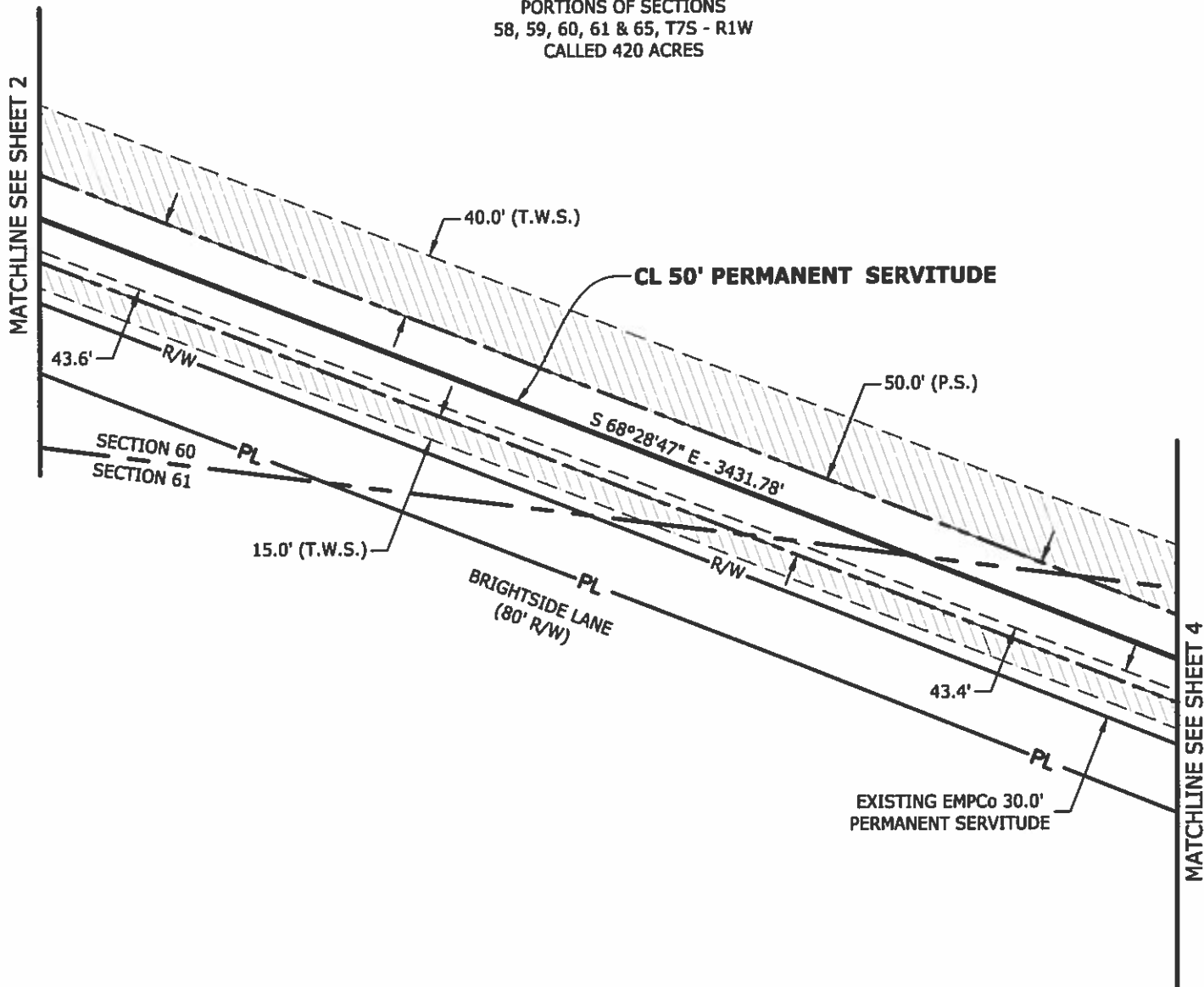
**EAST BATON ROUGE PARISH, LOUISIANA**  
**SECTIONS 60 & 61, T7S - R1W**  
**EXHIBIT "A"**



LA EBR 001A

**BOARD OF SUPERVISORS OF  
 LOUISIANA STATE UNIVERSITY AND  
 AGRICULTURAL & MECHANICAL COLLEGE**

ORIG: 17, BNDL: 322  
 PORTIONS OF SECTIONS  
 58, 59, 60, 61 & 65, T7S - R1W  
 CALLED 420 ACRES



SCALE: 1" = 100'



SHEET 3 OF 8

| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | <b>ExxonMobil Pipeline Company</b><br><b>BATON ROUGE PIPELINE PROJECT</b> |
|------|----------|----------------|-------|-------|-------|---|
| 0    | 08/05/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |   |
|      |          |                |       |       |       | SCALE 1" = 100'      DATE 08/10/18<br>DWG. NO. BTR-SR-0000-WG-LD-0001-022 |

FILE: R:\Projects\109729\Discipline\CAD\Drawings\BTR-SR-0000-WG-LD-0001-022.dwg PLOT DATE: 8/22/2018 BY: FORET, NICHOLAS

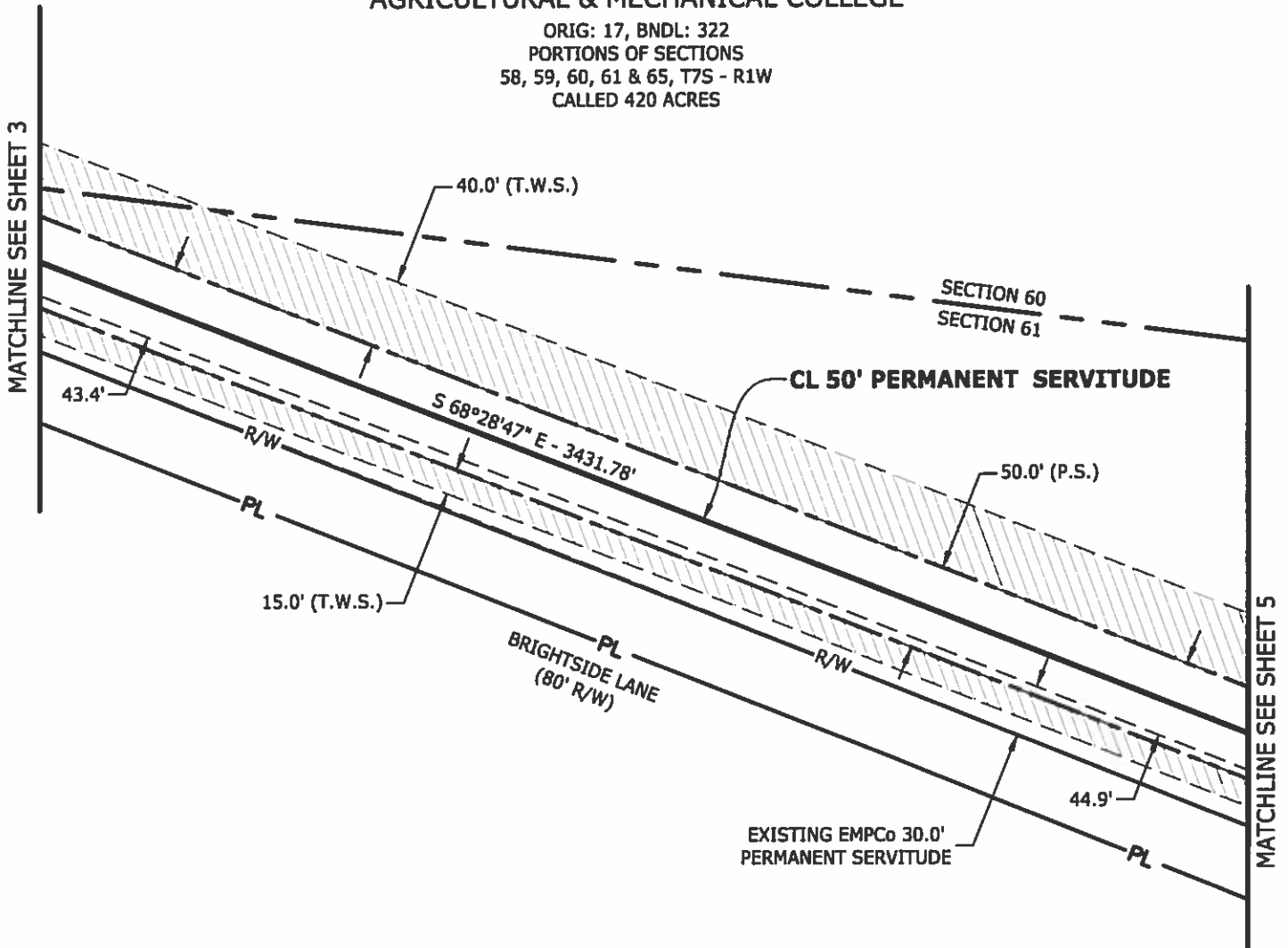
**EAST BATON ROUGE PARISH, LOUISIANA**  
**SECTIONS 60 & 61, T7S - R1W**  
**EXHIBIT "A"**



LA EBR 001A

**BOARD OF SUPERVISORS OF  
 LOUISIANA STATE UNIVERSITY AND  
 AGRICULTURAL & MECHANICAL COLLEGE**

ORIG: 17, BNDL: 322  
 PORTIONS OF SECTIONS  
 58, 59, 60, 61 & 65, T7S - R1W  
 CALLED 420 ACRES



SCALE: 1" = 100'



SHEET 4 OF 8

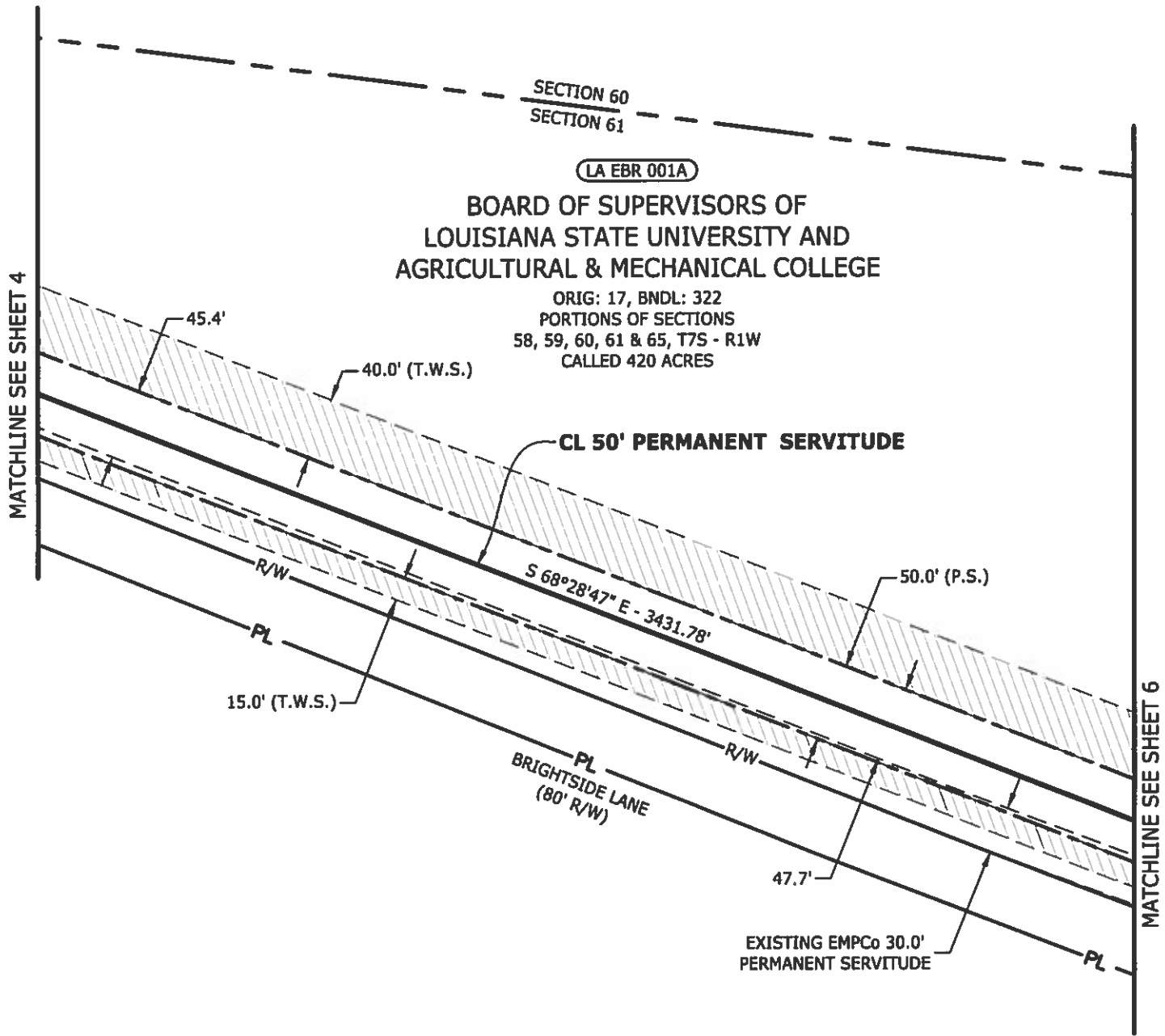
| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | <b>ExxonMobil Pipeline Company</b><br><b>BATON ROUGE PIPELINE PROJECT</b> |
|------|----------|----------------|-------|-------|-------|---|
| 0    | 08/05/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |   |
|      |          |                |       |       |       | SCALE 1" = 100'      DATE 08/10/18<br>DWG. NO. BTR-SR-0000-WG-LD-0001-022 |

FILE: R:\Project\109725\Discipline\CAD\Drawings\94\_Property\_Plan\BTR-SR-0000-WG-LD-0001-022.dwg PLOT DATE: 8/2/2019 BY: FORET, NICHOLAS

EAST BATON ROUGE PARISH, LOUISIANA

SECTION 61, T7S - R1W

EXHIBIT "A"



FILE: R:\Project\109726\Discipline\CAD\Drawings\94-Property\_Plan\BTR-SR-0000-WG-LD-0001-022.dwg PLOT DATE: 8/2/2019 BY: FORET, NICHOLAS

SCALE: 1" = 100'



SHEET 5 OF 8

| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | <b>ExxonMobil Pipeline Company</b><br><b>BATON ROUGE PIPELINE PROJECT</b> |
|------|----------|----------------|-------|-------|-------|---|
| 0    | 08/05/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |   |
|      |          |                |       |       |       | SCALE 1" = 100'      DATE 08/10/18<br>DWG. NO. BTR-SR-0000-WG-LD-0001-022 |

EAST BATON ROUGE PARISH, LOUISIANA

SECTION 61, T7S - R1W

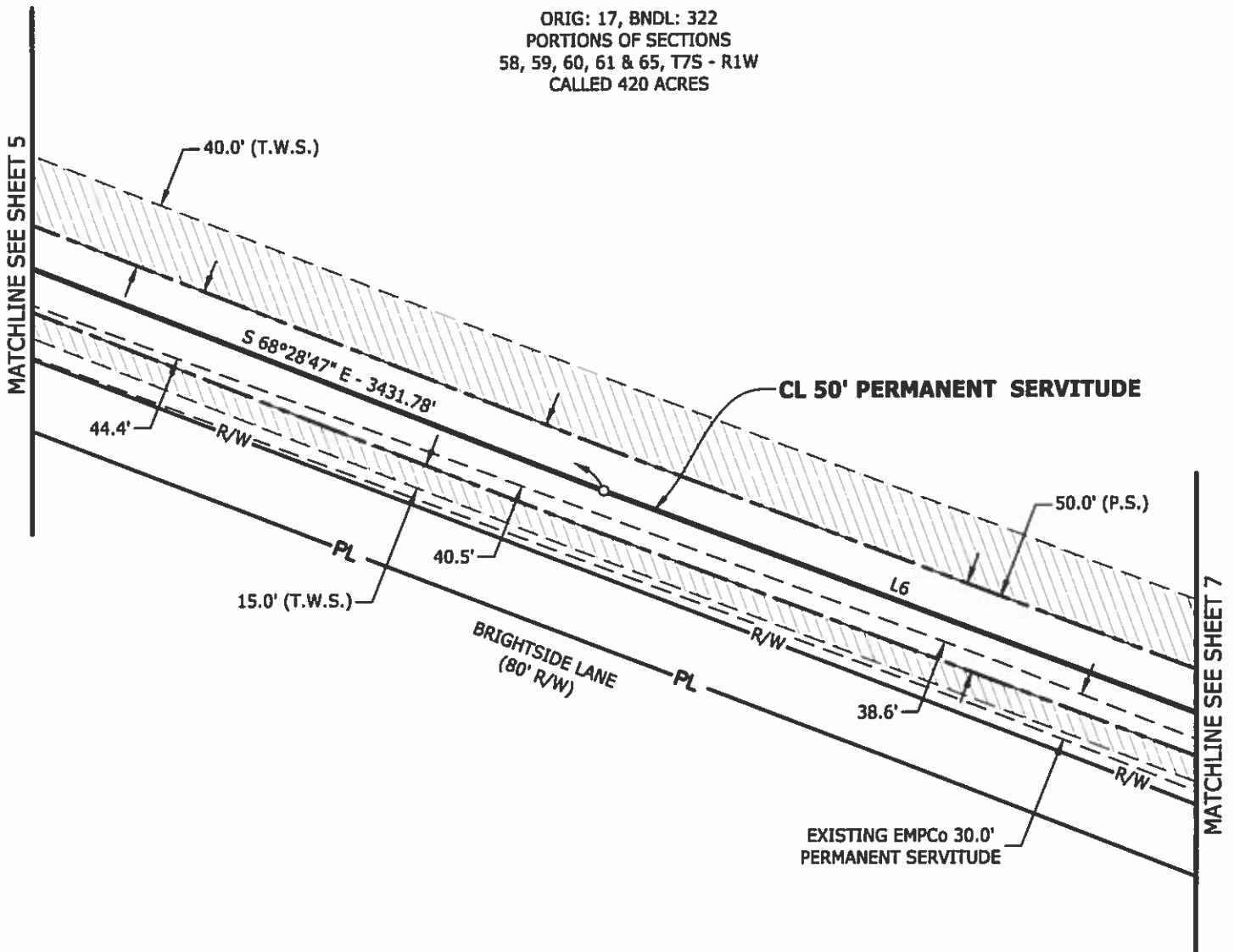
EXHIBIT "A"



LA EBR 001A

BOARD OF SUPERVISORS OF  
LOUISIANA STATE UNIVERSITY AND  
AGRICULTURAL & MECHANICAL COLLEGE

ORIG: 17, BNDL: 322  
PORTIONS OF SECTIONS  
58, 59, 60, 61 & 65, T7S - R1W  
CALLED 420 ACRES



SCALE: 1" = 100'



SHEET 6 OF 8

| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | <b>ExxonMobil Pipeline Company</b><br><b>BATON ROUGE PIPELINE PROJECT</b> |
|------|----------|----------------|-------|-------|-------|---|
| 0    | 08/05/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |   |
|      |          |                |       |       |       | SCALE 1" = 100'      DATE 08/10/18<br>DWG. NO. BTR-SR-0000-WG-LD-0001-022 |

FILE: R:\Projects\108728\Discipline\CAD\Drawings\B4-Property\_Plat\BTR-SR-0000-WG-LD-0001-022.dwg PLOT DATE: 8/22/2019 BY: FORET, NICHOLAS

EAST BATON ROUGE PARISH, LOUISIANA

SECTION 61, T7S - R1W

EXHIBIT "A"

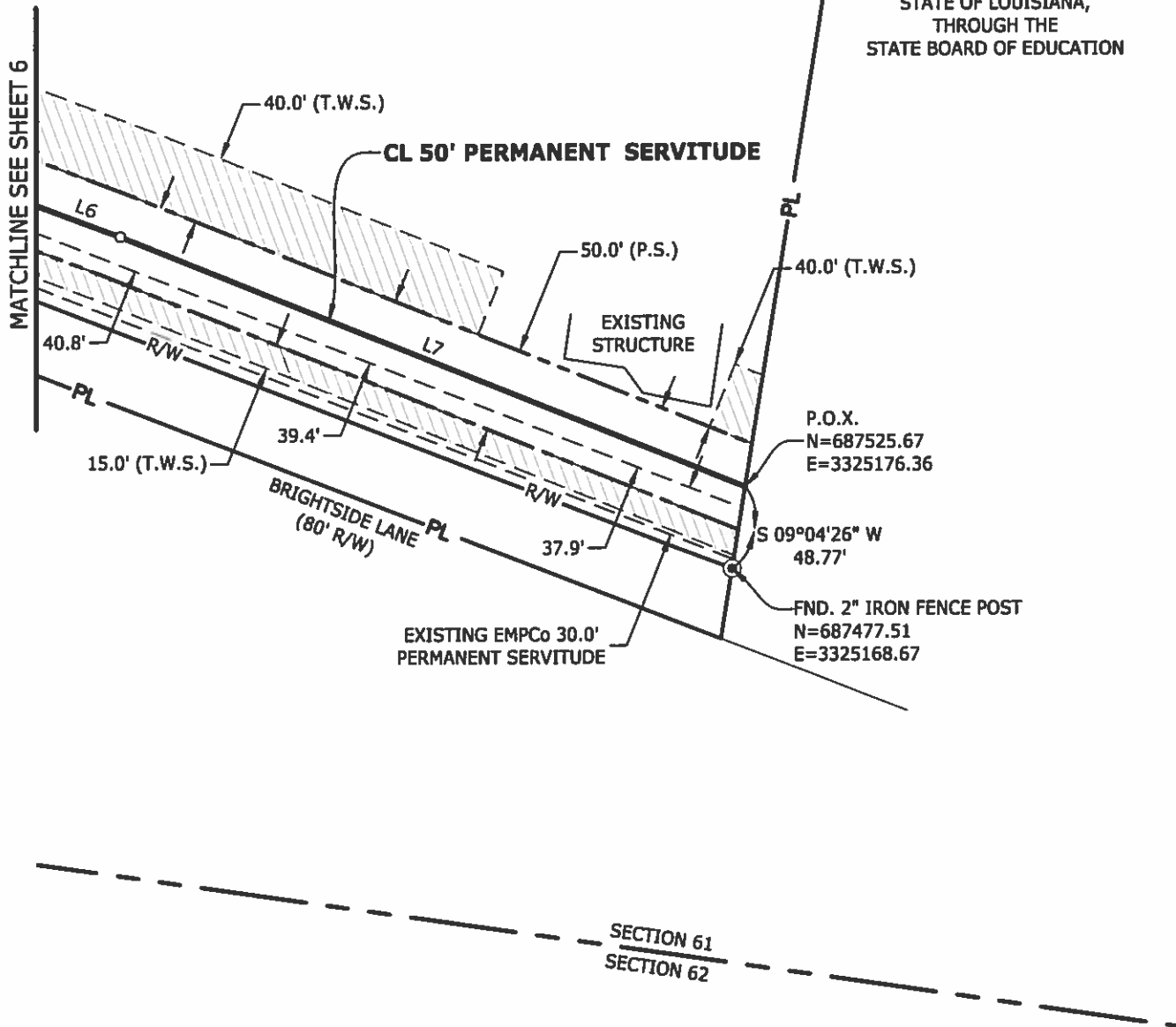
LA EBR 001A

BOARD OF SUPERVISORS OF  
LOUISIANA STATE UNIVERSITY AND  
AGRICULTURAL & MECHANICAL COLLEGE

ORIG: 17, BNDL: 322  
PORTIONS OF SECTIONS  
58, 59, 60, 61 & 65, T7S - R1W  
CALLED 420 ACRES

LA EBR 001B

STATE OF LOUISIANA,  
THROUGH THE  
STATE BOARD OF EDUCATION



FILE: R:\Projects\108728\Disciplines\CAD\Drawings\84-Property\_Plan\BTR-SR-0000-WG-LD-0001-022.dwg PLOT DATE: 8/22/2018 BY: FORET, NICHOLAS

SCALE: 1" = 100'

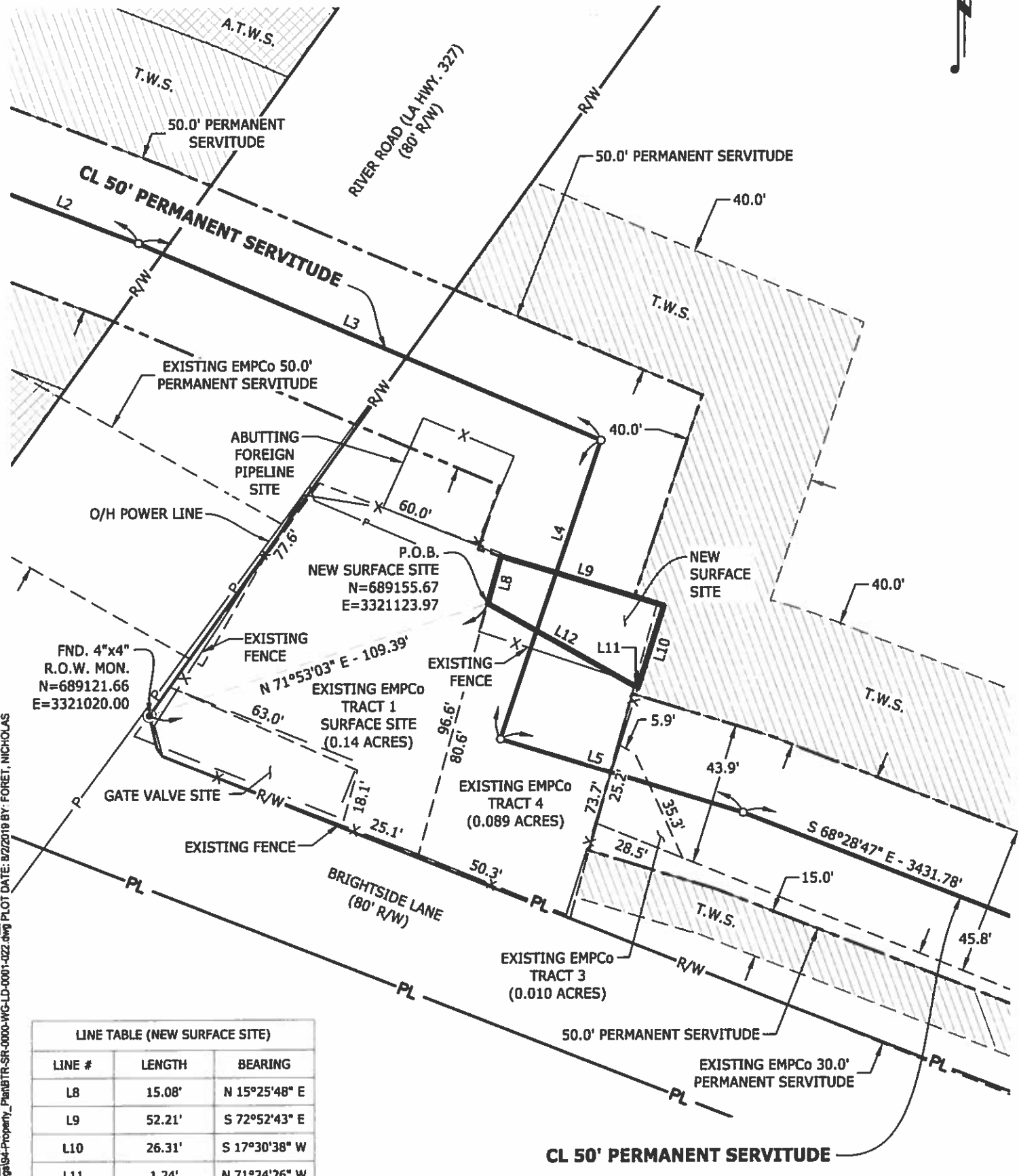


SHEET 7 OF 8

| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | <b>ExxonMobil Pipeline Company</b><br><b>BATON ROUGE PIPELINE PROJECT</b> |
|------|----------|----------------|-------|-------|-------|---|
| 0    | 08/05/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |   |
|      |          |                |       |       |       | SCALE 1" = 100'   DATE 08/10/18<br>DWG. NO. BTR-SR-0000-WG-LD-0001-022    |

**EAST BATON ROUGE PARISH, LOUISIANA**  
**SECTION 60, T7S - R1W**  
**EXHIBIT "A"**

**DETAIL "A"**  
 N.T.S.



| LINE TABLE (NEW SURFACE SITE) |        |               |
|-------------------------------|--------|---------------|
| LINE #                        | LENGTH | BEARING       |
| L8                            | 15.08' | N 15°25'48" E |
| L9                            | 52.21' | S 72°52'43" E |
| L10                           | 26.31' | S 17°30'38" W |
| L11                           | 1.24'  | N 71°24'26" W |
| L12                           | 51.58' | N 60°19'57" W |

| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | <b>ExxonMobil Pipeline Company</b><br><b>BATON ROUGE PIPELINE PROJECT</b> |
|------|----------|----------------|-------|-------|-------|---|
| 0    | 08/05/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |   |
|      |          |                |       |       |       | SCALE N.T.S.      DATE 08/10/18<br>DWG. NO. BTR-SR-0000-WG-LD-0001-022    |

FILE R:\Projects\108729\Discipline\CAD\Drawings\94-Property\_Plan\BTR-SR-0000-WG-LD-0001-022.dwg PLOT DATE: 8/22/2019 BY: FORET, NICHOLAS

**EXHIBIT "B"**

**LA EBR 001A  
BOARD OF SUPERVISORS OF  
LOUISIANA STATE UNIVERSITY AND  
AGRICULTURAL & MECHANICAL COLLEGE**

**DESCRIPTION OF 50' PERMANENT SERVITUDE**

Being a fifty (50') foot wide permanent servitude situated in a portion of those certain tracts conveyed to Board of Supervisors of Louisiana State University and Agricultural & Mechanical College in Original 17, Bundle 322 of the Deed Records of East Baton Rouge Parish, Louisiana in Sections 60 & 61, Township 7 South, Range 1 West, Greensburg Land District, East Baton Rouge Parish, Louisiana, said permanent servitude being twenty-five (25') feet on either side of a centerline described as follows with the side lines of said servitude being extended or shortened as needed to intersect the property lines of said Board of Supervisors of Louisiana State University and Agricultural & Mechanical College tract (LSU), and said centerline being more particularly described by metes and bounds as follows, to-wit:

**COMMENCING** at the calculated intersection of the South line of said LSU tract and the approximate low bank of the Mississippi River; thence N 81°42'17" E at 367.63 feet to the **POINT OF BEGINNING**, having coordinates of N = 689,398.91 and E = 3,320,681.65;

**THENCE** eight (8) calls with the permanent servitude centerline as follows:

- 1) N 66°48'19" E at 68.91 feet to an angle point;
- 2) S 68°53'22" E at 291.32 feet to an angle point
- 3) S 66°43'33" E at 154.42 feet to an angle point;
- 4) S 18°35'25" W at 96.84 feet to an angle point;
- 5) S 72°52'55" E at 77.79 feet to an angle point;
- 6) S 68°28'47" E at 3,431.78 feet to an angle point;
- 7) S 69°11'33" E at 442.41 feet to an angle point;
- 8) S 67°54'33" E at 397.36 feet intersect the East line of said LSU tract, being the **POINT OF EXIT**, having coordinates of N = 687,525.67 and E = 3,325,176.36, from which a 2" iron fence post found at the intersection of said East line of LSU tract and the North right-of-way line of Brightside Lane (80' R/W) bears S 09°04'26" W at 48.77 feet.

**TOGETHER WITH**

**DESCRIPTION OF NEW 0.025 ACRE SURFACE SITE EXPANSION**

A certain tract of land to be designated for use as a new surface site expansion in said LSU tract, said new surface site expansion boundaries being more particularly described by metes and bounds as follows, to-wit:

**COMMENCING** at a 4" x 4" concrete right-of-way monument found at the intersection of the East right-of-way line of River Road and the North right-of-way line of Brightside Lane; thence N 71°53'03" E at 109.39 feet to the Northwest corner of an existing 0.089 acre Exxon surface site (Tract 4) and the **POINT OF BEGINNING** of said new surface site expansion, having coordinates of N = 689,155.67 and E = 3,321,123.97; thence N 15°25'48" E at 15.08 feet to the Northwest corner of said new surface site expansion; thence S 72°52'43" E at 52.21 feet to the Northeast corner of said new surface site expansion; thence S 17°30'38" W at 26.31 feet to the Southeast corner of said new surface site expansion; thence N 71°24'26" W at 1.24 feet to the Northeast corner of said Exxon surface site (Tract 4); thence N 60°19'57" W along the North line of said Exxon surface site (Tract 4) at 51.58 feet back to the **POINT OF BEGINNING** and containing 0.025 acres, more or less.

Length of C/L Permanent Servitude is 4,960.83 feet  
Permanent Servitude is 5.59 Acres, more or less  
Temporary Workspace is 6.09 Acres, more or less  
Additional Temporary Workspace is 0.607 Acres, more or less  
New Surface Site is 0.025 Acres, more or less



SEE ATTACHED EXHIBIT "A", **BTR-SR-0000-WG-LD-0001-022**

I hereby certify that this survey was made on the ground by Wood Group USA, Inc. and that the attached Plat and this Legal description correctly represent the facts found at the time of the survey and that both conform to the current Louisiana Professional Engineering and Land Surveying Board's Standards of Practice as found in Louisiana Administrative Code, Title 46: Part LXI, Chapter 29 for a Class "D" Route Survey. The coordinates, bearings and distances reflected hereon are based on Lambert Grid – Louisiana South Zone 1702 (NAD 83) U.S. Survey Feet as derived from GPS observations taken on site utilizing LSU C4G Real Time Network and post-processed via NGS OPUS solutions.

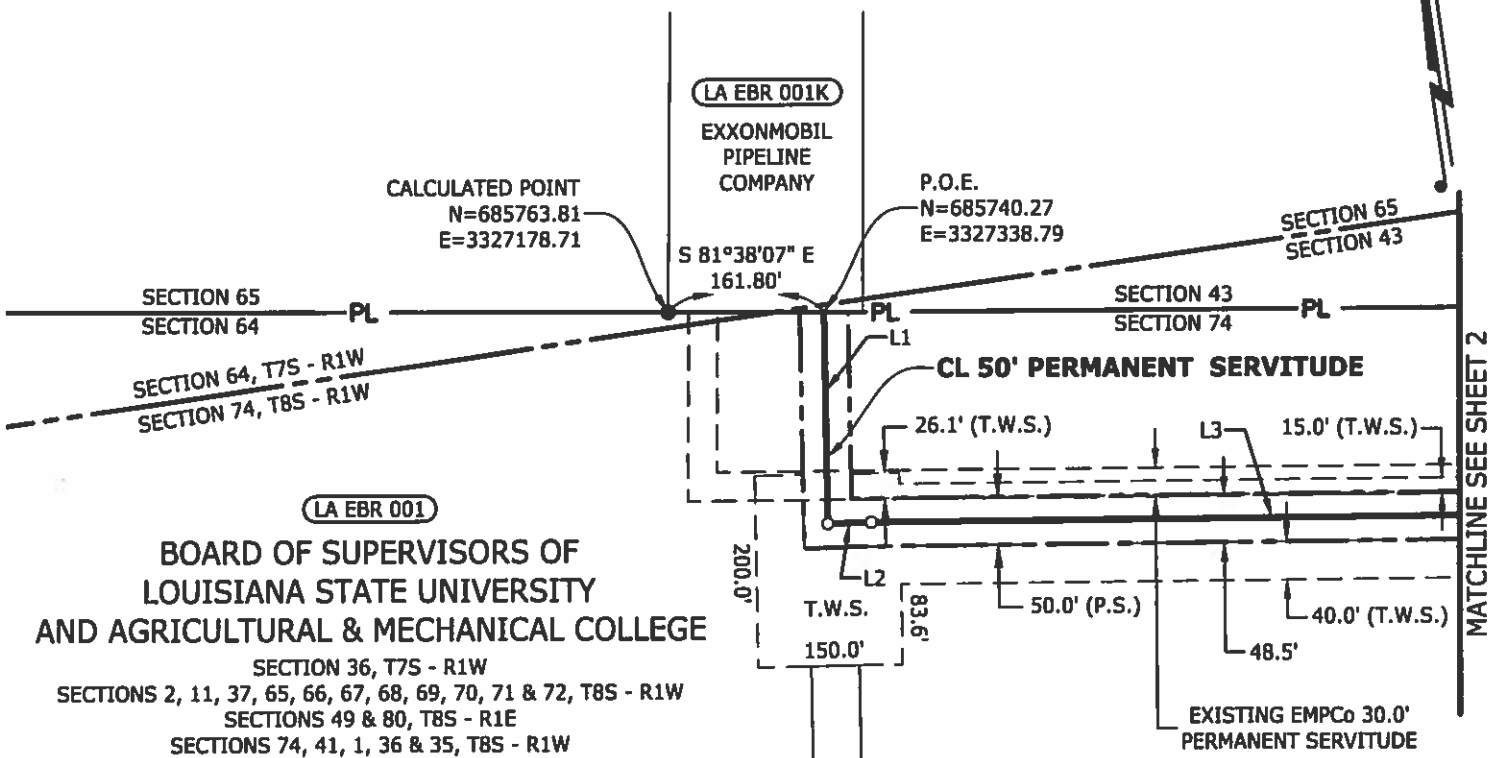


*Lawrence O. Kelly* 8-5-19

Lawrence O. Kelly  
Registered Professional Land Surveyor No. 5095

Wood Group USA, Inc.  
Louisiana Licensed Survey Firm No. VF.0000489  
17325 Park Row  
Houston, TX 77084  
(832) 809-8000

**EAST BATON ROUGE PARISH, LOUISIANA**  
**SECTIONS 74, 41, 1, 36 & 35, T8S - R1W**  
**EXHIBIT "A"**



**LA EBR 001**  
**BOARD OF SUPERVISORS OF**  
**LOUISIANA STATE UNIVERSITY**  
**AND AGRICULTURAL & MECHANICAL COLLEGE**

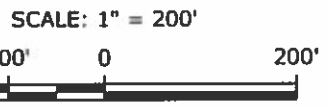
SECTION 36, T7S - R1W  
 SECTIONS 2, 11, 37, 65, 66, 67, 68, 69, 70, 71 & 72, T8S - R1W  
 SECTIONS 49 & 80, T8S - R1E  
 SECTIONS 74, 41, 1, 36 & 35, T8S - R1W  
 ORIG. 85, BNDL 961 CALLED 550 ACRES  
 ORIG: 79, BNDL: 963  
 CALLED 114.96 ACRES  
 ORIG: 34, BNDL: 980  
 CALLED 1858.20 ACRES

| LINE # | LENGTH   | BEARING       |
|--------|----------|---------------|
| L1     | 220.32'  | S 07°13'02" W |
| L2     | 45.01'   | S 83°26'03" E |
| L3     | 1056.26' | S 82°18'43" E |
| L4     | 2039.62' | S 81°25'52" E |
| L5     | 147.96'  | S 51°06'18" E |
| L6     | 1084.18' | S 81°54'25" E |
| L7     | 225.42'  | N 88°55'33" E |
| L8     | 481.72'  | N 89°33'24" E |
| L9     | 283.03'  | S 66°33'29" E |
| L10    | 138.36'  | S 65°42'50" E |
| L11    | 40.71'   | S 63°14'20" E |
| L12    | 21.67'   | S 46°29'04" E |
| L13    | 315.15'  | S 30°33'45" E |
| L14    | 111.50'  | S 04°48'11" W |

| LINE # | LENGTH   | BEARING       |
|--------|----------|---------------|
| L15    | 262.83'  | S 36°13'55" E |
| L16    | 39.68'   | S 84°28'42" E |
| L17    | 98.86'   | S 39°28'42" E |
| L18    | 102.40'  | S 36°24'34" E |
| L19    | 80.21'   | S 33°02'52" E |
| L20    | 252.01'  | S 33°21'24" E |
| L21    | 165.60'  | S 33°03'55" E |
| L22    | 91.46'   | S 31°57'02" E |
| L23    | 272.22'  | S 32°51'28" E |
| L24    | 142.21'  | S 31°50'05" E |
| L25    | 958.07'  | S 32°36'26" E |
| L26    | 1005.44' | S 32°37'42" E |
| L27    | 180.51'  | N 56°57'57" E |



*Lawrence O. Kelly* 8-5-19  
 LAWRENCE O. KELLY  
 REGISTERED PROFESSIONAL LAND SURVEYOR, NO. 5095  
 WOOD GROUP USA, INC. FIRM NO. VF.0000489



- LEGEND**
- P.O.E. - POINT OF ENTRY
  - P.O.X. - POINT OF EXIT
  - PL - PROPERTY LINE
  - P.S. - PERMANENT SERVITUDE
  - T.W.S. - TEMPORARY WORKSPACE
  - A.T.W.S. - ADDITIONAL TEMPORARY WORKSPACE
  - ⊙ - FOUND MONUMENT
  - - CALCULATED POINT

LENGTH OF CL PERMANENT SERVITUDE: 9862.41 FEET  
 PERMANENT SERVITUDE: (11.32 AC.)  
 TEMPORARY WORKSPACE: (11.18 AC.)  
 ADDITIONAL TEMPORARY WORKSPACE: (1.54 AC.)  
 EXISTING EMPCo PERMANENT SERVITUDE: (6.90 AC.)

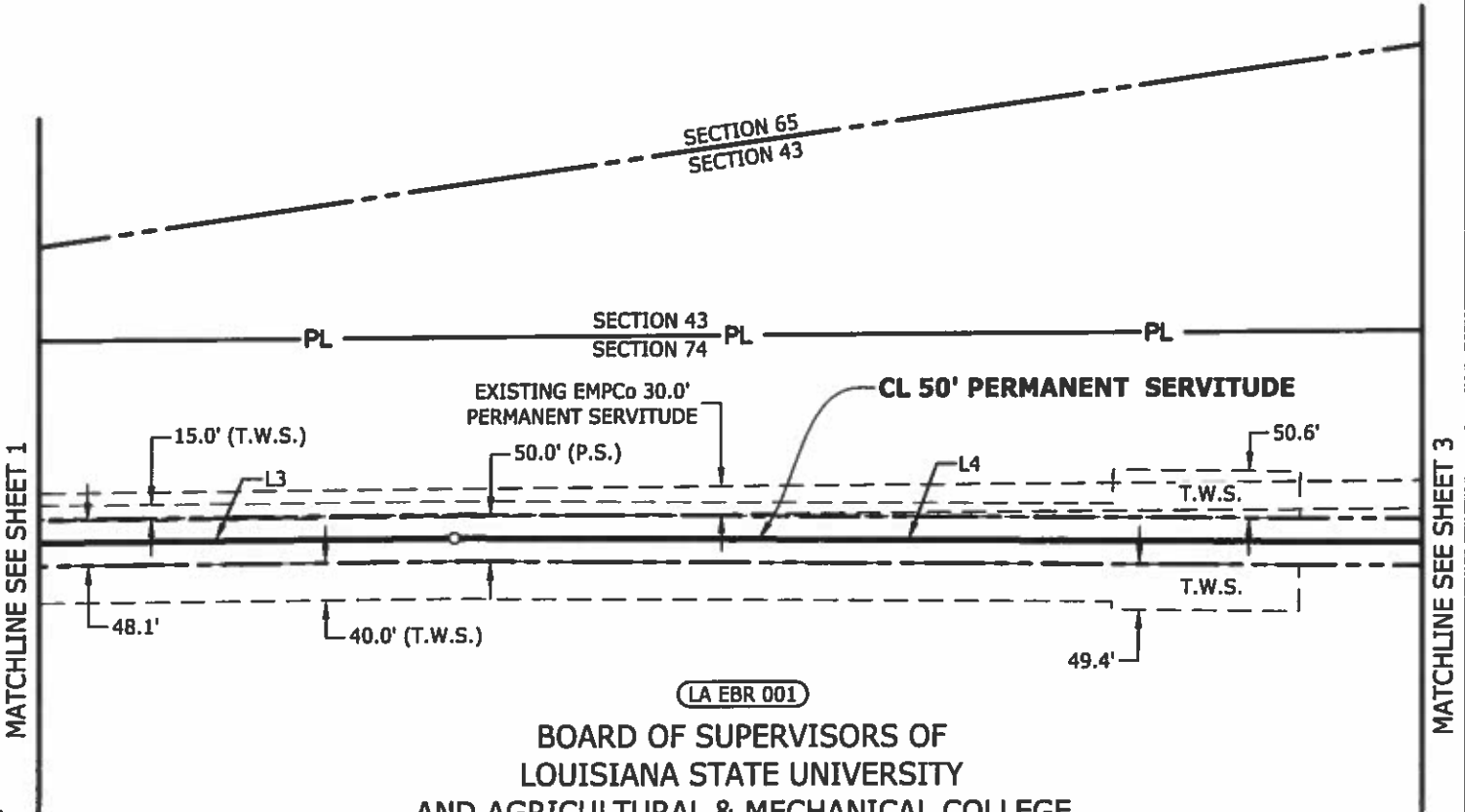
BEARINGS, DISTANCES AND COORDINATES ARE BASED ON LAMBERT GRID - LA SOUTH ZONE 1702 (NAD 83), U.S. SURVEY FEET AS DERIVED FROM GPS OBSERVATIONS (OPUS).

NOTE: THIS PLAT WAS PREPARED FOR RIGHT-OF-WAY ACQUISITION PURPOSES ONLY AND DOES NOT CONSTITUTE A PROPER BOUNDARY SURVEY. THIS PLAT CONFORMS TO THE STANDARDS OF PRACTICE AS FOUND IN L.A.C. TITLE 46:LXI, CHAPTER 29 FOR A CLASS "D" ROUTE SURVEY. THE LOCATION OF SECTION, TOWNSHIP AND RANGE LINES SHOWN HEREON ARE APPROXIMATE AND SHOULD BE USED FOR LOCATIVE PURPOSES ONLY.

| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | ExxonMobil Pipeline Company  |                |
|------|----------|----------------|-------|-------|-------|--|----------------|
| 0    | 08/05/19 | ISSUED FOR USE | NJF   | LJB   | LOK   | ENGINEERING SPECIALISTS  | HOUSTON, TEXAS |
|      |          |                |       |       |       | LA EBR 001<br>BOARD OF SUPERVISORS OF LOUISIANA<br>STATE UNIVERSITY AND AGRICULTURAL<br>& MECHANICAL COLLEGE |                |
|      |          |                |       |       |       | SCALE  | 1" = 200'      |
|      |          |                |       |       |       | DATE   | 06/29/18       |
|      |          |                |       |       |       | DWG. NO. BTR-SR-0000-WG-LD-0001-012  |                |

FILE: R:\Project\109725\discipline\CADD\Drawings\94-Property\_Plan\BTR-SR-0000-WG-LD-0001-012.dwg PLOT DATE: 8/5/2018 BY: FORET, NICHOLAS

**EAST BATON ROUGE PARISH, LOUISIANA**  
**SECTIONS 74, 41, 1, 36 & 35, T8S - R1W**  
**EXHIBIT "A"**



LA EBR 001

**BOARD OF SUPERVISORS OF  
 LOUISIANA STATE UNIVERSITY  
 AND AGRICULTURAL & MECHANICAL COLLEGE**

SECTION 36, T7S - R1W  
 SECTIONS 2, 11, 37, 65, 66, 67, 68, 69, 70, 71 & 72, T8S - R1W  
 SECTIONS 49 & 80, T8S - R1E  
 SECTIONS 74, 41, 1, 36 & 35, T8S - R1W  
 ORIG. 85, BNDL 961 CALLED 550 ACRES  
 ORIG: 79, BNDL: 963  
 CALLED 114.96 ACRES  
 ORIG: 34, BNDL: 980  
 CALLED 1858.20 ACRES

SCALE: 1" = 200'

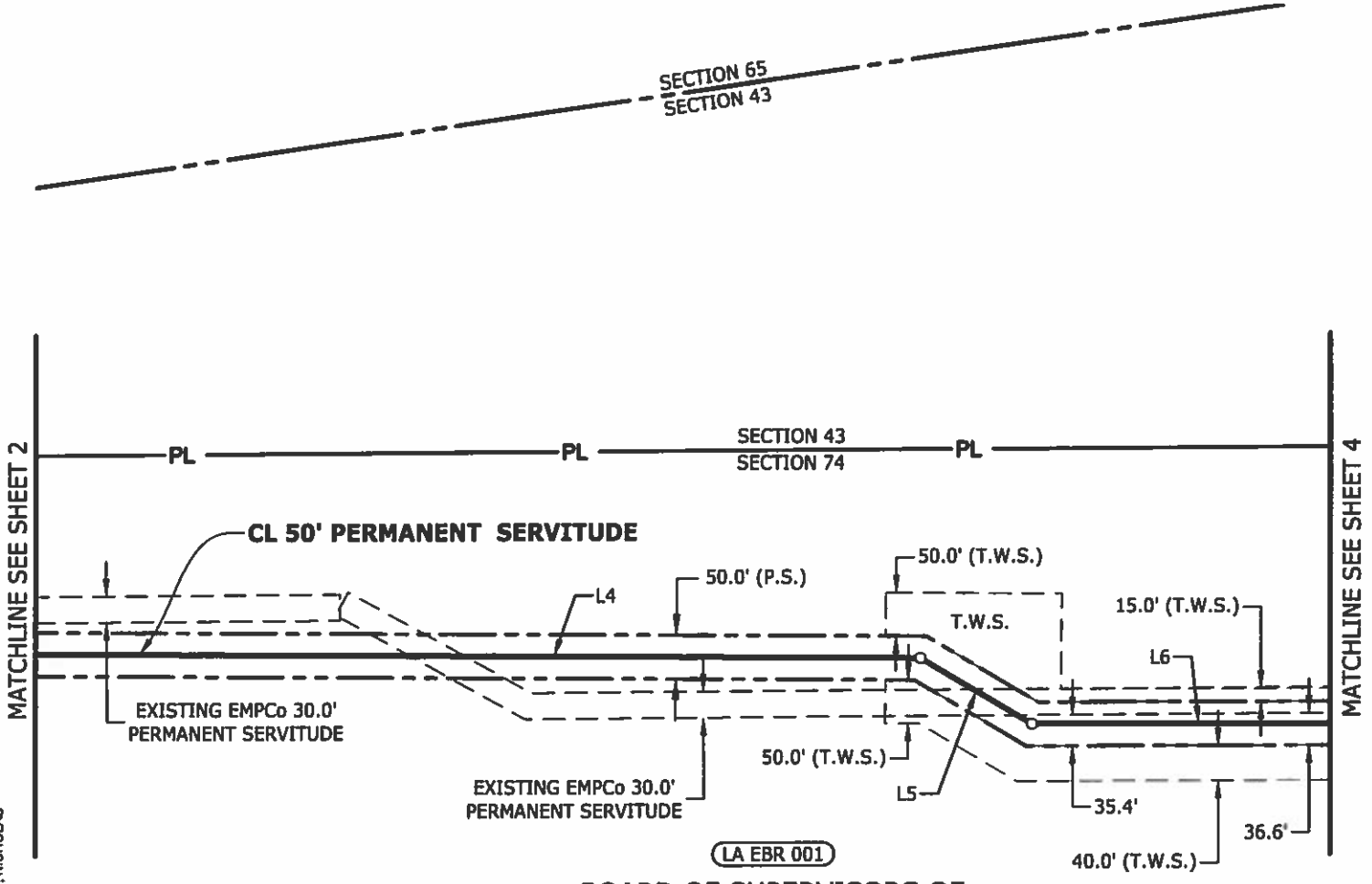


SHEET 2 OF 8

| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | <b>ExxonMobil Pipeline Company</b><br>ENGINEERING SPECIALISTS HOUSTON, TEXAS |
|------|----------|----------------|-------|-------|-------|--|
| 0    | 08/05/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |  |
|      |          |                |       |       |       | SCALE 1" = 200'      DATE 06/29/18<br>DWG. NO. BTR-SR-0000-WG-LD-0001-012    |

FILE R:\Projects\108728\Discipline\CADD\Drawings\94-Property\_Plat\BTR-SR-0000-WG-LD-0001-012.dwg PLOT DATE: 8/2/2019 BY: FORET, NICHOLAS

**EAST BATON ROUGE PARISH, LOUISIANA**  
**SECTIONS 74, 41, 1, 36 & 35, T8S - R1W**  
**EXHIBIT "A"**



LA EBR 001

**BOARD OF SUPERVISORS OF  
 LOUISIANA STATE UNIVERSITY  
 AND AGRICULTURAL & MECHANICAL COLLEGE**

SECTION 36, T7S - R1W  
 SECTIONS 2, 11, 37, 65, 66, 67, 68, 69, 70, 71 & 72, T8S - R1W  
 SECTIONS 49 & 80, T8S - R1E  
 SECTIONS 74, 41, 1, 36 & 35, T8S - R1W  
 ORIG. 85, BNDL 961 CALLED 550 ACRES  
 ORIG: 79, BNDL: 963  
 CALLED 114.96 ACRES  
 ORIG: 34, BNDL: 980  
 CALLED 1858.20 ACRES

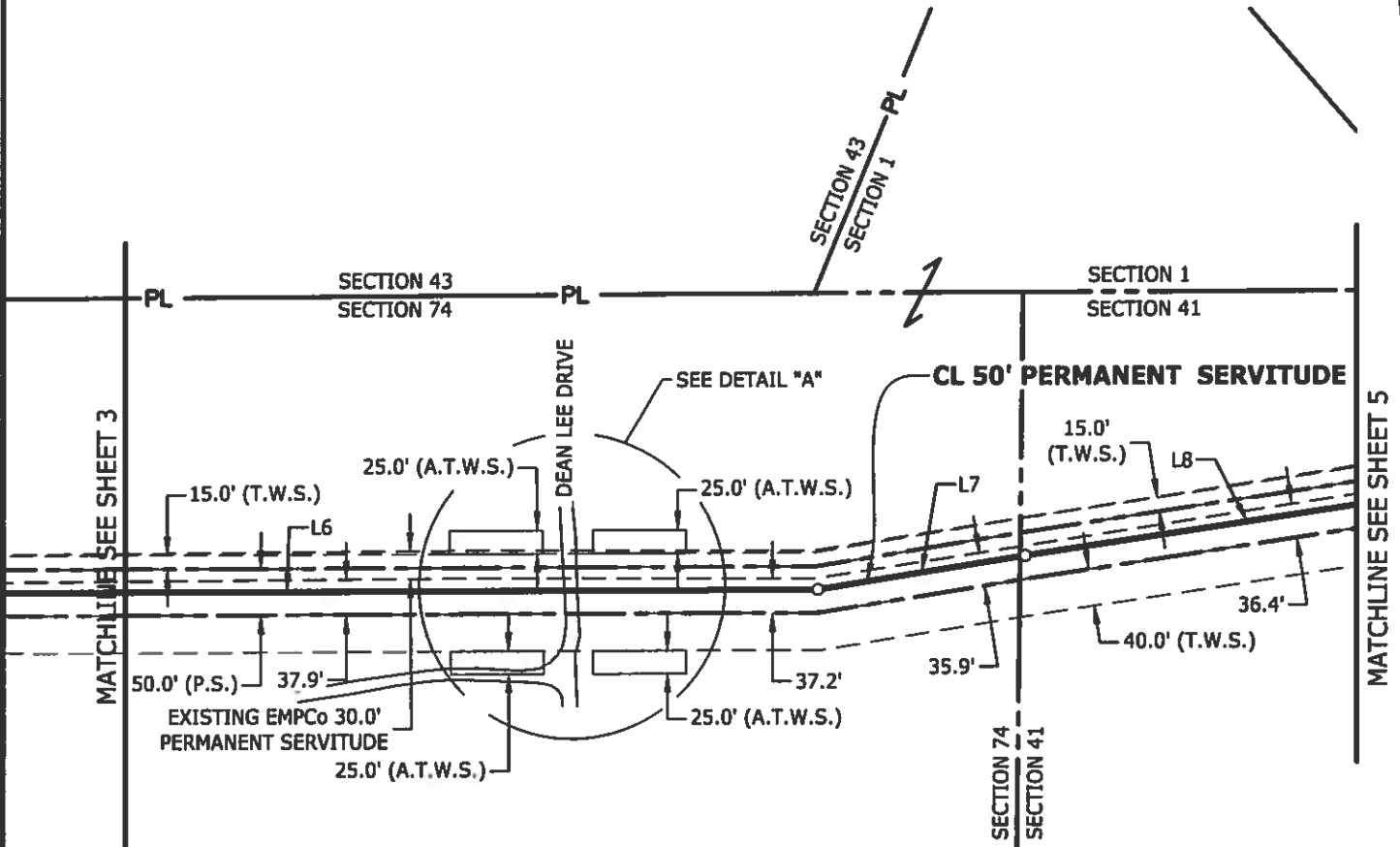
SCALE: 1" = 200'



| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | <b>ExxonMobil Pipeline Company</b><br>ENGINEERING SPECIALISTS HOUSTON, TEXAS |
|------|----------|----------------|-------|-------|-------|--|
| 0    | 08/05/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |  |
|      |          |                |       |       |       | SCALE 1" = 200'      DATE 06/29/18<br>DWG. NO. BTR-SR-0000-WG-LD-0001-012    |

FILE: R:\Projects\109728\Discipline\CAD\Drawings\94-Property\_Plan\BTR-SR-0000-WG-LD-0001-012.dwg PLOT DATE: 8/2/2019 BY: FORET, NICHOLAS

**EAST BATON ROUGE PARISH, LOUISIANA**  
**SECTIONS 74, 41, 1, 36 & 35, T8S - R1W**  
**EXHIBIT "A"**



LA EBR 001

**BOARD OF SUPERVISORS OF  
 LOUISIANA STATE UNIVERSITY  
 AND AGRICULTURAL & MECHANICAL COLLEGE**

SECTION 36, T7S - R1W  
 SECTIONS 2, 11, 37, 65, 66, 67, 68, 69, 70, 71 & 72, T8S - R1W  
 SECTIONS 49 & 80, T8S - R1E  
 SECTIONS 74, 41, 1, 36 & 35, T8S - R1W  
 ORIG. 85, BNDL 961 CALLED 550 ACRES  
 ORIG: 79, BNDL: 963  
 CALLED 114.96 ACRES  
 ORIG: 34, BNDL: 980  
 CALLED 1858.20 ACRES

AND  
 SECT

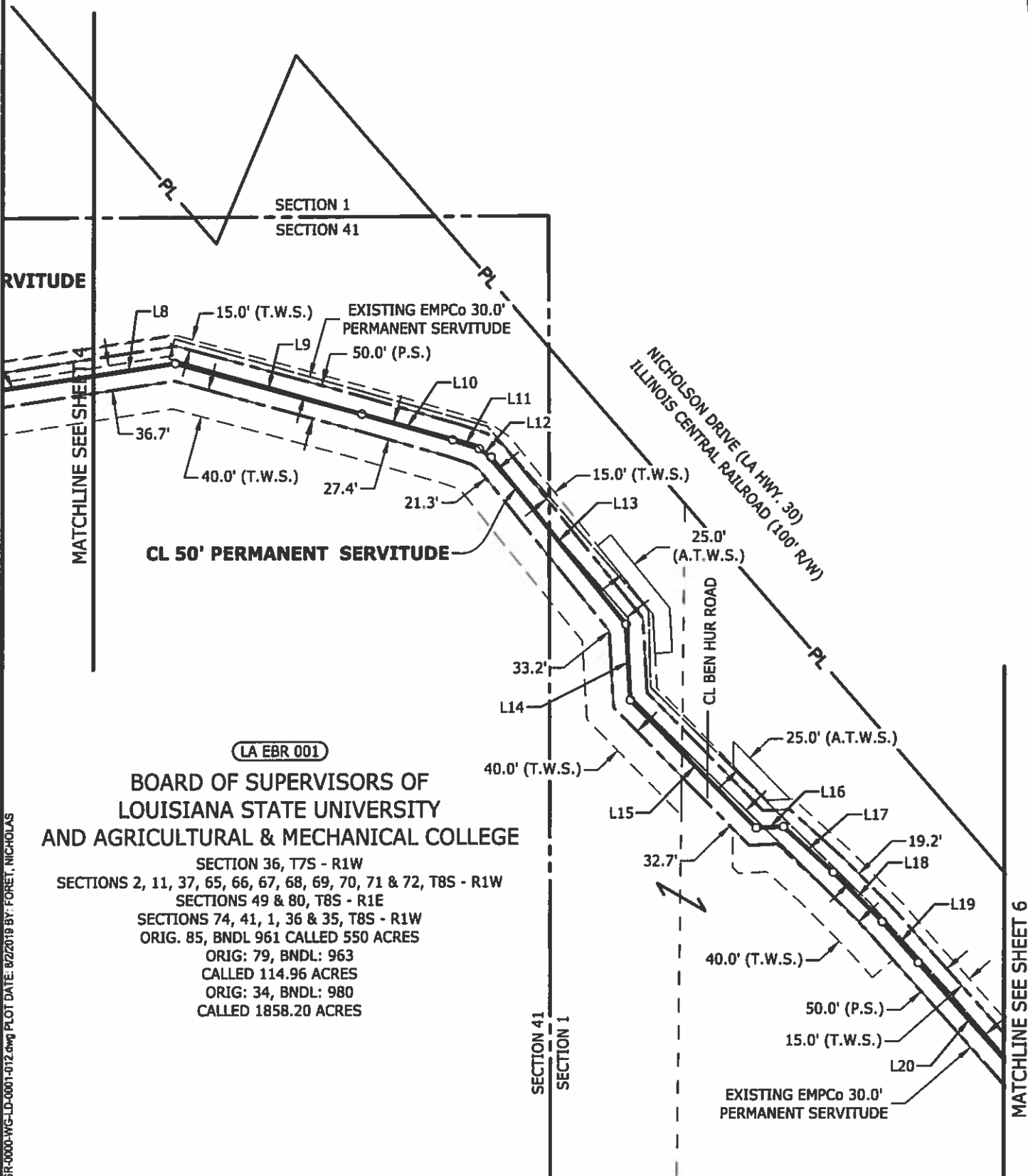
SCALE: 1" = 200'



| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | <b>ExxonMobil Pipeline Company</b><br>ENGINEERING SPECIALISTS HOUSTON, TEXAS                                 |
|------|----------|----------------|-------|-------|-------|--|
| 0    | 08/05/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |  |
|      |          |                |       |       |       | LA EBR 001<br>BOARD OF SUPERVISORS OF LOUISIANA<br>STATE UNIVERSITY AND AGRICULTURAL<br>& MECHANICAL COLLEGE |
|      |          |                |       |       |       | SCALE 1" = 200'      DATE 06/29/18<br>DWG. NO. BTR-SR-0000-WG-LD-0001-012                                    |

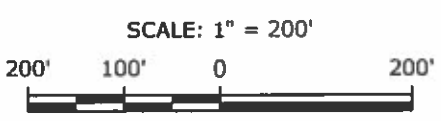
FILE: R:\Projects\109728\Discipline\CAD\Drawings\94-Property\_Plan\BTR-SR-0000-WG-LD-0001-012.dwg PLOT DATE: 8/22/2019 BY: FORET, NICHOLAS

**EAST BATON ROUGE PARISH, LOUISIANA**  
**SECTIONS 74, 41, 1, 36 & 35, T8S - R1W**  
**EXHIBIT "A"**



**(LA EBR 001)**  
**BOARD OF SUPERVISORS OF**  
**LOUISIANA STATE UNIVERSITY**  
**AND AGRICULTURAL & MECHANICAL COLLEGE**

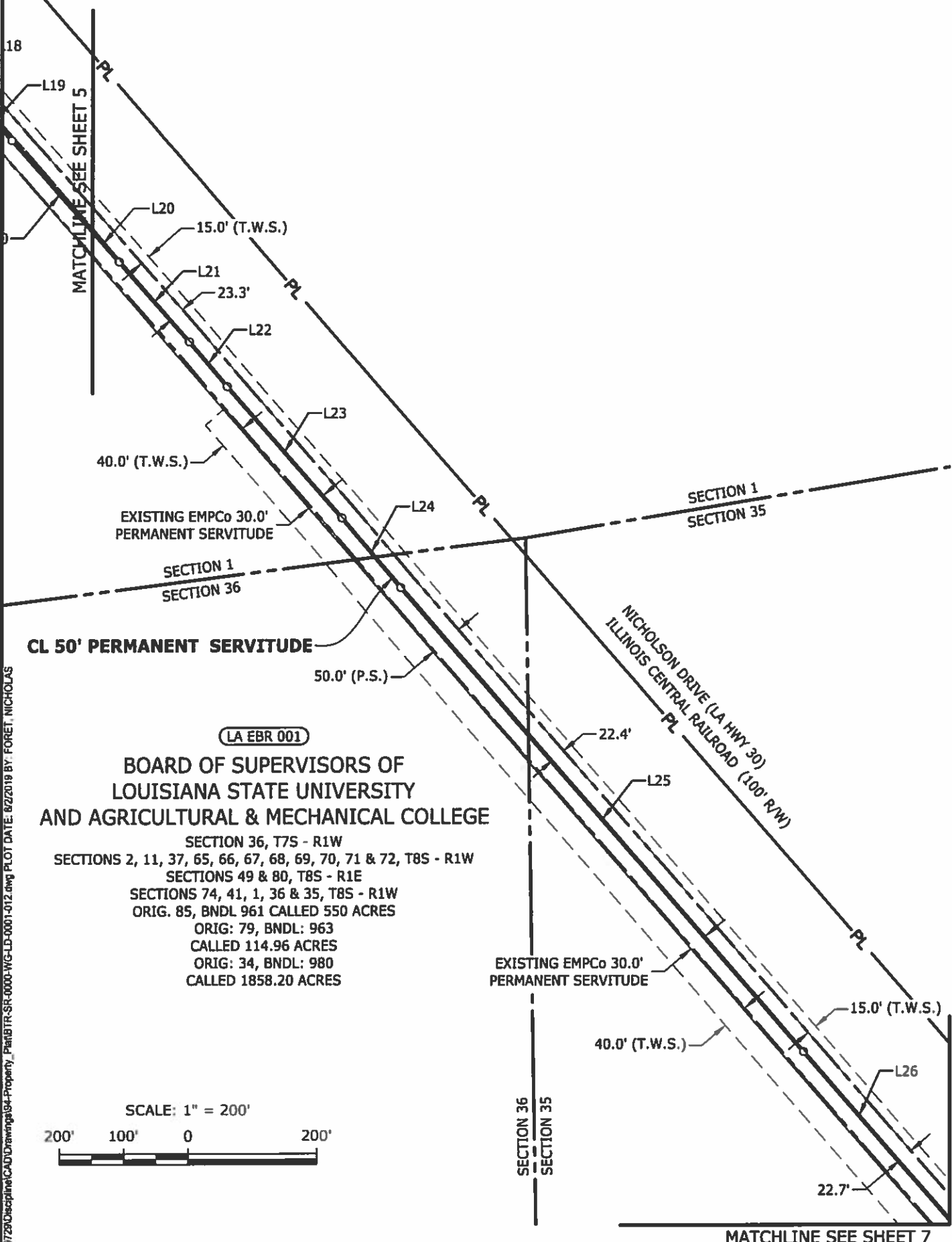
SECTION 36, T7S - R1W  
 SECTIONS 2, 11, 37, 65, 66, 67, 68, 69, 70, 71 & 72, T8S - R1W  
 SECTIONS 49 & 80, T8S - R1E  
 SECTIONS 74, 41, 1, 36 & 35, T8S - R1W  
 ORIG. 85, BNDL 961 CALLED 550 ACRES  
 ORIG: 79, BNDL: 963  
 CALLED 114.96 ACRES  
 ORIG: 34, BNDL: 980  
 CALLED 1858.20 ACRES



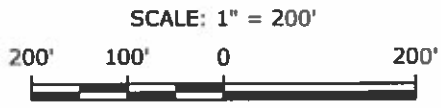
| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | <b>ExxonMobil Pipeline Company</b><br>ENGINEERING SPECIALISTS HOUSTON, TEXAS                                 |
|------|----------|----------------|-------|-------|-------|--|
| 0    | 08/05/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |  |
|      |          |                |       |       |       | LA EBR 001<br>BOARD OF SUPERVISORS OF LOUISIANA<br>STATE UNIVERSITY AND AGRICULTURAL<br>& MECHANICAL COLLEGE |
|      |          |                |       |       |       |  |
|      |          |                |       |       |       | SCALE 1" = 200'      DATE 06/29/18<br>DWG. NO. BTR-SR-0000-WG-LD-0001-012                                    |

FILE: R:\Projects\109728\Disciplines\CAD\Drawings\94-Property\_Plan\BTR-SR-0000-WG-LD-0001-012.dwg PLOT DATE: 8/22/2019 BY: FORET, NICHOLAS

**EAST BATON ROUGE PARISH, LOUISIANA**  
**SECTIONS 74, 41, 1, 36 & 35, T8S - R1W**  
**EXHIBIT "A"**



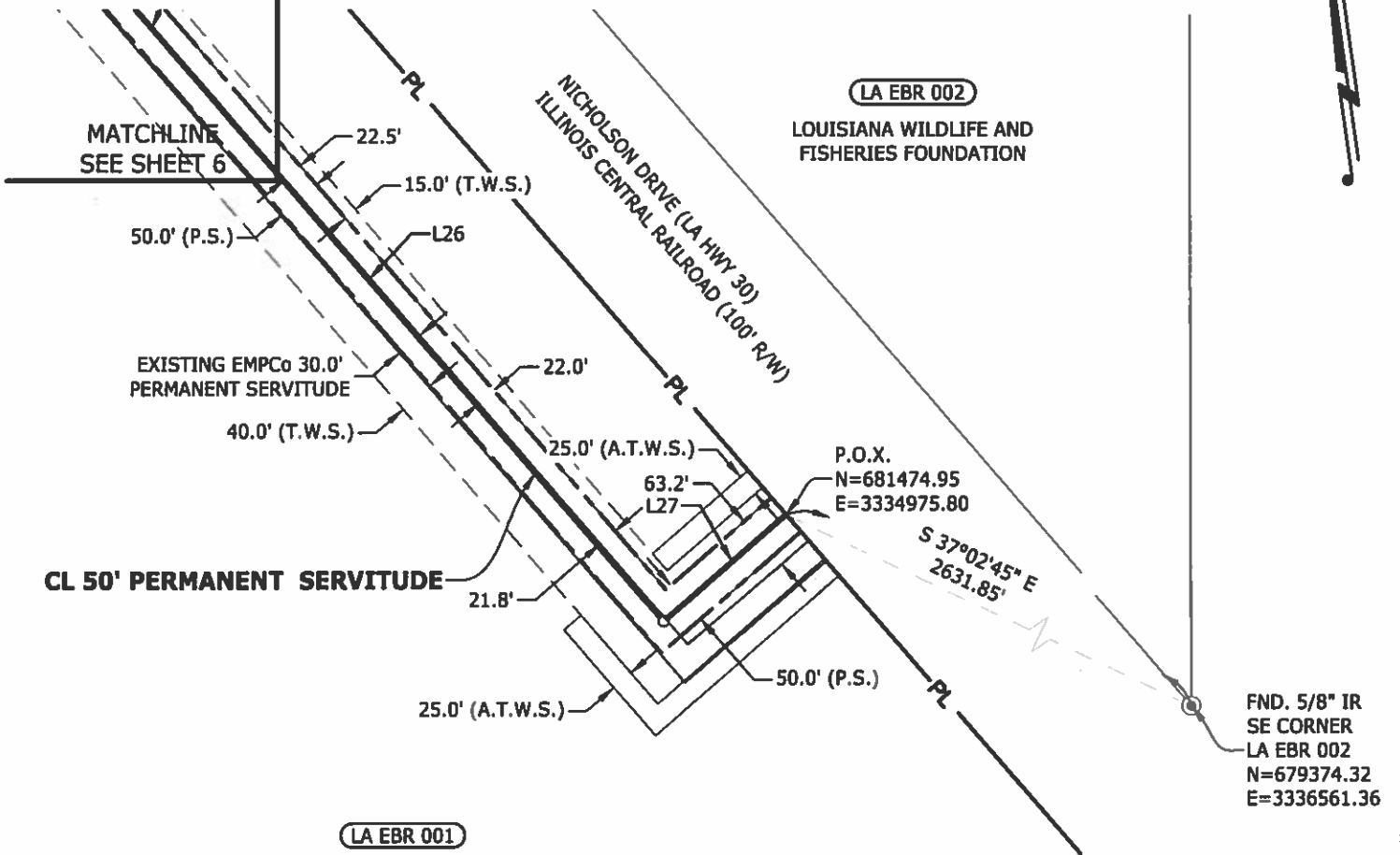
**(LA EBR 001)**  
**BOARD OF SUPERVISORS OF**  
**LOUISIANA STATE UNIVERSITY**  
**AND AGRICULTURAL & MECHANICAL COLLEGE**  
 SECTION 36, T7S - R1W  
 SECTIONS 2, 11, 37, 65, 66, 67, 68, 69, 70, 71 & 72, T8S - R1W  
 SECTIONS 49 & 80, T8S - R1E  
 SECTIONS 74, 41, 1, 36 & 35, T8S - R1W  
 ORIG. 85, BNDL 961 CALLED 550 ACRES  
 ORIG: 79, BNDL: 963  
 CALLED 114.96 ACRES  
 ORIG: 34, BNDL: 980  
 CALLED 1858.20 ACRES



| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | <b>ExxonMobil Pipeline Company</b><br>ENGINEERING SPECIALISTS HOUSTON, TEXAS |
|------|----------|----------------|-------|-------|-------|--|
| 0    | 08/05/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |  |
|      |          |                |       |       |       | SCALE 1" = 200'      DATE 06/29/18<br>DWG. NO. BTR-SR-0000-WG-LD-0001-012    |

FILE: R:\Projects\111728\Discipline\CAD\Drawings\94-Property\_Plan\BTR-SR-0000-WG-LD-0001-012.dwg PLOT DATE: 8/29/19 BY: FORET, NICHOLAS

**EAST BATON ROUGE PARISH, LOUISIANA  
SECTIONS 74, 41, 1, 36 & 35, T8S - R1W  
EXHIBIT "A"**

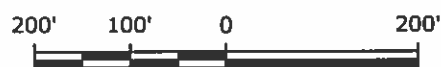


**LA EBR 001**

**BOARD OF SUPERVISORS OF  
LOUISIANA STATE UNIVERSITY  
AND AGRICULTURAL & MECHANICAL COLLEGE**

SECTION 36, T7S - R1W  
SECTIONS 2, 11, 37, 65, 66, 67, 68, 69, 70, 71 & 72, T8S - R1W  
SECTIONS 49 & 80, T8S - R1E  
SECTIONS 74, 41, 1, 36 & 35, T8S - R1W  
ORIG. 85, BNDL 961 CALLED 550 ACRES  
ORIG: 79, BNDL: 963  
CALLED 114.96 ACRES  
ORIG: 34, BNDL: 980  
CALLED 1858.20 ACRES

SCALE: 1" = 200'



| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | <b>ExxonMobil Pipeline Company</b><br>ENGINEERING SPECIALISTS HOUSTON, TEXAS                                 |
|------|----------|----------------|-------|-------|-------|--|
| 0    | 08/05/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |  |
|      |          |                |       |       |       | LA EBR 001<br>BOARD OF SUPERVISORS OF LOUISIANA<br>STATE UNIVERSITY AND AGRICULTURAL<br>& MECHANICAL COLLEGE |
|      |          |                |       |       |       | SCALE 1" = 200'      DATE 06/29/18<br>DWG. NO. BTR-SR-0000-WG-LD-0001-012                                    |

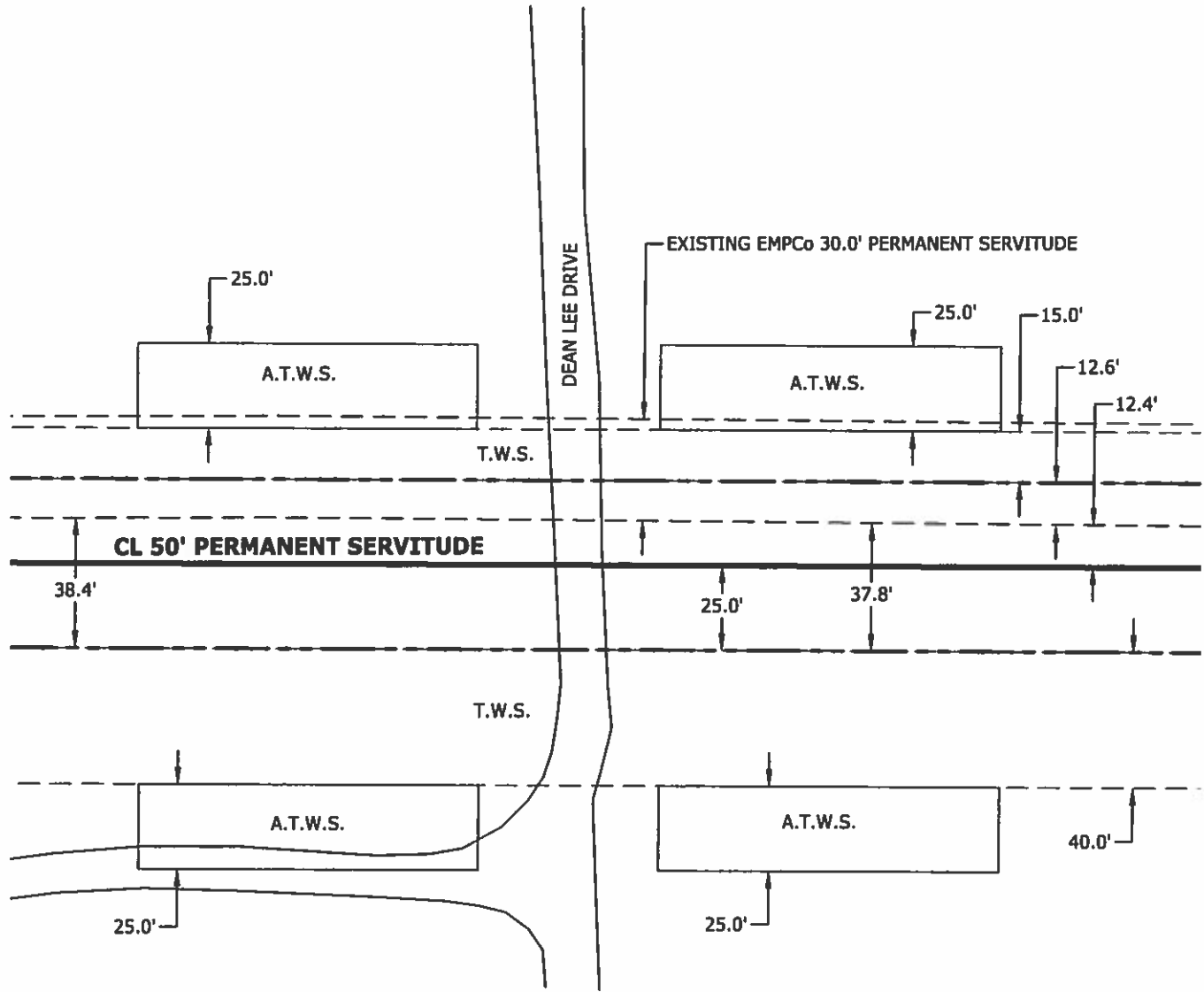
FILE: R:\Projects\109728\Discipline\CAO\Drawings\94-Property\_Plat\BTR-SR-0000-WG-LD-0001-012.dwg PLOT DATE: 8/2/2019 BY: FORET, NICHOLAS



**EAST BATON ROUGE PARISH, LOUISIANA**  
**SECTIONS 74, 41, 1, 36 & 35, T8S - R1W**  
**EXHIBIT "A"**



**DETAIL "A"**  
 N.T.S.



FILE: R:\Projects\109728\Discipline\CAO\Drawings\94-Property\_Plan\BTR-SR-0000-WG-LD-0001-012.dwg PLOT DATE: 8/2/2019 BY: FORET, NICHOLAS

SHEET 8 OF 8

| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | <b>ExxonMobil Pipeline Company</b><br>ENGINEERING SPECIALISTS HOUSTON, TEXAS |
|------|----------|----------------|-------|-------|-------|--|
| 0    | 08/05/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |  |
|      |          |                |       |       |       | SCALE N.T.S.      DATE 06/29/18<br>DWG. NO. BTR-SR-0000-WG-LD-0001-012       |

**EXHIBIT "B"**

**LA EBR 001  
BOARD OF SUPERVISORS OF  
LOUISIANA STATE UNIVERSITY AND  
AGRICULTURAL & MECHANICAL COLLEGE**

**DESCRIPTION OF 50' PERMANENT SERVITUDE**

Being a fifty (50') foot wide permanent servitude situated in those certain tracts conveyed to Board of Supervisors of Louisiana State University and Agricultural & Mechanical College in Original 85, Bundle 961, Original 34, Bundle 980 and Original 79, Bundle 963 of the Deed Records of East Baton Rouge Parish, Louisiana in Sections 1, 35, 36, 41 & 74, Township 8 South, Range 1 West, Greensburg Land District, East Baton Rouge Parish, Louisiana, said permanent servitude being twenty-five (25') feet on either side of a centerline described as follows with the side lines of said servitude being extended or shortened as needed to intersect the property lines of said Board of Supervisors of Louisiana State University and Agricultural & Mechanical College tracts (LSU), and said centerline being more particularly described by metes and bounds as follows, to-wit:

**COMMENCING** at the calculated Southwest corner of that certain 4.94 acre tract as shown on map of survey entitled "Survey of the Isabel Loret Faust, et al Property Located in Sec. 65, T7S-R1W & Sec. 43, T8S-R1W, East Baton Rouge Parish, LA, for Exxon Pipeline Company" in Original 810, Bundle 10608 of said Deed Records of East Baton Rouge Parish and the North line of said LSU tract; thence S 81°38'07" E along the South line of said 4.94 acre tract and the North line of said LSU tract at 161.80 feet to the **POINT OF ENTRY**, having coordinates of N = 685,740.27 and E = 3,327,338.79

**THENCE** twenty-seven (27) calls with the permanent servitude centerline as follows:

- 1) S 07°13'02" W at 220.32 feet to an angle point;
- 2) S 83°26'03" E at 45.01 feet to an angle point;
- 3) S 82°18'43" E at 1056.26 feet to an angle point;
- 4) S 81°25'52" E at 2039.62 feet to an angle point;
- 5) S 51°06'18" E at 147.96 feet to an angle point;
- 6) S 81°54'25" E at 1084.18 feet to an angle point;
- 7) N 88°55'33" E at 225.42 feet to an angle point;
- 8) N 89°33'24" E at 481.72 feet to an angle point;
- 9) S 66°33'29" E at 283.03 feet to an angle point;
- 10) S 65°42'50" E at 138.36 feet to an angle point;
- 11) S 63°14'20" E at 40.71 feet to an angle point;
- 12) S 46°29'04" E at 21.67 feet to an angle point;
- 13) S 30°33'45" E at 315.15 feet to an angle point;
- 14) S 04°48'11" W at 111.50 feet to an angle point;
- 15) S 36°13'55" E at 262.83 feet to an angle point;
- 16) S 84°28'42" E at 39.68 feet to an angle point;
- 17) S 39°28'42" E at 98.86 feet to an angle point;
- 18) S 36°24'34" E at 102.40 feet to an angle point;
- 19) S 33°02'52" E at 80.21 feet to an angle point;
- 20) S 33°21'24" E at 252.01 feet to an angle point;
- 21) S 33°03'55" E at 165.60 feet to an angle point;
- 22) S 31°57'02" E at 91.46 feet to an angle point;
- 23) S 32°51'28" E at 272.22 feet to an angle point;
- 24) S 31°50'05" E at 142.21 feet to an angle point;
- 25) S 32°36'26" E at 958.07 feet to an angle point;
- 26) S 32°37'42" E at 1005.44 feet to an angle point;
- 27) N 56°57'57" E at 180.51 feet intersect the East line of said LSU tract and the West right-of-way line of the Illinois Central Railroad (100' R/W), being the **POINT OF EXIT**, having coordinates of N = 681,474.95 and E = 3,334,975.80, from which a 5/8" iron rod found at the Southeast corner of the Louisiana Wildlife and Fisheries Foundation tract on the East right-of-way line of Nicholson Drive (LA Hwy 30) bears S 37°02'45" E at 2,631.85 feet.

Length of C/L Permanent Servitude is 9,862.41 feet  
Permanent Servitude is 11.32 Acres, more or less

Temporary Workspace is 11.18 Acres, more or less  
Additional Temporary Workspace is 1.54 Acres, more or less

SEE ATTACHED EXHIBIT "A", **BTR-SR-0000-WG-LD-0001-012**

I hereby certify that this survey was made on the ground by Wood Group USA, Inc. and that the attached Plat and this Legal description correctly represent the facts found at the time of the survey and that both conform to the current Louisiana Professional Engineering and Land Surveying Board's Standards of Practice as found in Louisiana Administrative Code, Title 46: Part LXI, Chapter 29 for a Class "D" Route Survey. The coordinates, bearings and distances reflected hereon are based on Lambert Grid – Louisiana South Zone 1702 (NAD 83) U.S. Survey Feet as derived from GPS observations taken on site utilizing LSU C4G Real Time Network and post-processed via NGS OPUS solutions.



Lawrence O. Kelly 8-5-19

Lawrence O. Kelly  
Registered Professional Land Surveyor No. 5095

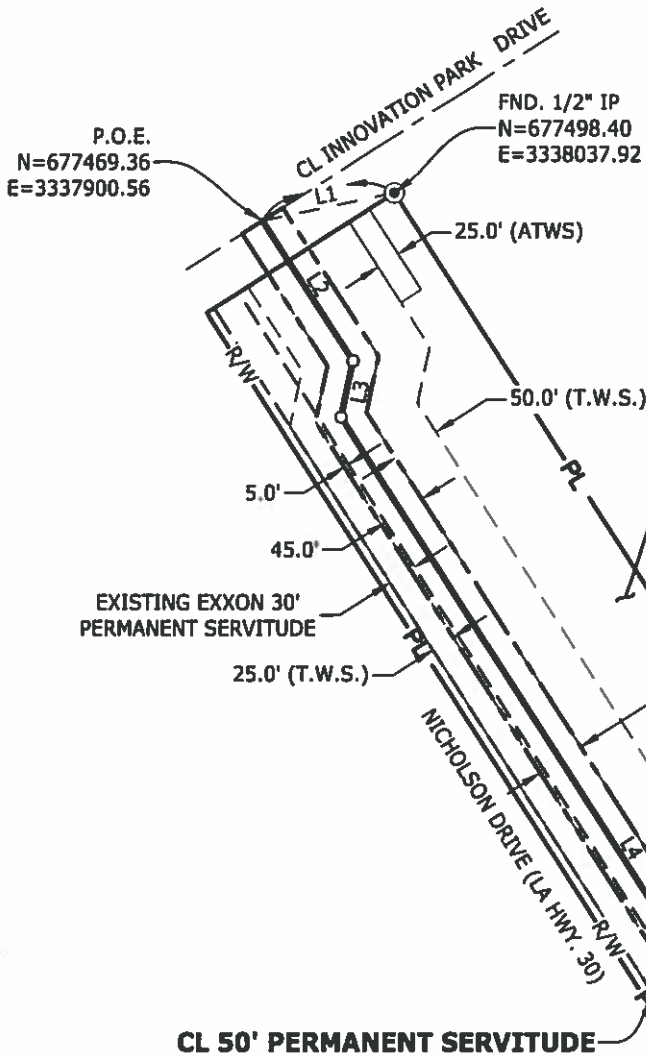
Wood Group USA, Inc.  
Louisiana Licensed Survey Firm No. VF.0000489  
17325 Park Row  
Houston, TX 77084  
(832) 809-8000

EAST BATON ROUGE PARISH, LOUISIANA

SECTIONS 40, 77 & 78, T8S - R1E

EXHIBIT "A"

| CL PERMANENT SERVITUDE LINE TABLE |          |               |
|-----------------------------------|----------|---------------|
| LINE #                            | LENGTH   | BEARING       |
| L2                                | 174.26'  | S 33°00'01" E |
| L3                                | 59.83'   | S 12°00'00" W |
| L4                                | 1086.78' | S 32°39'54" E |
| L5                                | 200.25'  | S 35°31'38" E |
| L6                                | 577.51'  | S 32°39'54" E |
| L7                                | 50.01'   | S 32°39'32" E |
| L8                                | 1900.45' | S 32°39'54" E |



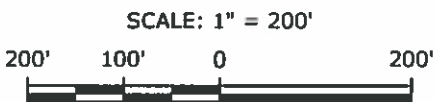
**LA EBR 010**

**BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL & MECHANICAL COLLEGE**

TRACT C-2-B-1-A, CONT. 10.74 ACRES,  
RESUB. OF TRACTS C-2-A-1, C-2-B-1, C-3-A-1, C-4-A-1 & C-4-B-1,  
CHATSWORTH PLANTATION, IN SECS. 40, 77 & 78, T8S - R1E.  
ORIG: 987 / BNDL: 12614 & ORIG: 410 / BNDL: 12462

| LINE TABLE |         |               |
|------------|---------|---------------|
| LINE #     | LENGTH  | BEARING       |
| L1         | 140.39' | S 78°03'41" W |
| L9         | 60.07'  | S 57°21'20" W |

MATCHLINE SEE SHEET 2



**LEGEND**

- P.O.E. - POINT OF ENTRY
- P.O.X. - POINT OF EXIT
- PL - PROPERTY LINE
- P.S. - PERMANENT SERVITUDE
- T.W.S. - TEMPORARY WORKSPACE
- A.T.W.S. - ADDITIONAL TEMPORARY WORKSPACE
- ⊙ - FOUND MONUMENT
- - CALCULATED POINT

LENGTH OF CL PERMANENT SERVITUDE: 4049.08 FEET  
 PERMANENT SERVITUDE: (4.65 AC.)  
 TEMPORARY WORKSPACE: (6.89 AC.)  
 ADDITIONAL TEMPORARY WORKSPACE: (0.173 AC.)  
 EXISTING EXXON PERMANENT SERVITUDE: (2.75 AC.)

*Lawrence O. Kelly* 8-5-19

LAWRENCE O. KELLY  
REGISTERED PROFESSIONAL LAND SURVEYOR, NO. 5095

WOOD GROUP USA, INC. FIRM NO. VF.0000489

BEARINGS, DISTANCES AND COORDINATES ARE BASED ON LAMBERT GRID - LA SOUTH ZONE 1702 (NAD 83), U.S. SURVEY FEET AS DERIVED FROM GPS OBSERVATIONS (OPUS).

NOTE: THIS PLAT WAS PREPARED FOR RIGHT-OF-WAY ACQUISITION PURPOSES ONLY AND DOES NOT CONSTITUTE A PROPER BOUNDARY SURVEY. THIS PLAT CONFORMS TO THE STANDARDS OF PRACTICE AS FOUND IN L.A.C. TITLE 46:LXI, CHAPTER 29 FOR A CLASS "D" ROUTE SURVEY. THE LOCATION OF SECTION, TOWNSHIP AND RANGE LINES SHOWN HEREON ARE APPROXIMATE AND SHOULD BE USED FOR LOCATIVE PURPOSES ONLY.

SHEET 1 OF 4

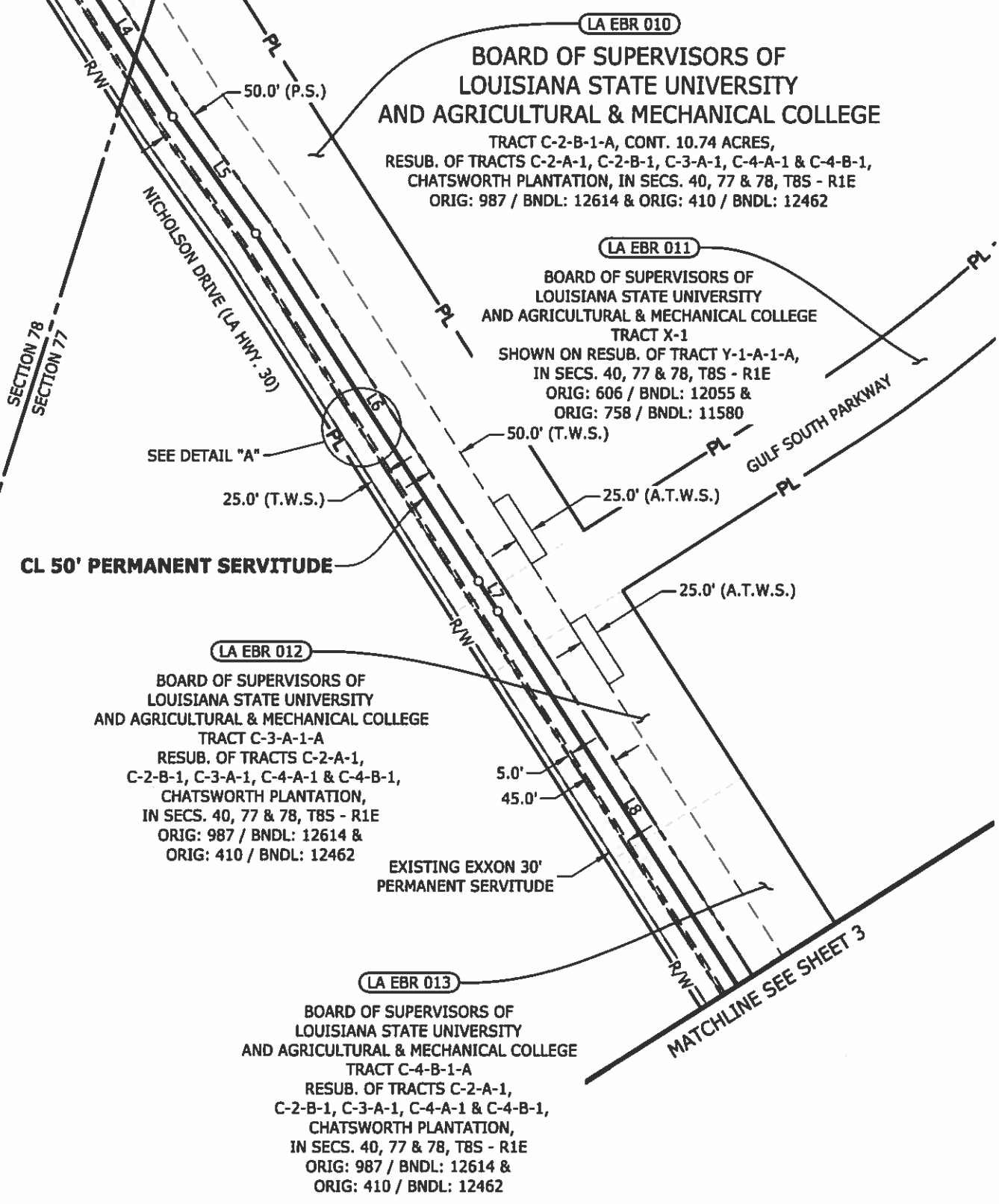
| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | ExxonMobil Pipeline Company<br><b>BATON ROUGE PIPELINE PROJECT</b><br>LA EBR 010, LA EBR 011, LA EBR 012 & LA EBR 013<br>BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL & MECHANICAL COLLEGE |
|------|----------|----------------|-------|-------|-------|---|
| 0    | 08/02/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |   |
|      |          |                |       |       |       | SCALE 1" = 200' DATE 06/18/18   |
|      |          |                |       |       |       | DWG. NO. BTR-SR-0000-WG-LD-0001-001   |

FILE: R:\Projects\108725\Discipline\CAUD\Drawings\94-Property\_Plat\BTR-SR-0000-WG-LD-0001-001.dwg PLOT DATE: 8/2/2018 BY: FORET, NICHOLAS

**EAST BATON ROUGE PARISH, LOUISIANA**  
**SECTIONS 40, 77 & 78, T8S - R1E**  
**EXHIBIT "A"**



MATCHLINE SEE SHEET 1



**CL 50' PERMANENT SERVITUDE**

**LA EBR 012**

BOARD OF SUPERVISORS OF  
 LOUISIANA STATE UNIVERSITY  
 AND AGRICULTURAL & MECHANICAL COLLEGE  
 TRACT C-3-A-1-A  
 RESUB. OF TRACTS C-2-A-1,  
 C-2-B-1, C-3-A-1, C-4-A-1 & C-4-B-1,  
 CHATSWORTH PLANTATION,  
 IN SECS. 40, 77 & 78, T8S - R1E  
 ORIG: 987 / BNDL: 12614 &  
 ORIG: 410 / BNDL: 12462

EXISTING EXXON 30'  
 PERMANENT SERVITUDE

**LA EBR 013**

BOARD OF SUPERVISORS OF  
 LOUISIANA STATE UNIVERSITY  
 AND AGRICULTURAL & MECHANICAL COLLEGE  
 TRACT C-4-B-1-A  
 RESUB. OF TRACTS C-2-A-1,  
 C-2-B-1, C-3-A-1, C-4-A-1 & C-4-B-1,  
 CHATSWORTH PLANTATION,  
 IN SECS. 40, 77 & 78, T8S - R1E  
 ORIG: 987 / BNDL: 12614 &  
 ORIG: 410 / BNDL: 12462

SCALE: 1" = 200'

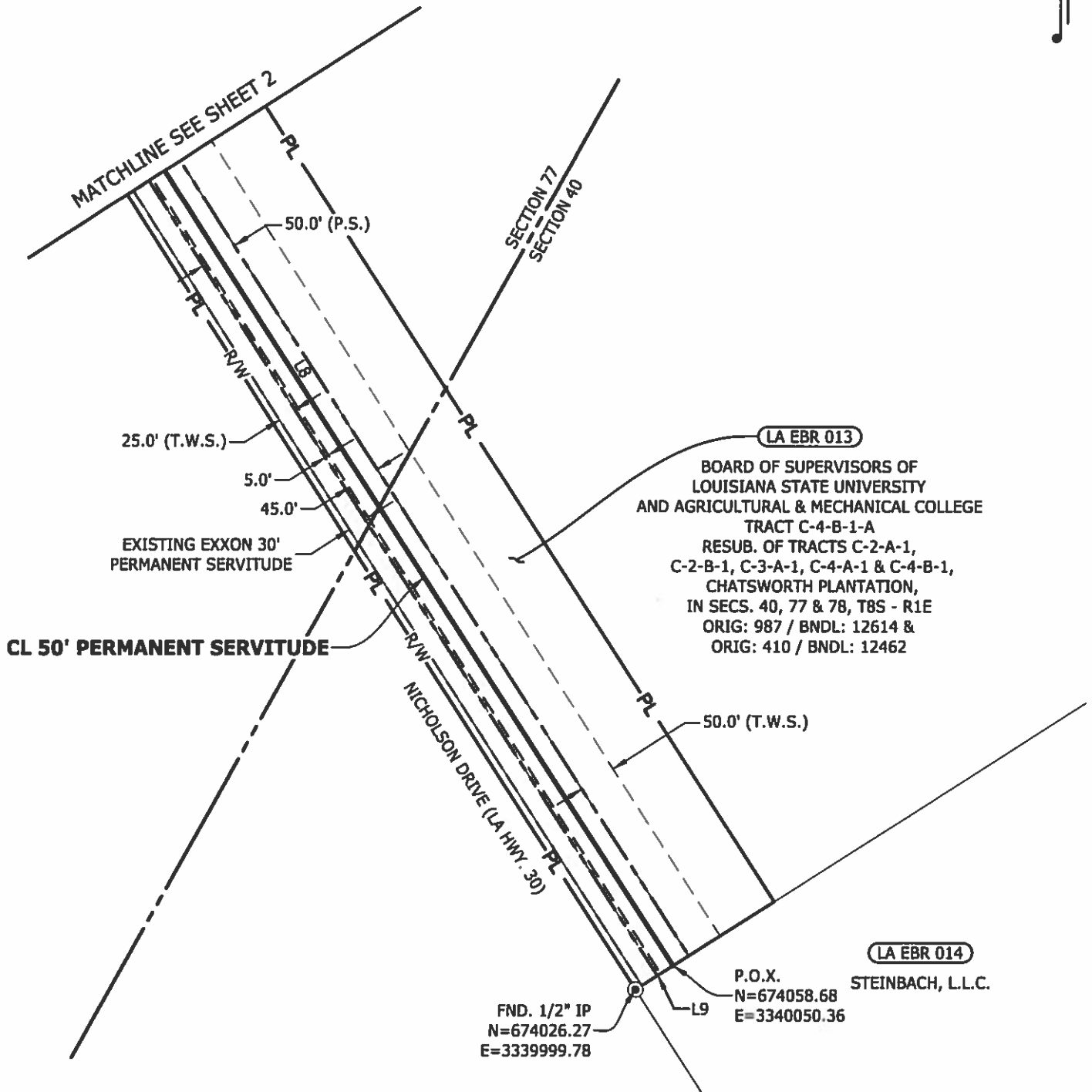


SHEET 2 OF 4

| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | ExxonMobil Pipeline Company<br><b>BATON ROUGE PIPELINE PROJECT</b><br>LA EBR 010, LA EBR 011, LA EBR 012 &<br>LA EBR 013<br>BOARD OF SUPERVISORS OF LOUISIANA<br>STATE UNIVERSITY AND AGRICULTURAL &<br>MECHANICAL COLLEGE |
|------|----------|----------------|-------|-------|-------|--|
| 0    | 08/02/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |  |
|      |          |                |       |       |       | DWG. NO. BTR-SR-0000-WG-LD-0001-001  |

FILE: R:\Projects\108728\Discipline\CAUD\Drawings\4-Property\_Plan\BTR-SR-0000-WG-LD-0001-001.dwg PLOT DATE: 8/22/2018 BY: FORET, NICHOLAS

**EAST BATON ROUGE PARISH, LOUISIANA**  
**SECTIONS 40, 77 & 78, T8S - R1E**  
**EXHIBIT "A"**



SCALE: 1" = 200'



SHEET 3 OF 4

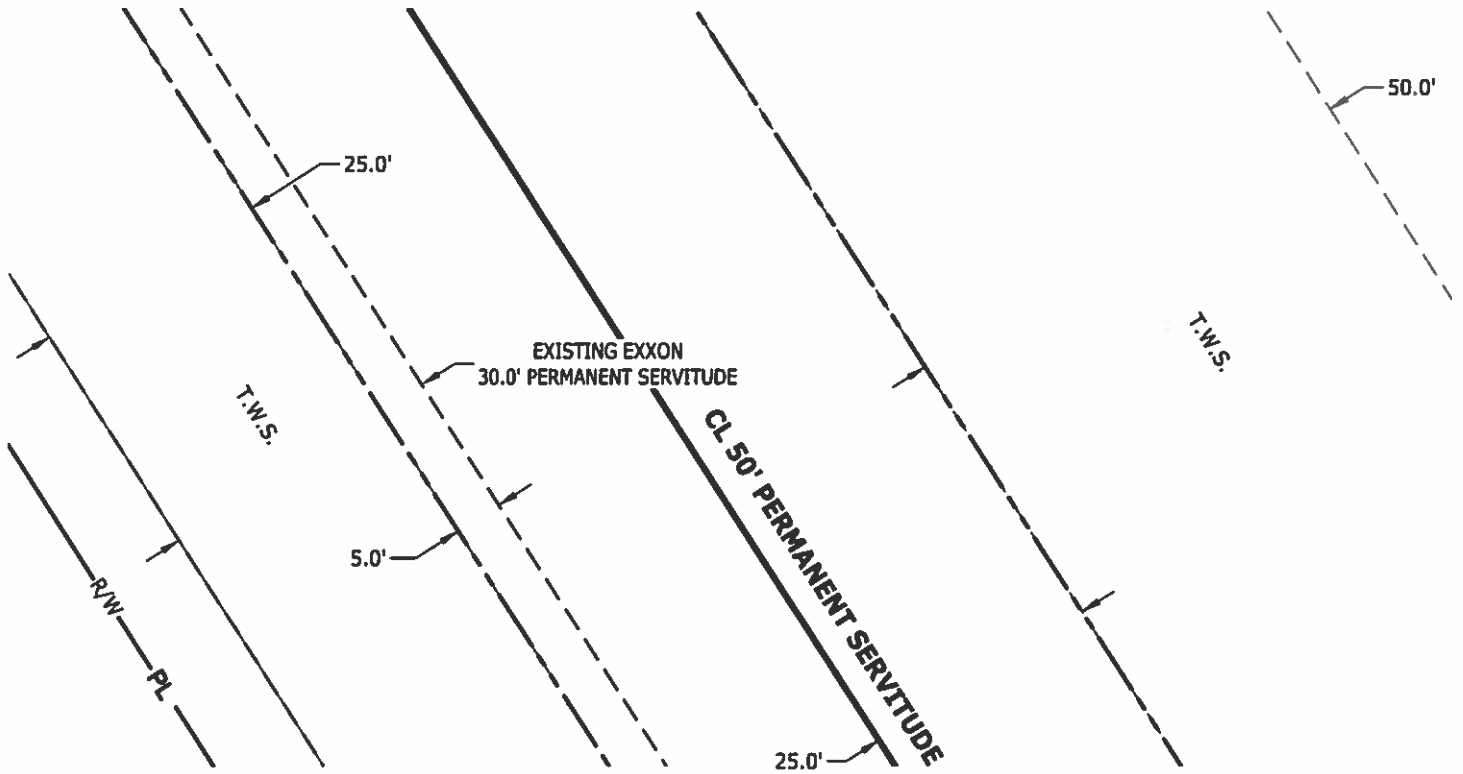
| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | <b>ExxonMobil Pipeline Company</b><br><b>BATON ROUGE PIPELINE PROJECT</b><br>LA EBR 010, LA EBR 011, LA EBR 012 &<br>LA EBR 013<br>BOARD OF SUPERVISORS OF LOUISIANA<br>STATE UNIVERSITY AND AGRICULTURAL &<br>MECHANICAL COLLEGE |
|------|----------|----------------|-------|-------|-------|---|
| 0    | 08/02/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |   |
|      |          |                |       |       |       |   |
|      |          |                |       |       |       |   |
|      |          |                |       |       |       |   |
|      |          |                |       |       |       |   |

FILE: R:\Projects\109729\Discipline\CADD\Drawings\94-Property\_Plan\BTR-SR-0000-WG-LD-0001-001.dwg PLOT DATE: 8/2/2018 BY: FORET, NICHOLAS

**EAST BATON ROUGE PARISH, LOUISIANA**  
**SECTIONS 40, 77 & 78, T8S - R1E**  
**EXHIBIT "A"**



**DETAIL "A"**  
N.T.S.



FILE: R:\Projects\109728\Discipline\CAD\Drawings\4-Property\_Plan\BTR-SR-0000-WG-LD-0001-001.dwg PLOT DATE: 8/2/2018 BY: FORET, NICHOLAS

SHEET 4 OF 4

| REV. | DATE     | DESCRIPTION    | DRAWN | CHKD. | APPD. | <b>ExxonMobil Pipeline Company</b><br><b>BATON ROUGE PIPELINE PROJECT</b><br>LA EBR 010, LA EBR 011, LA EBR 012 &<br>LA EBR 013<br>BOARD OF SUPERVISORS OF LOUISIANA<br>STATE UNIVERSITY AND AGRICULTURAL &<br>MECHANICAL COLLEGE |
|------|----------|----------------|-------|-------|-------|---|
| 0    | 08/02/19 | ISSUED FOR USE | NJF   | LJB   | LOK   |   |
|      |          |                |       |       |       | SCALE N.T.S.      DATE 06/18/18   |
|      |          |                |       |       |       | DWG. NO. BTR-SR-0000-WG-LD-0001-001   |

EXHIBIT "B"

LA EBR 010, 011, 012 & 013  
BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY  
AND AGRICULTURAL & MECHANICAL COLLEGE

DESCRIPTION OF 50' PERMANENT SERVITUDE

Being a fifty (50') foot wide permanent servitude situated in Sections 40, 77 & 78, Township 8 South, Range 1 East, Greensburg Land District, East Baton Rouge Parish, Louisiana and being a portion of those certain Board of Supervisors of Louisiana State University and Agricultural & Mechanical College (LSU) Tracts C-2-B-1-A, C-3-A-1-A and C-4-B-1-A of the Map Showing the Exchange of Property of Tracts C-2-A-1, C-2-B-1, C-3-A-1, C-4-A-1 & C-4-B-1 into Tracts C-2-A-1-A, C-2-B-1-A, C-3-A-1-A, C-4-A-1-A & C-4-B-1-A, Chatsworth Plantation in Original 410, Bundle 12462 and a portion of LSU Tract X-1 of the Map Showing Resubdivision of Tract Y-1-A-1-A into Tracts Y-1-A-1-A-1, Y-1-A-1-A-2 & Y-1-A-1-A-3 in Original 758, Page 11580, of the Deed Records of East Baton Rouge Parish, Louisiana, said permanent servitude being twenty-five (25') feet on either side of a centerline described as follows with side lines of said servitude being extended or shortened as needed to intersect the property lines of said LSU tracts, and said centerline being more particularly described by metes and bounds as follows, to-wit:

**COMMENCING** at a 1/2" iron pipe found at the Northeast corner of said LSU Tract C-2-B-1-A on the South right-of-way line of Innovation Park Drive; thence S 78°03'41" W at 140.39 feet to the approximate centerline of Innovation Park Drive, being the **POINT OF ENTRY** having coordinates of N = 677,469.36 and E = 3,337,900.56;

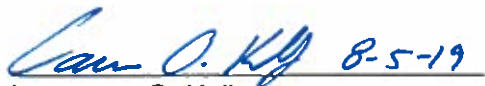
**THENCE** seven (7) calls with the permanent servitude centerline as follows:

- 1) S 33°00'01" E at 174.26 feet to an angle point;
- 2) S 12°00'00" W at 59.83 feet to an angle point;
- 3) S 32°39'54" E at 1,086.78 feet to an angle point;
- 4) S 35°31'38" E at 200.25 feet to an angle point;
- 5) S 32°39'54" E at 577.51 feet to an angle point;
- 6) S 32°39'32" E at 50.01 feet to an angle point;
- 7) S 32°39'54" E at 1,900.45 feet intersect the South line of said LSU Tract C-4-B-1-A and the North line of that certain tract of land conveyed to Steinbach LLC and shown as Tract C-5-A in Original 453, Bundle 12058, of the Deed Records of East Baton Rouge, Louisiana, being the **POINT OF EXIT** having coordinates of N = 674,058.68 and E = 3,340,050.36, from which a 1/2" iron pipe found at the Southwest corner of said LSU Tract C-4-B-1-A bears S 57°21'20" W at 60.07 feet.

Length of C/L Permanent Servitude is 4,049.08 feet  
Permanent Servitude Acreage is 4.65 Acres, more or less  
Temporary Workspace Acreage is 6.89 Acres, more or less  
Additional Temporary Workspace Acreage is 0.173 Acres, more or less

SEE ATTACHED EXHIBIT "A", **BTR-SR-0000-WG-LD-0001-001**

I hereby certify that this survey was made on the ground by Wood Group USA, Inc. and that the attached Plat and this Legal description correctly represent the facts found at the time of the survey and that both conform to the current Louisiana Professional Engineering and Land Surveying Board's Standards of Practice as found in Louisiana Administrative Code, Title 46: Part LXI, Chapter 29 for a Class "D" Route Survey. The coordinates, bearings and distances reflected hereon are based on Lambert Grid – Louisiana South Zone 1702 (NAD 83) U.S. Survey Feet as derived from GPS observations taken on site utilizing LSU C4G Real Time Network and post-processed via NGS OPUS solutions.



Lawrence O. Kelly  
Registered Professional Land Surveyor No. 5095

Wood Group USA, Inc.  
Louisiana Licensed Survey Firm No. VF.0000489  
17325 Park Row  
Houston, TX 77084  
(832) 809-8000







**Request from LSU Agricultural Center to Approve a  
Lease of Mississippi Batture Property  
Central Research Station, East Baton Rouge Parish  
Baton Rouge, Louisiana**

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

Pursuant to Article VII, Section 1, C.1 of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a "significant board matter":

C.1 The lease is potentially for a term of more than five (5) years or, for leases for agricultural purposes, more than eight (8) years (include any optional renewal terms provided for in the lease to calculate the potential term)

**1. Summary of Matter**

The lease of a portion of the Central Research Station is governed both by Louisiana law and by LSU Permanent Memorandum 6 (“PM-6”). Pursuant to those provisions, LSU AgCenter will advertise the property, go through a public bidding process, and lease to the highest bidder pursuant to the Lease of Public Lands statutes (La. R.S. 41:1211 et seq.)

The subject property is currently under a 30 year lease which term will expire November 2019. This request will allow re-bid and subsequent lease agreement to the successful bidder. We are requesting authorization and approval from the Board of Supervisors to lease the Mississippi River Batture property extending from the ordinary low water mark of river to the riverside toe of levee for total approximate length of 4,350 linear feet.

La. R.S. 41:1214 requires the preparation of a short description of the land to be leased and the general terms of the lease, and to advertise the summary in the official parish journal for at least fifteen (15) days over a period of three weeks. PM-6 requires the LSU AgCenter to coordinate the preparation of the advertising specifications with the Office of the President. The LSU AgCenter will also send notices directly to any persons and entities it thinks may be interested in bidding on the lease. The notice will specify the date when bids will be opened, and the location where the bids will be publicly opened and read. The AgCenter will recommend award to the highest responsive and responsible bidder(s), pursuant to La. R.S. 41:1215, to the President for signatures.

The AgCenter is further requesting the Board of Supervisors to authorize and empower the President at this time to sign any related agreements regarding the Central Research Station Mississippi River Batture Lease which the President believes is in the best interest of LSU.

**2. Review of Business Plan**

This lease will generate revenue for the LSU AgCenter to be utilized to address budget issues and/or supplement other priority programs.

**3. Fiscal Impact**

The lease is anticipated to provide approximately \$200,000 per year.

#### 4. Description of Competitive Process

An advertised and competitive process will be utilized to secure the best offer for the lease, including an Invitation to Bid (ITB) to those parties that the LSU AgCenter is aware are interested, as described in the Summary.

#### 5. Review of Legal Documents

Lease Agreement between the Lessee and the LSU Board of Supervisors

#### 6. Parties of Interest

- LSU Board of Supervisors
- LSU AgCenter
- Lessee(s)

#### 7. Related Transactions

None

#### 8. Conflicts of interests

None

#### ATTACHMENTS

- I. Vice President Letter
- II. Lease Agreement Draft
- III. Exhibits

#### RESOLUTION

**"NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby authorize F. King Alexander, President, Louisiana State University System, to execute lease agreement(s) with highest responsive and responsible bidder(s) for the purpose of generating revenue for the LSU AgCenter to be utilized to address budget issues and/or supplement other priority programs.

**BE IT FURTHER RESOLVED** that F. King Alexander, President, Louisiana State University System, or his designee, be hereby authorized by and empowered for and on behalf of and in the name of the Board of Supervisors, in consultation with General Counsel, to include in the lease any and all provisions and stipulations that he deems in the best interest of the Board of Supervisors."



## Office of Vice President for Agriculture

101 J. Norman Efferson Hall  
Baton Rouge, LA 70803-0106  
(225) 578-4161  
FAX: (225) 578-4143

August 16, 2019

Dr. F. King Alexander, LSU President and Chancellor  
LSU System  
3810 West Lakeshore Drive  
Baton Rouge, LA 70808

RE: **Significant Board Matter**  
Lease of Property  
Central Research Station  
East Baton Rouge Parish  
Baton Rouge, Louisiana

Dear Dr. Alexander:

LSU AgCenter is requesting that the Board of Supervisors approve the lease of the Mississippi River Batture property at Central Research Station. The total length of Batture property to be leased is approximately 4,350 linear feet. The subject property is currently under a 30-year lease which term will expire November 2019. This request will allow re-bid and subsequent lease agreement to the successful bidder. The LSU AgCenter will advertise the property, go through a public bidding process, and recommend to you a lease to the highest bidder pursuant to the Lease of Public Lands statutes (La. R.S. 41:1211 et seq.).

The AgCenter is further requesting the Board of Supervisors to authorize and empower you at this time to sign any related agreements regarding this parcel of property at the Central Research Station which you believe is in the best interest of LSU.

As this project is in support of the AgCenter and its mission, we enclose herewith our request for approval and ask that it be placed on the agenda of the Board of Supervisors September 13, 2019 meeting.

I certify that, to the best of my knowledge, I have provided all necessary documentation and that the information contained therein is complete, accurate, and in compliance with Article VII, Section 1, C.1 of the Bylaws of the Board of Supervisors. I agree to cooperate in any issues related to this matter. Please let me know if any additional information is needed.

Sincerely,

A handwritten signature in black ink that reads 'William B. Richardson'.

William B. Richardson  
Vice President for Agriculture and  
Dean of the College of Agriculture

WBR:dgf

Attachments

xc: Dr. Rogers Leonard  
Mr. Patrick Martin  
Mr. Dale G. Frederick

## LSU BATTURE LEASE

This LSU BATTURE LEASE (the "Lease") is entered into effective as of first day of \_\_\_\_\_, 2019 (the "Effective Date") by and between

**BOARD OF SUPERVISORS OF LOUISIANA STATE UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE**, a public constitutional corporation domiciled in East Baton Rouge Parish, Louisiana, herein appearing through and represented by F. King Alexander, President of Louisiana State University and Agricultural and Mechanical College, hereunto authorized by resolution of said Board of Supervisors, hereinafter referred to as "Lessor",

and

\_\_\_\_\_, a \_\_\_\_\_ corporation, hereinafter referred to as "Lessee".

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee agree as follows:

### ARTICLE I. PREMISES

Lessor does hereby lease and demise to Lessee, all the batture (approximately 4,350 linear feet) and riparian rights connected to and/or related to that certain tract or parcel of ground located in the Parish of East Baton Rouge, State of Louisiana, and more particularly described on Exhibit "A" attached hereto and made a part hereof (herein the "Premises").

### ARTICLE II. TERM

Unless sooner terminated as herein provided, the initial term of this Lease shall be ten (10) years (the "Initial Term"), commencing on \_\_\_\_\_ 1, 2019 and ending on \_\_\_\_\_, 2029. Each period of 12 consecutive months beginning on each \_\_\_\_\_ 1 during the Initial Term and Renewal Terms (defined herein below) of this Lease shall be called a "Lease Year".

### ARTICLE III. USE AND PURPOSE

Lessor and Lessee agree that Lessee shall use the Premises for fleeting and mooring purposes and for any other lawful purpose incidental thereto ("Permitted Use"). For purposes of this Lease, fleeting and mooring purposes shall mean the right to fleet, anchor, tie, moor, and inspect water craft and effect top side repairs thereof, along the bank of the Mississippi River, and the right to construct, install, maintain, use, tie to and remove "deadmen," mooring buoy floats, fleet pilings, cells, cables and other facilities or installations required or convenient for the fleeting, mooring, repair and/or inspection of water craft. Lessee's use of the Premises shall comply at all times with all applicable laws, orders, ordinances, zoning ordinances, regulations, and statutes of any federal, state, parish or municipal government now or hereafter in effect, including all environmental laws and regulations. Use of the Premises for recreational activities such as fishing, hunting, off-road vehicle riding, camping, and hiking are expressly prohibited.

### ARTICLE IV. RENT

Lessee agrees to pay Lessor for lease of the Premises during the Initial Term in the amount of [linear feet x \$\_\_\_] (\$\_\_\_\_\_) (the "Rent") per Lease Year. Except as otherwise set forth herein, in the event this Lease is cancelled or terminated pursuant to its terms during a Lease Year, the Rent shall be prorated accordingly. Rent shall be payable on the first business day of each and every Lease Year; provided however, that the first year's Rent shall be paid within 10 business days of final execution of this Lease. Rent shall be payable annually to the

following location: LSU AgCenter, Office of Accounting Services, 103 Efferson Hall, Baton Rouge, Louisiana 70803.

**ARTICLE V.  
OPTIONS TO RENEW**

Upon written request by Lessee to Lessor sixty (60) days prior to the end of the Initial Term, or any Renewal Term then in effect, and upon a proper showing acceptable to Lessor that permanent improvements have been constructed, placed or made upon the Premises by Lessee of sufficient value to satisfy the requirements of La. R.S. 41:1217, and at Lessor's sole option, Lessor may agree to renew this Lease for up to two (2) additional terms of ten (10) years each (each a "Renewal Term" and together with the "Initial Term," the "Term"), to run consecutively after the expiration of the Initial Term. The Rent will be renegotiated at each renewal.

**ARTICLE VI.  
ALTERATIONS AND IMPROVEMENTS**

Section 6.1 By Lessor. Lessor agrees not to remove any trees or excavate any soil from the Premises, and not to make any other alteration therein, without first obtaining a written statement from Lessee that the proposed alterations will not impair Lessee's use of the Premises for the purposes stated in Article III hereof. Lessor shall have no obligation to maintain the Premises or to prevent or repair erosion damage caused by the natural action of the river, but Lessor shall not commit any act which Lessor knows would materially increase or affect in any way the erosion caused by the river.

Section 6.2 By Lessee. Lessee shall make no additions, changes, alterations or improvements to the Premises without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Any such additions, changes, alterations, or improvements shall be at Lessee's expense, and shall be in accordance with all applicable building codes, ordinances, rules and regulations. At Lessor's sole discretion, Lessee agrees to restore the leased Premises, at the expiration or cancellation of this Lease, to the same general condition as existed at the commencement of this Lease, ordinary wear and tear excepted. All such additions, changes, alterations or improvements shall be the property of the Lessee during the Term, and shall, at the sole discretion of Lessor, be removed by Lessee, at Lessee's expense, within ninety (90) days following the expiration or cancellation of the Initial Term of this Lease or any Renewal Term, unless Lessor agrees in writing that the Lessee shall not be so required; provided however, any fleet pilings and deadmen may be left in place and pipes and chains may be cut off at the mud line. Notwithstanding anything to the contrary set forth in this Lease, Lessor shall have no obligation to reimburse Lessee for any of Lessee's property left on the Premises at the termination of the Lease. Lessee agrees that should it make any such additions, changes, alterations or improvements, it will indemnify and hold Lessor harmless against any mechanic's, materialman's or subcontractor's liens incurred by Lessee or through Lessee, and in the event any such lien is filed, Lessee will promptly cause the same to be satisfied and discharged of record.

**ARTICLE VII.  
TAXES AND ASSESSMENTS**

Any increase in or assessment of real estate taxes or other assessments solely attributable to any improvements or alterations made by or activities of Lessee shall be paid by Lessee.

**ARTICLE VIII.  
UTILITIES AND OPERATING EXPENSES**

Section 8.1 Utilities. Lessee shall be solely responsible for payment of all utilities related to the Premises, including but not limited to charges for electricity, energy, light, heat, air conditioning, power, telephone, garbage or other trash removal and disposal, water, and sewer user fees. All utilities will be billed directly to and in the name of Lessee. Lessor shall have no responsibility to Lessee for the quality or availability of utilities or services to the Premises or

any improvements thereon, including but not limited to electricity, gas, energy, telephone, garbage or trash removal and disposal, sewage or effluent removal or disposal, water or other utility or service.

Section 8.2 Operating Expenses. Lessee shall pay all expenses, costs, premiums and disbursements of any nature whatsoever accrued or incurred in connection with the lease, management, operation, maintenance, repair and insurance of the Premises, including any and all improvements thereon whether existing at the Effective Date or constructed on the Premises during the Term.

**ARTICLE IX.  
INDEMNITY**

Section 9.1 By Lessee. In addition to any other indemnification assumed by Lessee pursuant to this Lease, Lessee shall indemnify, hold harmless, and defend Lessor, its board members, employees and agents from and against any and all costs, expenses (including reasonable attorneys' fees), liabilities, losses, damages, suits, actions, fines, penalties, claims, or demands of any kind and asserted by or on behalf of any person or entity ("Losses") arising out of or in any way connected with: (i) any default by Lessee under any of the agreements, terms, covenants, or conditions of this Lease required to be performed by Lessee; (ii) any accident, loss, death or personal injury, or damage to or loss or theft of property caused or contributed to by Lessee, its invitees, customers, contractors, employees, affiliates or agents which occurs in or about the Premises, or as a result of any use or occupancy of the Premises by Lessee or Lessee's invitees, customers, contractors, employees, affiliates or agents, except to the extent that the same may be caused by the willful act or negligence of Lessor or any of Lessor's employees or agents, or by Lessor's breach of its obligations under this Lease; and (iii) any contamination of the property on which the Premises are located or any contamination of groundwater or surrounding lands because of or arising out of contamination of the property on which the Premises are located, caused or contributed to by the actions of Lessee or Lessee's invitees, customers, contractors, employees, affiliates or agents on or after the date hereof.

Section 9.2 By Lessor. To the extent allowed by law and except as otherwise set forth in this Lease, Lessor shall indemnify, hold harmless and defend Lessee from and against any and all Losses to the extent such Losses arise out of any default by Lessor under any of the agreements, terms, covenants, or conditions of this Lease required to be performed by Lessor or the breach of any representation or warranty made by Lessor hereunder.

**ARTICLE X.  
INSURANCE**

Section 10.1 Required Insurance, Types and Amounts. From the Effective Date through the Term hereof, Lessee shall at all times maintain or cause to be maintained, with respect to the Premises, insurance in the following types and amounts. Such insurance shall be with insurance companies duly licensed to do business in the State of Louisiana and bearing a rate of A+:XV in the latest Best Casualty Insurance Reports.

| TYPE  | AMOUNT                               |
|---|--------------------------------------|
| Commercial General Liability Insurance for the following where the exposure exists: | Coverage in an amount not less than: |
| (a) premises-operations   |                                      |
| (b) broad form Lease liability  |                                      |
| (c) products/completed operations   |                                      |
| (d) use of Contractors and subcontractors   |                                      |

|  |   |
|--|---|
| (e) personal injury (bodily injury and death)<br>(f) broad form property damage<br>(g) explosion, collapse and underground property damage<br>(h) independent Contractors<br>(i) sprinkler leakage legal liability | not acceptable.   |
| Business Automobile Liability Insurance for bodily injury and property damage, covering owned automobiles, hired automobiles and leased automobiles.   | Combined single limit of One Million Dollars (\$1,000,000.00) per occurrence  |
| Worker's Compensation & Employer's Liability Insurance   | Limits as required by the Labor Code of the State of Louisiana and Employer's Liability coverage. Employer's liability limit is to be \$1,000,000.00 when work is to be over. |
| Business Interruption Insurance covering loss of rents by reason or total or partial suspension of, or interruption in, the operation of Leased Premises caused by the damage thereof.                             | 12 months guaranteed rental revenue   |
| Flood insurance, if applicable   | In amounts determined by Lessor to be reasonable, but no more than the amount available under the National Flood Insurance Program.   |
| Liquor liability insurance, if applicable  | Limits of One Million (\$1,000,000.00) Dollars  |

Section 10.2 Additional Insurance Requirements. Lessee agrees that with respect to the above required insurance, Lessee shall: (a) Name Lessor, its board members, employees, and agents on all Commercial General Liability and Premises Damage insurance policies as additional insureds and loss payees, as applicable; (b) Provide Lessor with thirty (30) days advance notice, in writing, of any cancellation or material change in coverage of any required insurance; (c) Prior to the Effective Date, provide Lessor with a Certificate of Insurance evidencing the above required insurance prior to the Effective Date and thereafter with certificates evidencing renewals or replacements of said policies or insurance at least thirty (30) days prior to the expropriation or cancellation of any such policies; and (d) provide to Lessor upon request complete certified copies of all required insurance policies.

Section 10.3 No Recourse. Neither Lessee nor the insurance companies issuing the required policies shall have any recourse against Lessor for payment of premiums or for assessments under any form of the policies.

Section 10.4 Deductibles and SIR's. Any deductibles or self-insured retentions must be declared to and accepted by Lessor in writing in advance. Lessee shall be responsible for all deductibles and self-insured retentions.

Section 10.5 No Special Limitations. The coverage required hereunder shall contain no special limitations on the scope of protection afforded to Lessor and its board members, officers, agent, and employees.

Section 10.6 Failure to Purchase or Maintain Insurance. Lessee's failure to purchase and/or maintain, either itself or through its contractor(s), any required insurance, shall not relieve Lessee from any liability or indemnification hereunder.

Section 10.7 Occurrence Based Policies. All insurance required hereunder shall be occurrence coverage. Claims-made policies are not allowed.

#### **ARTICLE XI. REPAIRS AND MAINTENANCE**

Lessee at its expense shall perform all maintenance and make all repairs to the Premises and to the structures to be erected by it on the Premises which may be necessary to maintain the same in good condition and repair, and which may be necessary in order that the Premises and improvements thereon shall conform to applicable laws, rules and regulations, and to the requirements of all policies of insurance in force.

#### **ARTICLE XII. CONDEMNATION**

If during this Lease all of the Premises or such part thereof as to render the remaining portion, in the reasonable judgment of Lessor, unsuitable for the business purposes of the Lessee, are acquired by governmental or quasi-governmental authority other than Lessor by exercise of the power of eminent domain or otherwise, this Lease shall terminate at the time possession must be surrendered to such authority for all purposes except the enforcement of rights then accrued hereunder, and prepaid or unpaid rent shall be adjusted between the Lessor and the Lessee as of such date. If only such portion of the Premises is so acquired by the exercise of such power as will, in the reasonable judgment of the Lessor, leave the remaining part suitable for the business purposes of the Lessee, the yearly payments of rent from the date of such acquisition shall thereafter be reduced in the same proportion as the amount of linear feet acquired by such authority bears to the linear feet of the entire Premises. Nothing contained in this Article shall in any way prejudice or interfere with any claim which the Lessee may have against the authority exercising the power of eminent domain for the destruction of or interference with the leasehold interest or the business of the Lessee in the leased Premises. For the purposes of this Article, acquisition of all or a portion of the Premises by governmental or quasi-governmental authority other than Lessor by means of voluntary negotiations and contract shall be deemed to be acquisition by exercise of the power of eminent domain.

#### **ARTICLE XIII. MINERAL EXPLORATION AND PRODUCTION.**

Notwithstanding any other provision of this Lease, Lessor expressly reserves the right, acting either directly or through its agents, contractors, and/or mineral lessees, to conduct mineral exploration and production activities on the Premises, including but not limited to surface operations. Lessee shall allow Lessor, its employees, agents, and contractors to access the Premises for and shall not in any way interfere with such operations. In the event that Lessor, its agents, and/or contractors perform such operations on the Premises, Lessee shall be entitled to a proportionate reduction in the Rent paid to Lessor based on the acreage thereby denied to Lessee.

#### **ARTICLE XIV. WAIVER AND DISCLAIMER OF WARRANTIES.**

Lessee accepts the Premises in its "as is" and existing condition, at Lessee's sole risk and without any warranty of any kind or nature, whether express or implied, contractual or statutory



and whether as to the condition (patent or latent) or state of repair of the Premises or the fitness of same for Lessee's purposes or for any other purpose whatsoever. Lessor shall not be responsible for any latent vice or defect or change of condition in the Premises.

**ARTICLE XV.  
DEFAULT BY LESSEE**

Section 15.1 Default. Each of the following shall be deemed an "Event of Default" by Lessee hereunder and a material breach of this Lease:

- (a) Whenever Lessee shall fail to pay any sum payable by Lessee to Lessor or to any third party under this Lease on the date upon which the same is due to be paid and such failure shall continue for seven (7) days;
- (b) Whenever Lessee shall fail at any time to continuously maintain insurance in the types and amounts set forth in this Lease, or to otherwise comply with all of the requirements of Article X of this Lease.
- (c) Whenever Lessee shall fail to keep, perform, or observe any of the covenants, agreements, terms, or provisions contained in this Lease that are to be kept or performed by Lessee other than with respect to payment of any sums of money, and Lessee shall fail to commence and take such steps as are necessary to remedy the same within thirty (30) days after Lessee shall have been given a written notice specifying the same, or having so commenced, shall thereafter fail to proceed diligently and with continuity to remedy the same;

Section 15.2 Abandonment of the Premises by Lessee.

- (a) Whenever an involuntary petition shall be filed against Lessee under any bankruptcy or insolvency law or under the reorganization provisions of any law of like import or a receiver of Lessee or for all or substantially all of the property of Lessee shall be appointed without acquiescence, and such petition or appointment is not discharged within ninety (90) days after the happening of such event;
- (b) Whenever Lessee shall be dissolved or liquidated, or shall file a voluntary petition under any bankruptcy or insolvency law or under the reorganization provisions of any law of like import, or whenever Lessee shall fail within ninety (90) days to lift any execution, garnishment, or attachment of such consequence as shall materially impair Lessee's ability to carry on its operations, or whenever Lessee shall make a general assignment for the benefit of its creditors, or shall enter into an agreement of composition with its creditors or whenever an Order for Relief shall be granted with respect to such party pursuant to Title 11 of the United States Code or whenever such party shall seek relief under any other law for the benefit of debtors; and
- (c) Whenever Lessee shall fail to provide adequate assurance of future performance of this Lease within sixty (60) days after (i) the granting of an Order for Relief with respect to Lessee pursuant to Title 11 of the United States Code, or (ii) the granting of the relief sought in an involuntary proceeding against Lessee under any bankruptcy or insolvency law. As used in this Section 15.2(c), "adequate assurance of future performance of this Lease" shall include, but shall not be limited to, adequate assurance (i) of the source of the consideration due hereunder; and (ii) that assumption or assignment of this Lease shall not breach any provision, such as a use, management, or ownership provision, in this

Lease, any other lease or any financing agreement, relating to the Premises.

Section 15.3 Lessor's Right. Without in any way limiting Lessor's rights at law or otherwise, if any one or more Events of Default should occur, then Lessor has the right to immediately terminate this Lease, in which case Lessee's right of possession of the Premises shall cease, this Lease shall be terminated and, notwithstanding anything to the contrary in this Lease, Lessor shall not owe any refund of any amounts previously paid to Lessor by Lessee, and Lessor at its option shall be subrogated to the rights of Lessee.

Section 15.4 Performance of Lessee's Other Obligations. If Lessee fails to perform or observe any of its covenants, agreements, or obligations hereunder (other than the payment of sums of money) for a period of thirty (30) days after notice of such failure (unless the default is of such a nature that it cannot be cured within a 30-day period, in which event no default shall occur as long as Lessee commences to cure such default within the 30-day period and thereafter, in good faith, diligently and with continuity, prosecutes the curing of the default), then in addition to all other rights provided herein Lessor shall have the right, but not the obligation, at its sole election (but not as its exclusive remedy), to perform or observe the covenants, agreements, or obligations that are asserted to have not been performed or observed, at the expense of Lessee and to recover all costs, expenses, and attorney fees incurred in connection therewith, together with legal interest thereon from the date expended until repaid. Any performance or observance by Lessor pursuant to this subsection shall not constitute a waiver of Lessee's failure to perform or observe.

Section 15.5 Election of Remedies. All of Lessor's remedies under this Article XV are cumulative. Either party may restrain any breach or threatened breach of any covenant, agreement, term, provision or condition herein contained, but the mention herein of any particular remedy shall not preclude either party from any other remedy it might have, either in law or in equity.

Section 15.6 Bankruptcy. If a petition is filed by or against Lessee for relief under the Bankruptcy Code, and Lessee (including, for purposes of this Section, Lessee's successor in bankruptcy, whether a trustee or Lessee as debtor in possession) assumes and proposes to assign, or proposes to assume and assign, this Lease pursuant to the provisions of the Bankruptcy Code to any person or entity who has made or accepted a bona fide offer to accept an assignment of this Lease on terms acceptable to Lessee, then Notice of the proposed assignment setting forth (a) the name and address of the proposed assignee, (b) all of the Terms and conditions of the offer and proposed assignment, and (c) the adequate assurance to be furnished by the proposed assignee of its future performance under this Lease, shall be given to Lessor by Lessee no later than twenty (20) Days after Lessee has made or received such offer, but in no event later than ten (10) Days prior to the date on which Lessee applied to the Bankruptcy Court for authority and approval to enter into the proposed assignment. Lessor, as landlord, shall have the prior right and option, to be exercised by Notice to Lessee given at any time prior to the date on which the court order authorizing such assignment becomes final and non-appealable, to receive an assignment of this Lease upon the same terms and conditions, and for the same consideration, if any, as the proposed assignee, less any brokerage commissions that may otherwise be payable out of the consideration to be paid by the proposed assignee for the assignment of this Lease. If this Lease is assigned pursuant to the provisions of the Bankruptcy Code, Lessor, as landlord: (i) may require from the assignee a deposit or other security for the performance of its obligations under this Lease in an amount substantially the same as would have been required by landlord upon the initial leasing to a tenant similar to the assignee; and (ii) shall receive, as additional Rent, any and all further sums as are required of Lessee under this Lease. Any person or entity to which this Lease is assigned pursuant to the provisions of the Bankruptcy Code shall be deemed without further act or documentation to have assumed all of Lessee's obligations arising under this Lease on and after the date of such assignment. Any such assignee shall, upon demand, execute and deliver to Lessor an instrument confirming such assumption. No provision of this Lease shall be deemed a waiver of Lessor's rights or remedies under the Bankruptcy Code

to oppose any assumption and/or assignment of this Lease, to require a timely performance of Lessee's obligations under this Lease, or to regain possession of the Premises if this Lease has neither been assumed or rejected within sixty (60) Days after the date of the order for relief or within such additional time as the Bankruptcy Court may have fixed. Notwithstanding anything in this Lease to the contrary, all amounts payable by Lessee to or on behalf of Lessor under this Lease, whether or not expressly denominated as Rent, shall constitute Rent for the purposes of Section 502(b)(6) of the Bankruptcy Code. Provided further that no provision herein regarding assignment of this Lease by Lessee shall be considered to waive or modify any other provision of this Lease governing Lessee's ability to assign or sublease, and the provisions of this Section are included herein for the sole purpose of providing for the situation in which Lessor is compelled by the Bankruptcy Court to acquiesce in an assignment of this Lease approved by the Bankruptcy Court.

**ARTICLE XVI.  
DEFAULT BY LESSOR.**

Section 16.1 Default. If (i) Lessor's representations and/or warranties set forth herein, or Lessee's exclusive right to use or peaceful enjoyment of, the Premises is materially inaccurate or fails to be true in a material way as of the date hereof or any time thereafter, or (ii) Lessor defaults in the performance of any of its covenants or agreements contained herein and such default continues for sixty (60) days after the Lessee has notified Lessor in writing of the existence of such default, the Lessee may, at its option, pursue any remedies available to Lessee by law.

Section 16.2 No Liability for Consequential Damages. Notwithstanding anything in this Lease to the contrary, Lessor shall not be liable to Lessee for any consequential damages of any type, nor shall Lessor be liable for any land preparation or other expenses.

**ARTICLE XVII.  
ASSIGNMENT AND SUBLETTING**

The Lessee may not assign this Lease or any interest herein, nor may Lessee sublet the Premises or any part thereof, to any person or entity without the prior written consent of the Lessor, and the payment to Lessor of ten dollars pursuant to La. R.S. 41:1216B. Lessor may not assign this Lease or any interest herein, or any part thereof, to any person or entity without the prior consent of the Lessee. Lessor or Lessee, as the case may be, shall not be released from any liability as to the terms of this Lease by such assignment or sublease unless the assignee agrees to assume all obligations hereunder.

**ARTICLE XVIII.  
ACCESS**

Lessee shall have the rights of ingress to and egress from River Road over the levee to the Premises, but Lessee shall have no right to cross lands owned by Lessor, but with respect to which Lessor has granted a lease, right of use, or servitude to a third party. Ingress and egress shall be on one of the existing roads across levee. Lessee agrees and covenants that its use of any alternate areas of ingress and egress will be reasonable as to time and manner and will not unreasonably interfere with Lessor's use or enjoyment of its property. Lessor shall retain the full right to the use and access of the Premises for the purpose of raising cattle; provided, however, Lessor shall make no use of the Premises which materially interferes with Lessee's Permitted Use.

**ARTICLE XIX.  
SURRENDER OF THE PREMISES AND IMPROVEMENTS; HOLDING OVER**

Upon termination or the expiration of this Lease, Lessee shall peaceably quit, deliver up, and surrender the Premises and improvements to Lessor. If Lessee does not surrender possession of the Premises and improvements at the end of the Term, such action shall neither extend the

Term nor reconduct the Lease, and Lessee shall be a tenant at sufferance. Lessor shall not be deemed to have accepted a surrender of the Premises and improvements by Lessee, or to have extended the Term, other than by execution of a written agreement specifically so stating. Upon termination or expiration of this Lease, Lessor may require Lessee to remove at Lessee's cost any improvements, alterations, and additions made to or on the Premises by Lessee; if Lessor does not require Lessee to remove any such improvements, alterations, or additions, then ownership of such improvements, alterations, or additions shall automatically vest in Lessor.

**ARTICLE XX.  
PERMITS AND AUTHORIZATIONS**

Lessor and Lessee acknowledge that the use of the leased Premises for the purposes described in Article III hereof requires various permits and/or authorizations to be issued, and approvals given, by federal, state and/or local governmental units and agencies. Lessor agrees that Lessee shall have the right to terminate this Lease, and upon such termination, Lessee's obligation to pay Rent will cease, if all such permits, authorizations and/or approvals necessary for the use of the entire Premises for fleeting and/or mooring purposes are not secured within a reasonable time or are (wholly or partially) revoked or cancelled for any reason during the Initial Term or any Renewal Term of this Lease. Lessee agrees to diligently seek and obtain all permits or other approvals from federal, state and/or local officials or units as are required for Lessee to fulfill its purposes and to utilize the Premises for Lessee's Permitted Use.

**ARTICLE XXI.  
ENVIRONMENTAL MATTERS**

Section 21.1 Prior Environmental Use. Lessor makes no covenant, representation or warranty as to the suitability of the Premises for any purpose whatsoever or as to the physical condition thereof or with respect to the contamination by any chemical, material or substance. Lessee acknowledges that portions of the Premises may have been used for the storage, treatment, presence, existence, release, discharge, use, manufacture, generation, abatement, removal, disposal, handling or transportation of any Hazardous Material in, to, on, under, from or about the Premises and any improvements thereon ("Prior Environmental Use"), any of which may have resulted in contamination of the Premises by Hazardous Materials. Lessee acknowledges that it has inspected the Premises, observed its physical characteristics and existing conditions and has had the opportunity to conduct such investigations and studies (including, without limitation, environmental audits, site assessments and samplings) on and of the Premises as it deems necessary for its intended use and occupancy under this Lease.

Section 21.2 Limitation on Lessee's Liability. Notwithstanding anything to the contrary contained herein, Lessee shall have no liability to Lessor in the event a claim is filed by any person against Lessor arising out of any environmental hazard or violation of any environmental law which existed prior to the Effective Date of this Lease.

Section 21.3 Environmental Definitions. For the purposes of this Article and this Lease, the following terms and conditions shall have the meanings ascribed thereto:

- (a) "Environmental Activity" or "Environmental Activities" means any storage, presence, existence, discharge, release, threatened release, use, generation, manufacture, abatement, removal, disposal, handling or transportation of any Hazardous Material in, to, on, under, from or about the Premises and any improvements thereon.
- (b) "Environmental Laws" means all state, federal, local, municipal, parish, and regional laws, statutes, rules, regulations, ordinances, codes, permits, or approvals, relating to the regulation or protection of human health and safety, natural resources, conservation, the environment, or the storage, treatment, disposal, processing, release, discharge, emission, use, remediation, transportation, handling, or other management of Hazardous

Materials, industrial, gaseous, liquid or solid waste, hazardous waste, hazardous or toxic substances or chemicals, or pollutants, including without limitation, the regulations of the federal Public Health Service and Department of Transportation concerning the transport of etiologic agents or similar agents, the regulations of the Nuclear Regulatory Commission concerning radioactive materials and waste, the regulations of the Occupational Safety and Health Administration, and including without limitation the following environmental laws: The Clean Air Act (42 U.S.C.A. §1857, et. seq.); the Federal Water Pollution Control Act (33 U.S.C. §1251 et. seq.); the Resource Conservation and Recovery Act of 1976, (42 U.S.C. §6901 et. seq.); Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC §§9601, et seq., as amended by the Superfund Amendments and Reauthorization Act of 1986 (Pub.L. 99-499, 100 Stat. 1613); the Toxic Substances Control Act (15 U.S.C. §2601 et. seq.); the Clean Water Act (33 U.S.C. §1251 et. seq.); the Safe Drinking Water Act (42 U.S.C. §30 et. seq.); the Occupational Safety and Health Act (29 U.S.C. §651 et. seq.); the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. §135 et. seq.); and the Louisiana Environmental Quality Act (La. R.S. 30:2001 et. seq.); including any amendments or extensions thereof and any rules, regulations, standards or guidelines issued pursuant to or promulgated under any of the foregoing.

- (c) “Governmental Agency” or “Governmental Agencies” means any federal, state or local authority having jurisdiction over the Premises and any improvements thereon with respect to Environmental Activities conducted, or alleged to be conducted, thereon or Hazardous Materials located, or alleged to be located thereon.
- (d) “Hazardous Material” or “Hazardous Materials” means any flammable or explosive materials, petroleum or petroleum products, oil, crude oil, natural gas or synthetic gas usable for fuel, asbestos or asbestos containing material, polychlorinated biphenyls, urea formaldehyde foam insulation, radioactive materials, lead, hazardous waste or substances or toxic waste or substances, including without limitation, any substances now or hereafter defined as or included in the definition of “hazardous substances”, “hazardous waste”, “hazardous material”, “toxic material”, or “toxic substance” under any applicable Environmental Laws.

**Section 21.4 Compliance with Environmental Rules.** Lessee shall comply with and maintain the Premises and any improvements thereon in compliance with any Environmental Laws pertaining to Hazardous Materials, Environmental Activities, or other environmental matters (collectively for the purposes of this Section referred to as “Environmental Rules”) and shall be responsible for all costs thereof. Lessee shall not dispose of, release, treat, store or discharge any Hazardous Materials that were not present on or under the Premises on the Effective Date of this Lease, on, at, under, about or from the Premises. Lessee shall promptly provide Lessor with true, accurate and complete copies of all required or requested permits, variances, approvals, notices, submissions, reports and other information to and from any and all Governmental Agencies having authority over the Premises and any improvements thereon and environmental matters with respect thereto. Lessee authorizes Lessor to communicate with any Governmental Agency regarding Environmental Activity or environmental condition of the Premises or any improvements thereon. If Lessee shall breach the covenant provided in this Section, then, in addition to all other rights and remedies that may be available to Lessor under this Lease, at law or in equity, Lessor may require Lessee to take all actions and to reimburse Lessor for the costs of any and all actions taken by Lessor, as are necessary to comply with all applicable Environmental Rules and to abate any significant present or potential health risk with respect to any Environmental Activity conducted or permitted on, or any Hazardous Material, other than Hazardous Material that was present on or under the Premises or any improvements

thereon on the Effective Date of this Lease, present at, the Premises and any improvements thereon. Lessee's obligation under this Article shall survive the expiration or earlier termination of this Lease.

Section 21.5 Lessor Right to Inspect and Cure. Lessor shall have the right in its sole and absolute discretion, but not the duty, to enter upon and inspect the Premises, at any reasonable time and manner and after reasonable notice to Lessee, to determine whether Lessee is complying with the Terms of this Lease, including without limitation, Lessee's compliance with all applicable Environmental Rules. Lessee hereby grants to Lessor, its agents, employees, consultants, and contractors, the right to enter the Premises and improvements thereon and, after reasonable notice, to perform such tasks to the Premises and improvements as are reasonably necessary to conduct such reviews, inspections and investigations. Lessor shall use reasonable efforts to minimize interference with the business of Lessee, but Lessor shall not be liable for any interference caused as a result of this right to inspect.

Section 21.6 Notice of Environmental Default. In the event Lessor discovers any breaches under this Article or any violations of applicable Environmental Rules pursuant to the foregoing inspections or otherwise, Lessor shall give Lessee written notice of the violation, and Lessee shall have thirty (30) days in which to cure the violation, unless the violation is of a nature that it cannot be reasonably cured within the 30-day period, in which event no default shall occur as long as Lessee commences to cure the violation within the 30-day period, and thereafter, in good faith, diligently and with continuity prosecutes to completion the curing of such violation.

Section 21.7 Environmental Liens. Lessee shall promptly notify Lessor as to any liens threatened or attached against the Premises pursuant to any Environmental Laws. In the event that a lien is filed against the Premises or any improvements thereon, other than a lien arising or resulting from a Prior Environmental Use or Hazardous Material that was present on or under the Premises prior to the Effective Date of this Lease, then Lessee shall within thirty (30) days from the date that the lien is filed against the Premises and any improvements thereon, and at any rate prior to the date any Governmental Agency or other party commences proceedings to foreclose on such lien, either (i) pay the claim and remove the lien from the Premises and any improvements thereon; or (ii) furnish either (a) a bond satisfactory to the Governmental Agency and Lessor in the amount of the claim out of which the lien arises, (b) a cash deposit in the amount of the claim out of which the lien arises, or (c) other security satisfactory to the Governmental Agency and Lessor in an amount sufficient to discharge the claim out of which the lien arises.

Section 21.8 Environmental Indemnity. Lessee agrees to protect, indemnify, defend, reimburse and hold harmless Lessor and Lessor's board members, employees, and agents from and against any and all loss, cost, penalty, fine, liability, damage, or expenses (including without limitation attorney's fees, court costs and litigation expenses), arising out of or resulting from (a) the presence of any Hazardous Materials in, at, on, under or about the Premises and any improvements thereon caused by Lessee's use, or use by any party for whom Lessee is legally responsible, of the Premises or any improvements thereon; (b) any Environmental Activity conducted by Lessee or any other party for whom Lessee is legally responsible on the Premises during the Term; (c) any violation of any Environmental Laws by Lessee pertaining to the condition of the Premises; (d) any Environmental Activity thereon to the extent caused by Lessee or caused by anyone else acting on behalf of Lessee or for whom Lessee is responsible during the Term; or (e) the breach of any warranty or covenant or inaccuracy of any representation of Lessee contained in this Lease. This obligation shall survive the expiration or earlier termination of this Lease. To the extent allowed by law, Lessor agrees to protect, indemnify, defend, reimburse and hold harmless Lessee from and against any and all loss, cost, penalty, fine, liability, damage, or expenses (including without limitation attorney's fees, court costs and litigation expenses), arising out of or resulting from (a) the presence of any Hazardous Materials in, at, on, under or about the Premises and any improvements thereon, wherein such Hazardous Materials were present prior to the Effective Date of this Lease or (b) the breach of

any warranty or covenant or inaccuracy of any representation of Lessor contained in this Lease. This obligation shall survive the expiration or earlier termination of this Lease.

Section 21.9 Binding Effect. The provisions of this Article shall be binding upon Lessor and Lessee and shall inure to the benefit of Lessor and Lessee, and their respective heirs, executors, administrators, legal representatives, successors and assigns.

Section 21.10 Third Party Activities. In the event of any damage, liability or loss to persons or property located on the Premises that result from, or arise out of or in connection with, the presence of any Hazardous Materials in, at, on, under or about the Premises or any improvements thereon or any Environmental Activity thereon to the extent the presence of such Hazardous Materials or Environmental Activity thereon is not due to Lessee's Environmental Activities, but due to the actions of a third party for whom neither Lessee or Lessor is legally responsible ("Third Party Environmental Activities"), Lessor and Lessee agree to look to the person or entity responsible for such Third Party Environmental Activities, and not to the other party to this Lease, for recovery of any loss, damage, cost, expense or penalty incurred by them as a result of such Third Party Environmental Activities.

Section 21.11 Air and Water Quality Guidelines. The Lessee shall be in agreement with all air and water quality guidelines and mandates set forth by the Louisiana Department of Agriculture and Forestry and the Louisiana Department of Environmental Quality.

## **ARTICLE XXII. MISCELLANEOUS PROVISIONS**

Section 22.1 Entire Agreement: This Lease contains the entire agreement between the Lessor and the Lessee and no oral representations, inducements, agreements, promises or understandings altering, modifying, taking from or adding to its terms and provisions shall have any force and effect unless the same are in writing and signed by Lessor and Lessee.

Section 22.2 Notices and Rental Payments: Written notices required or desired to be given hereunder shall be given by registered or certified mail or delivered via a nationally recognized overnight delivery service provider. Such notices when given by Lessor shall be addressed to the Lessee as follows:

Such notices when given by the Lessee shall be addressed to the Lessor as follows:

Board of Supervisors of Louisiana State University  
and Agricultural and Mechanical College  
104B University Administration Bldg.  
3810 W. Lakeshore Dr.  
Baton Rouge, LA 70808

with a copy to:

LSU AgCenter  
Attn: Director, Facilities Planning  
210A J. Norman Efferson Hall  
Baton Rouge, LA 70803

Rent payments shall be made payable to Lessor as provided in Article IV above, which Rent payments may be made via regular mail addressed as shown in Article IV, but shall be received by Lessor on or before the date on which they are due.

Either Lessor or Lessee may by written notice to the other change the above addresses regarding notices and/or Rent payments. Lessor may change the above provision regarding Rent payments by written notice to Lessee.

Section 22.3 Parties Bound: The terms, conditions, and provisions of this Lease shall inure to and be binding upon Lessor and the Lessee and their respective successors, heirs and assigns.

Section 22.4 Rights and Remedies: The rights and remedies granted herein to Lessor and to Lessee are cumulative and the use of one shall not exclude or waive the right to use the other.

Section 22.5 Applicable Law: The construction, interpretation, and validity of the provisions of this Lease shall be governed by the laws of the State of Louisiana without regard to its conflicts of law provisions, and Lessor and Lessee agree that the courts sitting in the State of Louisiana shall have jurisdiction over all disputes arising out of the interpretation of the Terms and conditions and enforcement of this Lease. The exclusive venue for any litigation between the parties arising out of this Lease shall be the 19<sup>th</sup> Judicial District Court for the Parish of East Baton Rouge, State of Louisiana.

Section 22.6 Severability: If any term or provision of this Lease or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby; and each term and provision of this Lease shall be valid and enforceable to the full extent permitted by law.

Section 22.7 Counterparts: This Lease may be executed in counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. This Lease may be executed by facsimile, in pdf format or electronic signature and if so executed shall be equally binding as an original copy of this Lease executed in ink by the parties.

Section 22.8 Recording: This Lease shall not be recorded. However, a Notice of Lease in the form attached hereto as Exhibit B for recording may be prepared by Lessee at any time and, at Lessee's expense, filed with the appropriate parish or other applicable local governmental agency office for recording, and Lessor agrees to execute and deliver any such Notice of Lease to Lessee upon Lessee's request.

Section 22.9 Modification. No variations, modifications, or changes herein or hereof shall be binding upon any party hereto unless set forth in a writing executed by it or by a duly authorized officer or agent.

Section 22.10 Force Majeure. As used herein, "Force Majeure" shall mean the occurrence of any event that prevents or delays the performance by Lessor or Lessee of any obligation imposed upon it hereunder (other than payment of any liquidated sum of money) and the prevention or cessation of which event is beyond the reasonable control of the obligor. If Lessee or Lessor shall be delayed, hindered, or prevented from performance of any of its obligations (other than to pay Rent or any other liquidated sum of money) by reason of Force Majeure (and the party asserting Force Majeure shall not otherwise be in default hereunder) the time for performance of such obligation shall be extended for the period of such delay.

Section 22.11 Successors and Assigns. This Lease shall constitute a real right and covenant running with the Premises and improvements, and, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Whenever a reference is made herein to either party, such reference shall include the party's successors and assigns, if any.

Section 22.12 Survival. Any terms and provisions of this Lease pertaining to rights, duties, or liabilities extending beyond the expiration or termination of this Lease shall survive the end of the Term.



Section 22.13 Relationship of the Parties. Nothing contained in this Lease shall be construed by the parties hereto, or by any third party, as constituting the parties as principal and agent, partners or joint venturers, nor shall anything herein render either party liable for the debts or obligations of any other party, it being understood and agreed that the only relationship between Lessor and Lessee hereunder is that of lessor and lessee.

Section 22.14 Cumulative Remedies. Each right and remedy provided for in this Lease is cumulative and is in addition to every other right or remedy provided for in this Lease or now or after the date of the Lease existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by Lessor or Lessee of any one or more of the rights or remedies provided for in this Lease or now or after the date of the Lease existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by Lessor or Lessee of any or all of their other rights or remedies provided for in this Lease or now or after the date of the Lease existing at law or in equity or by statute or otherwise.

Section 22.15 No Waiver. No failure by either party to insist upon strict performance of any agreement, covenant, or term of this Lease or to exercise any right or remedy granted to such party upon a breach hereof and no acceptance of any performance during the continuance of a breach shall constitute a waiver of any breach. No obligation of Lessor or Lessee shall be deemed waived or modified except by written instrument signed by the party in whose favor the obligation runs. If Lessor or Lessee should waive a particular breach, condition or covenant herein, the waiver shall be limited to the particular breach, covenant or condition at the time of the waiver and shall not be construed as a waiver in the future of the same or different breach, covenant or condition.

Section 22.16 No Accord and Satisfaction. No payment by Lessee, or acceptance by Lessor of an amount that is less than the amount due from Lessee to Lessor, shall be treated otherwise than as a payment on account. The acceptance by Lessor of a check for a lesser amount with an endorsement or statement thereon or upon any letter accompanying such check, that such lesser amount is payment in full, shall be given no effect, and Lessor may accept such check without prejudice to any other rights or remedies that Lessor may have against Lessee

Section 22.17 Good Faith Dealing. Lessor and Lessee agree to act in good faith and in a commercially reasonable manner in connection with the exercise of their rights and obligations as contained in this Lease.

[Signatures appear on the following pages]

[Signature page for LSU Batture Lease by and between Board of Supervisors of Louisiana State University and Agricultural and Mechanical College and \_\_\_\_\_]

**IN WITNESS WHEREOF**, Lessor, **The Board of Supervisors of Louisiana State University and Agricultural and Mechanical College** have executed this Amendment with as of the Effective Date.

**WITNESSES:**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

**LESSOR:**

**BOARD OF SUPERVISORS OF LOUISIANA  
STATE UNIVERSITY AND AGRICULTURAL  
AND MECHANICAL COLLEGE**

By: \_\_\_\_\_  
F. King Alexander, President  
Louisiana State University

Date: \_\_\_\_\_

DRAFT

IN WITNESS WHEREOF, Lessee, \_\_\_\_\_, have executed this Amendment with as of the Effective Date.

**LESSEE:**

**WITNESSES:**

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

\_\_\_\_\_  
Printed Name: \_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

DRAFT

**STATE OF LOUISIANA**

**PARISH OF EAST BATON ROUGE**

**ACKNOWLEDGMENT**

**BE IT KNOWN** that on this \_\_\_ day of \_\_\_\_\_, 2019, before me, the undersigned Notary Public, duly commissioned and qualified in and for the above Parish and State, and in the presence of the undersigned competent witnesses, personally came and appeared F. King Alexander, appearing herein in his capacity as President of LSU, and appearing on behalf of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (“Board of Supervisors”), a public constitutional corporation organized and existing under the laws of the State of Louisiana, who, being by me first duly sworn, declared and acknowledged to me, Notary, that he executed the above and foregoing LSU Batture Lease North on behalf of said Board of Supervisors with full authority of its Board of Supervisors and that said instrument is the free act and deed of said Board of Supervisors and was executed for the uses, purposes and benefits therein expressed.

**IN TESTIMONY WHEREOF**, Appearer has executed this acknowledgment in the presence of the undersigned competent witnesses and me, Notary, after due reading of the whole.

**WITNESSES:**

**BOARD OF SUPERVISORS OF LOUISIANA  
STATE UNIVERSITY AND AGRICULTURAL  
AND MECHANICAL COLLEGE**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
F. King Alexander  
President of Louisiana State University

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC

STATE OF \_\_\_\_\_

COUNTY/PARISH OF \_\_\_\_\_

**ACKNOWLEDGMENT**

**BE IT KNOWN** that on this \_\_\_\_\_ day of \_\_\_\_\_, 2019, before me, the undersigned Notary Public, duly commissioned and qualified in and for the above County/Parish and State, and in the presence of the undersigned competent witnesses, personally came and appeared \_\_\_\_\_, appearing herein in his/her capacity as \_\_\_\_\_ of \_\_\_\_\_, a corporation, who, being by me and first duly sworn, declared and acknowledged to me, Notary, that he executed the above and foregoing instrument on behalf of said corporation with full authority of its \_\_\_\_\_ and that said instrument is the free act and deed of said \_\_\_\_\_ and was executed for the uses, purposes and benefits therein expressed.

**IN TESTIMONY WHEREOF**, Appearer has executed this acknowledgment in the presence of the undersigned competent witnesses and me, Notary, after due reading of the whole.

**WITNESSES:**

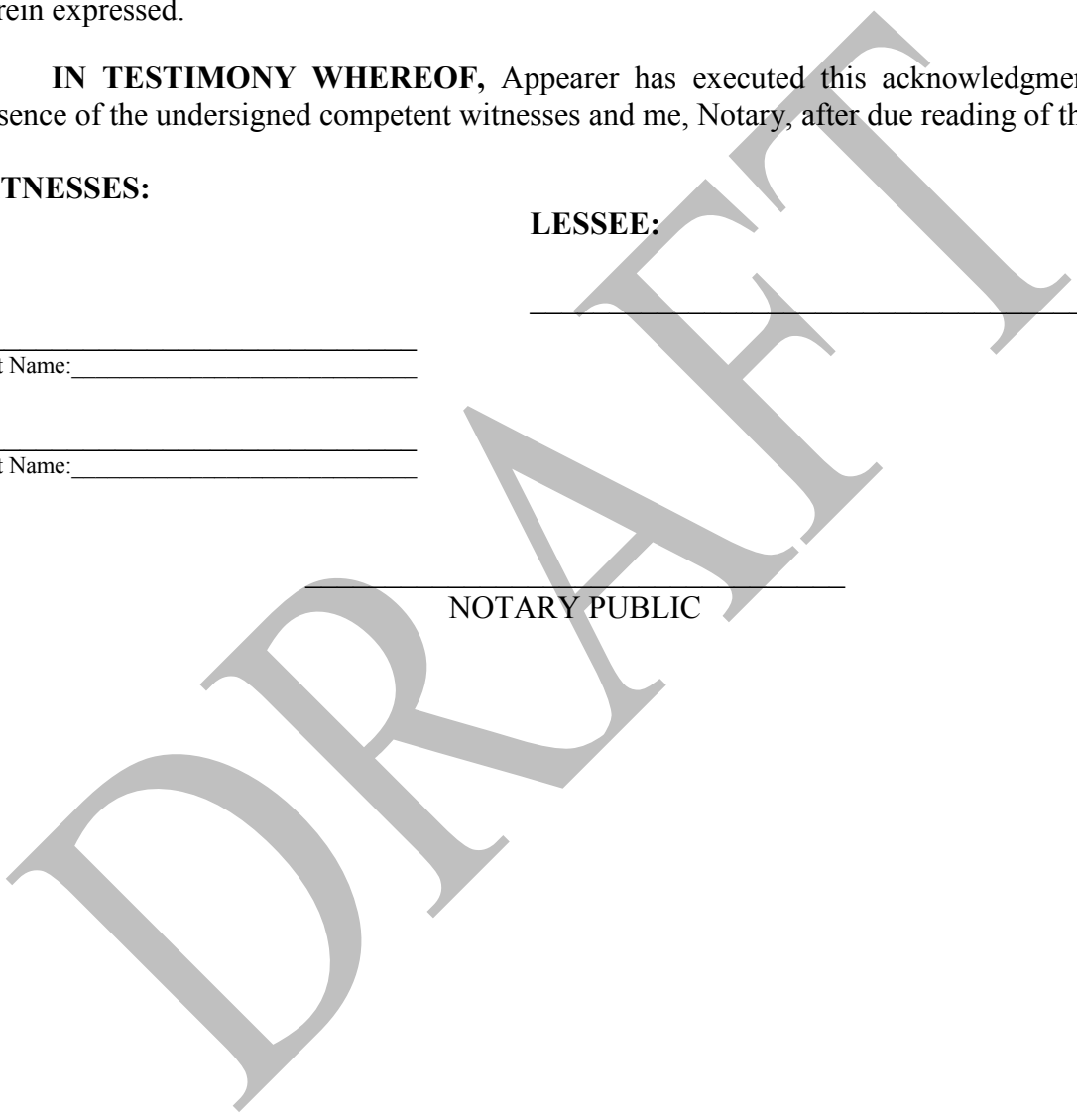
**LESSEE:**

\_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC



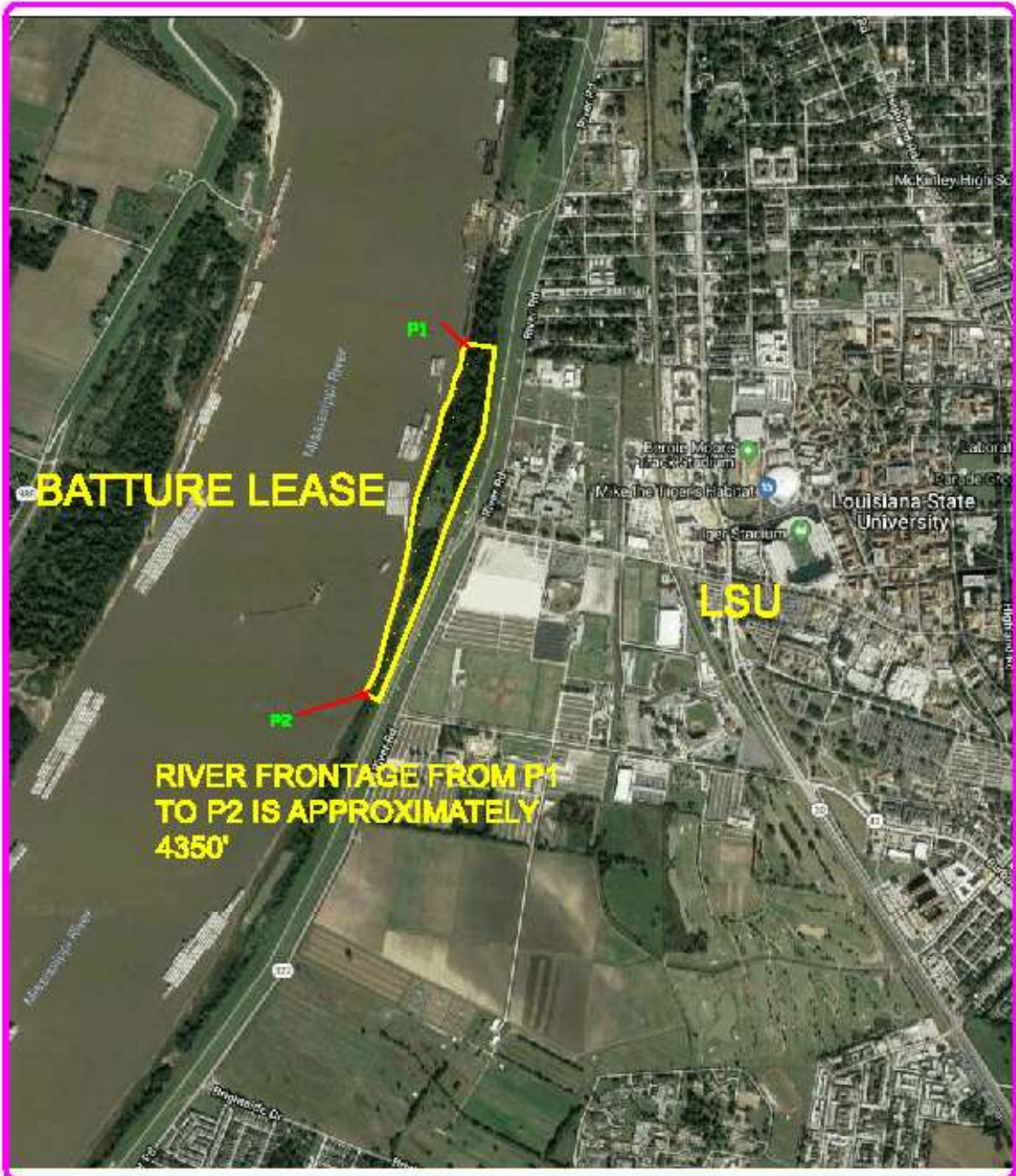
**EXHIBIT "A"**  
**PREMISES**

That certain tract or parcel of ground located in the Parish of East Baton Rouge, State of Louisiana, and described as follows:

Beginning at the intersection of the ordinary low water mark of the Mississippi River, with the north property line of the LSU Board of Supervisors (P1), then downstream along the meander of the ordinary low water mark a distance of approximately 4,350 feet to the northern (upstream) end of the Arlington Revetment (on which the Corps of Engineers has placed a prohibition on mooring) (P2); then east to the River side toe of the levee; then north along the River side toe of the levee to the intersection of north property line of LSU Board of Supervisors; then west along said property line to the point of beginning.

All as more particularly shown as crosshatched on the aerial photo attached hereto and also marked as Exhibit "A."

DRAFT



|   |
|---|
| <b>EXHIBIT "A"</b>                                |
| CENTRAL REFERENCE TO: <b>STATE OF MISSISSIPPI</b> |
| BAYOU MARINE, LOUISIANA                           |

|                      |                     |
|----------------------|---------------------|
| ARCHIVED: 01/11/2019 | SCALE: AS SHOWN     |
| DRAWN BY: HSB        | SHEET 1 OF 1 SHEETS |
| DATE: 08/08/2018     | FILE NAME:          |
| REVISION:            | CREATED BY:         |

**Exhibit "B"**  
**NOTICE OF LEASE**

**THIS NOTICE OF LEASE**, dated as of \_\_\_\_\_, 2019, is made and entered into by and between Board of Supervisors of Louisiana State University and Agricultural and Mechanical College ("Lessor") and \_\_\_\_\_ ("Lessee"), pursuant to Section 22.8 of that certain LSU Batture Lease by and between Lessor and Lessee entered into effective as of \_\_\_\_\_, 2019 (the "Lease"), for the purpose of making effective as to third parties the terms of the Lease.

1. Declaration of Lease: Lessor and Lessee entered into a Lease effective as of \_\_\_\_\_, 2019 wherein Lessor leased to Lessee the property more fully described on Exhibit "A" attached hereto ("Premises").

2. Name and Address of Lessor and Lessee:

**LESSOR:**

Board of Supervisors of Louisiana State University  
and Agricultural and Mechanical College  
104B University Administration Bldg.  
3810 W. Lakeshore Dr.  
Baton Rouge, Louisiana 70808

**LESSEE:**

3. Term of the Lease: The Initial Term of this Lease shall be ten years, commencing on \_\_\_\_\_, 2019.

4. Renewal Options: Upon written notification by Lessee to Lessor sixty (60) days prior to the end of the Initial Term, or any Renewal Term then in effect, and upon a proper showing acceptable to Lessor that permanent improvements have been constructed, placed or made upon the Premises by Lessee, Lessee shall have the right and option to renew this Lease for up to two (2) additional terms of ten (10) years each.

5. Conflict of Terms: This Notice of Lease is executed pursuant to the provisions contained in the Lease, and is not intended to vary the terms and conditions of the Lease. In the event of any conflict between the terms of this Notice of Lease and the Lease, the Lease shall control. This Notice of Lease is being recorded to give notice of the existence of said Lease to third parties as contemplated by La. R.S. 9:2742 and the statutes and jurisprudence of the State of Louisiana.

**IN WITNESS WHEREOF**, the parties have executed this Notice of Lease for LSU Batture Lease to be effective on the \_\_\_\_\_ day of \_\_\_\_\_, 2019.



**WITNESSES:**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

**WITNESSES:**

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

**LESSOR:**

**BOARD OF SUPERVISORS OF LOUISIANA  
STATE UNIVERSITY AND  
AGRICULTURAL AND MECHANICAL  
COLLEGE**

By: \_\_\_\_\_  
F. King Alexander, President  
Louisiana State University

**LESSEE:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

DRAFT



**Request from LSU A&M to Authorize The Board Of Supervisors To  
Enter Into A Mitigation Banking Contract With Spanish Lake  
Restoration, LLC**

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

Pursuant to Article VII, Section 1 of the Bylaws of the Louisiana State University Board of Supervisors, this is a significant board matter:

H.3 Any contract or series of related contracts that raises significant financial, educational, or other policy issues, such as privatization of a major University function, as determined by the President, in consultation with the Chair and Chair-Elect of the Board and the chair of the relevant Board committee.

**1. Summary of the Matter**

The LSU AgCenter seeks approval to enter into an agreement with Spanish Lake Restoration, LLC for designing, constructing, operating, maintaining, and using the Property for a mitigation bank and research area, per the scope outlined in the Solicitation for Offers (SFO) #0000000789. The term of the agreement for the Mitigation Banking Contract begins on the effective date and will terminate 30 years after the sale of the last available mitigation credit.

The Supplier, at its sole expense, will finance, design, construct, create, enhance, operate, and maintain the Mitigation Bank on the Property in accordance with applicable University and LSU AgCenter design standards and approvals, this Banking Contract, and with all requirements of the United States Army Corps of Engineers, New Orleans District, necessary to construct, operate, and maintain the Mitigation Bank.

The President is authorized to enter into a contract with Spanish Lake Restoration, LLC, for property owned by the LSU Board of Supervisors, currently managed by the LSU AgCenter at the St Gabriel Reproductive Biology Center for the purpose of creating, operating and maintaining a mitigation bank.

The lease shall begin on the Effective Date of this Banking Contract and, shall continue in full force and effect for no less than thirty (30) years after the last Mitigation Credit is sold.

**2. Review of Business Plan**

Over the past four years, the LSU AgCenter has been working to develop a plan for placing approximately 816.1 acres of property in St. Gabriel on the Reproductive Biological Center into a mitigation bank. This initiative will create an opportunity for a source of revenue and a conservation area as an outdoor classroom and laboratory for students, faculty and the public.

Working through LSU's Office of Procurement, an SFO was released earlier this year. The selection team reviewed and scored the offers, ultimately selecting Spanish Lake Restoration, LLC. LSU Procurement issued a Notice of Intent to award a contract to Spanish Lake Restoration, LLC, initiating contract negotiations.

Highlights of Mitigation Bank and Associated Opportunities:

- Spanish Lake Restoration, LLC will be responsible for the enhancements to the property in preparing for the sale of available mitigation credits.

- The AgCenter will receive rent annually through the Agreement, as well as, a percentage of the revenues of each mitigation credit sold.
- This project offers a unique opportunity for the AgCenter to invest funds from this project and utilize the interest earned for:
  - Endowed chairs
  - Scholarship opportunities for students
  - Natural resource and conservation research
  - Internship opportunities for students
- It is our intent to reserve the funds and only use the interest earned.
- The property will be utilized for teaching and training opportunities on mitigation and conservation initiatives.

### **3. Fiscal Impact**

In consideration for being the exclusive provider of the Mitigation Bank, starting on or about October 1, 2019, through the sale of all available mitigation credits, Spanish Lake Restoration, LLC agrees to pay the LSU AgCenter an annual rent of \$200.00 per acre/per year until the last available mitigation credit is sold, and thereafter, pay \$150.00 per acre/per year for a remaining 30 years. In addition to the payment terms of the annual rent, a secondary payment of 30% of each mitigation credit point sold will be due to the LSU AgCenter.

In addition to the above payments to the LSU AgCenter, the Supplier will pay 2% of funding the financial assurance mechanism required by 33 CFR 332.7(d), commonly named the Long-Term Maintenance Fund, as set forth in the Mitigation Banking Instrument, to cover the future maintenance costs associated with the mitigated property.

### **4. Description of Competitive Process**

In preparation for the initiation of the LSU AgCenter’s contract for implementation of a mitigation project, the LSU AgCenter initiated background research on the needs and opportunities associated with this project in mid-2015, and began working with LSU’s Office of Procurement Services on an SFO in late 2017. The AgCenter collaborated with the multiple University departments including Renewable Natural Resources, Finance and Administration, Procurement Services and multiple outside agencies including the Louisiana Department of Wildlife and Fisheries, US Fish and Wildlife, United States Army Corps of Engineers to discuss opportunities with experts in land mitigation prior to issuing the SFO to the public on February 8, 2019. A comprehensive team made up of experts in construction and facilities, mitigation and land conservation and restoration, and administration reviewed proposals to the comprehensive SFO, ultimately selecting Spanish Lake Restoration as the most qualified respondent.

### **5. Review of Legal Documents**

The LSU AgCenter, LSU Office of Procurement Services, Office of General Counsel and outside counsel from Brazeale, Sachse & Wilson law firm are currently reviewing and finalizing details of the Mitigation Banking Contract based on the proposal submitted by Spanish Lake Restoration, LLC in their response to the SFO and the subsequent oral presentation.

### **6. Parties of Interest**

LSU A&M, the LSU AgCenter and Spanish Lake Restoration, LLC have an interest in this agreement.

**7. Related Transactions**

Not Applicable

**8. Conflicts of Interest**

None Known

**RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby authorize Dr. F. King Alexander, President of the Louisiana State University, or his designee, acting on behalf and in the name of the Board, and in consultation with general counsel, to execute an agreement with Spanish Lake Restoration, LLC as determined by a competitive bid and evaluation process, with all such agreements and documents as well as any subsequent amendments thereto, to contain the terms and conditions, that the President deems to be in the best interest of LSU.



**Request from LSU AgCenter to Authorize the Board of Supervisors to Enter into a Contract with Bring the Wall to our Veterans, Inc. to Develop a Veterans Memorial Area in Washington Parish, Louisiana**

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

Pursuant to Article VII, Section 1, C.1 of the Bylaws of the Louisiana State University Board of Supervisors, this is a significant board matter.

C.1. The lease is potentially for a term of more than five (5) years or, for leases for agricultural purposes, more than eight (8) years (include any optional renewal terms provided for in the lease to calculate the potential term).

**1. Summary of the Matter**

The LSU AgCenter is seeking the authority to enter into a long-term lease with Bring the Wall to our Veterans, Inc. for the purpose of developing a veteran’s memorial in Washington Parish at the Lee Memorial Forest. Lee Memorial Forest is a part of the Louisiana Agricultural Experiment Station and includes more than 1,200 acres of managed timberland. The property is an important component for the research and teaching for the LSU AgCenter. The property is located between Franklinton and Bogalusa in Washington Parish. The Lee forest began with a 1,000-acre donation from the Great Southern Lumber Company in 1926 and was augmented with a gift of 210 acres from the William A. Knight estate in 1991.

The Bring the Wall to our Veterans, Inc. is seeking an opportunity to partner with the LSU AgCenter for the purpose of leasing approximately 3 acres of property to create a veterans memorial area. Anticipated improvements are minimal and will include a parking area, flag area for military each branch, walking path(s) and benches for seating. Washington Parish Government has agreed to maintain the grounds indefinitely and provide necessary services for scheduled refuse pick-up. The LSU AgCenter and College of Agriculture will continue to use the area for training and teaching opportunities.

This request is to allow the President to enter into a contract with Bring the Wall to our Veterans, Inc., for the purpose of entering into a lease for development of the memorial area. The term of this Agreement shall be for ninety-nine (99) years, commencing on or about October 1, 2019.

**2. Review of Business Plan**

All site work and construction upgrades will be subject to approval by the LSU AgCenter’s Office of Facilities Planning.

**3. Fiscal Impact**

There is no significant impact to the LSU AgCenter. Costs currently incurred for maintenance of the grounds will be transferred to Washington Parish.

**4. Description of Competitive Process**

Not Applicable

**5. Review of Legal Documents**

LSU Office of General Council is preparing the Lease Agreement in conjunction with the LSU AgCenter Office of Facilities Planning.

**6. Parties of Interest**

LSU and Bring the Wall to our Veterans, Inc. both have an interest in this agreement

**7. Related Transactions**

Not Applicable

**8. Conflicts of Interest**

None.

**ATTACHMENTS**

- I. Vice President Letter

**RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby authorize Dr. F. King Alexander, President of the Louisiana State University, or his designee, acting on behalf and in the name of the Board, and in consultation with general counsel, to execute an agreement with Bring the Wall to our Veterans, Inc. to Develop a Veterans Memorial Area in Washington Parish, Louisiana, with all such agreements and documents as well as any subsequent amendments thereto, to contain the terms and conditions, that the President deems to be in the best interest of LSU.



August 21, 2019

Dr. F. King Alexander  
LSU President and Chancellor  
LSU System  
3810 West Lakeshore Drive  
Baton Rouge, LA 70808

RE: **Significant Board Matter**  
Lease of Property  
Lee Memorial Forest  
Washington Parish

Dear Dr. Alexander,

LSU AgCenter is requesting that the Board of Supervisors approve the long-term lease with Bring the Wall to our Veterans, Inc. for the purpose of developing a veteran's memorial in Washington Parish at the Lee Memorial Forest. Lee Memorial Forest is a part of the Louisiana Agricultural Experiment Station and includes more than 1,200 acres of managed timberland. The property is an important component for the research and teaching for the LSU AgCenter. The property is located between Franklinton and Bogalusa in Washington Parish.

The Bring the Wall to our Veterans, Inc. is seeking an opportunity to partner with the LSU AgCenter for the purpose of leasing approximately 3 acres of the property to create a veterans memorial area. Anticipated improvements are minimal and will include a parking area, flag area for military each branch, walking path(s) and benches for seating. Washington Parish Government has agreed to maintain the grounds indefinitely and provide necessary services for scheduled refuse pick-up. The LSU AgCenter and College of Agriculture will continue to use the area for training and teaching opportunities.

As this project is in support of the AgCenter and its mission, we enclose herewith our request for approval and ask that it be placed on the agenda of the Board of Supervisors September 13, 2016 meeting.

I certify that, to the best of my knowledge, I have provided all necessary documentation and that the information contained therein is complete, accurate, and in compliance with Article VII, Section 1, C.1 of the Bylaws of the Board of Supervisors. I agree to cooperate in any issues related to this matter. Please let me know if any additional information is needed.

Sincerely,

A handwritten signature in black ink that reads "William B. Richardson".

William B. Richardson  
Vice President for Agriculture and  
Dean of College of Agriculture

WBR:hjg

Attachment

cc: Dr. Rogers Leonard  
Mr. Dale G. Frederick  
Dr. Alan Rutherford



---

# Board of Supervisors

## SECTION E

# AFFILIATED ORGANIZATION OVERSIGHT COMMITTEE



# DRAFT: Proposal on the Uniform Affiliation Agreement

August 2, 2019

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

## Uniform Affiliation Agreement

This Agreement is made and entered into on the \_\_\_ day of \_\_\_\_\_, 20\_\_\_, between the Board of Supervisors of Louisiana State University Agricultural and Mechanical College (“University”) and \_\_\_\_\_ (“Affiliate”).

**WHEREAS**, as stated in La. R.S. 17:3390(A), the Legislature has found and University recognizes that private, nonprofit organizations under the direction and control of private individuals who support institutions of higher education are effective in obtaining private support for those institutions;

**WHEREAS**, as further stated in La. R.S. 17:3390(A), the Legislature encourages higher education management boards and institutions to promote the activities of alumni associations, foundations, and other private, nonprofit organizations that raise private funds for the support of public institutions of higher education;

**WHEREAS**, after considering the proposed mission and purpose of Affiliate, University has determined that Affiliate’s activities will support or enhance one or more of the programs, facilities, research and educational opportunities offered by University;

**WHEREAS**, because of the close association of Affiliate with the University, it is prudent and beneficial to have a clear statement, agreed upon by the parties, of the respective responsibilities, requirements, authority, and relationship of the University and Affiliate while preserving the private and independent legal status of the Affiliate:

### 1. Affiliate Purpose and Status

1.1 Affiliate’s purpose(s) shall be to \_\_\_\_\_. All actions taken by Affiliate shall be consistent with and in furtherance of its stated purpose(s), and such actions shall not conflict with the authority of the University. In order to prevent the unnecessary duplication of activities among LSU affiliates, any proposed material change in Affiliate’s authorized purpose(s) must be approved in advance and in writing by the President of LSU. Requests for approval of such changes in purpose shall be submitted to LSU’s Executive Vice President for Finance and Administration and CFO (“LSU Executive Vice President”).

- 1 1.2 Unless waived in writing, Affiliate shall provide at least 30 days advance written notice to the  
2 LSU Executive Vice President of any proposed material change in Affiliate’s Articles of  
3 Incorporation or Bylaws.
- 4 1.3 Affiliate has been formed as a private non-profit Louisiana organization, and has been  
5 recognized as and shall maintain its status as an organization exempt from taxation under  
6 Section 501(c) of the Internal Revenue Code.
- 7 1.4 Affiliate is a separate legal entity from University. Nothing in this Agreement shall be construed  
8 as to invalidate or restrict Affiliate’s private and independent legal status.
- 9

10 **2. Governance**

11

12 2.1 To ensure that Affiliate’s status as a private entity is recognized and maintained in accordance  
13 with La. R.S. 17:3390B, Affiliate shall meet the following criteria:

14

15 2.1.1 Affiliate shall be under the management and control of a board of directors  
16 (“Affiliate’s Board”) elected by the members or shareholders of Affiliate.

17 2.1.2 A majority of the voting members of Affiliate’s Board shall consist of individuals who  
18 are not members or employees of a Louisiana higher education management board;  
19 and,

20 2.1.3 Affiliate shall reimburse, either directly or in-kind, the cost of housing, personnel, and  
21 other support furnished to Affiliate by any institution of higher education.

22

23 2.2 The President of the University, or his designee, and one member of the Board of Supervisors  
24 shall be a non-voting *ex officio* member of Affiliate’s Board and of the Executive Committee of  
25 such Board (or equivalent). Designation of the President of the University (or his designee)  
26 and a member of the Board of Supervisors as a non-voting *ex officio* member of Affiliate’s  
27 Board and Executive Committee is not intended to and shall not be deemed a waiver of the  
28 privileges and immunities granted Affiliate pursuant to La. R.S. 17:3390. To promote  
29 compliance with Affiliate’s policy on conflicts of interest, ensure that appropriate disclosures  
30 are made and facilitate an understanding of Affiliate’s business, the President of the University  
31 will provide Affiliate with reasonable advance notice identifying individuals designated to  
32 attend meetings in his place and will endeavor to utilize a single individual as his designee. The

1 [Chair of the Board of Supervisors will provide notice of the Board of Supervisors member so](#)  
2 [designated. \(The Chair may but shall not be required to designate such a member if a current](#)  
3 [member of the Board of Supervisors has been elected to serve as a full member of Affiliate’s](#)  
4 [board.\)](#)

5 2.3 If the Affiliate is in primary support of a single campus or institution, the Chancellor or  
6 equivalent shall, at a minimum, be given notice of and the ability to attend and participate as  
7 a non-voting, *ex officio* member in meetings of the Affiliate’s Board and Executive Committee.

8 2.4 Members of the Board of Directors and the Executive Committee shall have reasonable access  
9 to all books and records of Affiliate in accordance with its generally applicable confidentiality  
10 and non-disclosure policies, provided that *ex officio* members who are “public servants,” as  
11 defined in La. R.S. 42:1102(19), shall not have legal custody of Affiliate’s books and records.  
12 Requests for access to books and records shall be made via written request directed to  
13 Affiliate’s Chief Executive Officer.

14  
15 **3. General Duties and Responsibilities of Affiliate**

16  
17 3.1 Operate Affiliate for primary benefit of University in accordance with Affiliate’s Articles of  
18 Incorporation and tax exempt purpose.

19 3.2 Support and promote the mission and activities of the University.

20 3.3 Affiliate shall establish and enforce policies to identify and manage potential conflicts of  
21 interest and ensure that affiliates assets do not directly or indirectly unduly benefit any  
22 individual or other person.

23 3.4 Solicit and accept things of value of all kinds consistent with applicable law.

24 3.5 Receive, hold, invest, administer, manage, distribute and provide good stewardship of gifts and  
25 bequests in accordance with donor intent, applicable law and applicable University and  
26 Affiliate policies and procedures.

27 3.6 Expend funds for the establishment and operation of Affiliate and for any reasonable expenses  
28 incidental to the conduct of the affairs of Affiliate.

29 3.7 Within 120 days following the close of Affiliate’s fiscal year, unless an extension is granted by  
30 the LSU Executive Vice President, submit the annual Affiliate Compliance Certificate (Exhibit A)  
31 and materials referenced therein, to the LSU Executive Vice President.

1 3.8 Subject to any limitations imposed by contracts among the University and third-parties and  
2 applicable University policies, the Affiliate may be granted the right by LSU to utilize its  
3 “licensed marks” on a royalty free basis for its activities in support of LSU. Affiliate must adhere  
4 to the Louisiana State University Brand Identity.  
5

6 **4. General Duties and Responsibilities of University**  
7

8 4.1 Support and promote the purpose and activities of Affiliate and encourage the donation of  
9 private funds to Affiliate;

10 4.2 Avoid action that would undermine Affiliate’s status as a private entity, maintain the  
11 confidentiality of donor records and the private nature of Affiliate’s books and records to the  
12 extent allowed by law;

13 4.3 Accept funds made available by Affiliate, provide good stewardship of gifts once received by  
14 University and utilize funds received from Affiliate in a manner consistent with University’s  
15 mission, terms and conditions imposed by testators and donors, applicable law, this  
16 Agreement and University policy; and,

17 4.4 Make available to Affiliate, at University’s sole discretion, appropriate facilities, personnel, or  
18 other support pursuant to the provisions of La. R.S. 17:3390(B)(3) and as otherwise permitted  
19 by law.  
20

21 **5. Records, Internal Controls and Funds Management**  
22

23 5.1 Recognizing the need to preserve the public trust and guard against the appearance of  
24 impropriety in its activities, Affiliate shall adopt, maintain, and enforce necessary and  
25 appropriate policies, procedures and internal controls, including policies on conflicts of  
26 interest, required for the conduct of its business in accordance with applicable law, the terms  
27 of this Agreement, applicable University policies and procedures and best practices for similar  
28 nonprofit organizations.

29 5.2 The books and records of Affiliate shall be kept in accordance with customary and current  
30 accounting standards.

31 5.3 In connection with its annual financial audit, Affiliate shall: (a) provide its auditors with a copy  
32 of this Agreement including all exhibits, schedules, and other attachments; (b) provide its

1 auditors with access to all documents and other information relevant to this Agreement; (c)  
2 require Affiliate's chief executive officer to represent to its auditors that except to the extent  
3 disclosed in writing, to the best of Affiliate's knowledge, information and belief, Affiliate has  
4 complied with all applicable provisions of this Agreement; and, (d) should rotate audit  
5 partners at least every five years.

6 5.4 Affiliate shall separately engage an Independent Accountant (which may be the same firm  
7 conducting its financial statement audit) to perform various procedures necessary to issue an  
8 Agreed Upon Procedures report concerning various items included in the Annual Affiliate  
9 Compliance Certificate (Exhibit A). Specifically, the agreed upon procedures engagement will  
10 consist of the items included in Exhibit D.

11 5.5 Affiliate shall provide to the LSU Executive Vice President and LSU Office of Internal Audit  
12 within 120 days of the close of Affiliate's fiscal year: (a) its audited financial statements; (b)  
13 its written findings related to the financial statement audit (if any), and (c) its Agreed Upon  
14 Procedures report. At the request of the LSU Office of Internal Audit, Affiliate and its  
15 independent auditors shall arrange to meet with representatives from the LSU Office of  
16 Internal Audit to review written findings and/or the Agreed Upon Procedures report.

17 5.6 Affiliate shall evaluate and, where appropriate, take corrective action to remedy material and  
18 substantial audit findings. Material and substantial audit findings which have not either been  
19 (a) resolved by management or, where appropriate, through corrective action within ninety  
20 (90) days following issuance of the annual audit, or (b) in cases where corrective action is  
21 appropriate, corrective action reasonably designed to resolve the issue has not been taken  
22 within ninety (90) days following issuance of the annual audit, shall be reported to the Board  
23 of Supervisors in writing.

24 5.7 Pursuant to a separate written Funds Management Agreement authorized and executed by  
25 University and Affiliate, University may in its discretion agree to deliver and Affiliate may  
26 agree to accept for deposit with Affiliate funds which have been donated to the University by  
27 private individuals or entities or which have been provided from the state to the University  
28 pursuant to the Board of Regents Support Fund or other programs.

29  
30 **6. Certain Disbursements and Other Transactions**  
31

- 1       6.1       All disbursements by Affiliate for administrative and operating expenses shall be in  
2                   accordance with policies adopted by Affiliate’s Board and in accordance with its annual  
3                   budget, as modified by policies and procedures adopted by Affiliate’s Board. Such policies  
4                   shall provide for sound and prudent business practices, the payment or reimbursement of  
5                   ordinary, necessary and reasonable business expenses, and shall address the content of this  
6                   Agreement.
- 7       6.2       Affiliate shall not undertake the disbursements and transactions described on Exhibit B,  
8                   other than transactions and disbursements involving operational and business management  
9                   matters of Affiliate itself, without first obtaining a determination of acceptable University  
10                  purpose from the appropriate University authority.
- 11       6.3       No donation requiring a determination of acceptable University purpose shall be publicized  
12                  or otherwise disclosed by Affiliate prior to acceptance of any conditions or obligations by the  
13                  University’s Board or President in accordance with University policies and procedures.
- 14       6.4       Requests for a determination of acceptable University purpose shall be submitted to the  
15                  President or to the Board through the President as may be appropriate by the Chancellor (or  
16                  equivalent) of the campus or institution for whose benefit the action is proposed, in  
17                  accordance with the procedures set forth in Article VII, Section 9B of the Bylaws of  
18                  University’s Board of Supervisors. Any submission shall include a specific recommendation  
19                  from the Chancellor or equivalent demonstrating that the proposed transaction is in support  
20                  of the University and its mission.
- 21       6.5       Absent exceptional circumstances and written approval by the Chancellor (or equivalent)  
22                  and President (or designee), supplemental compensation or benefits to a University  
23                  employee shall be paid through the University, not directly by Affiliate to the employee. For  
24                  purposes of this section, supplemental compensation or benefits shall mean all  
25                  compensation or benefits in addition to the base university compensation and benefits  
26                  approved by the Board of Supervisors for duties performed by the employee for the  
27                  University.

28

29   **7. Prohibited Expenditures, Advisory Opinions**

30

1 7.1 University, its employees and administrators shall not request the expenditure of funds and  
2 Affiliate shall not expend funds for any of the purposes described in section 2 of Exhibit C  
3 either directly or through reimbursement.

4 7.2 Where there is doubt about the reasonableness or validity of a proposed expenditure or  
5 transaction, or the procedure by which such expenditure or transaction should be reviewed,  
6 the Chancellor or equivalent, or legal counsel for Affiliate, shall seek an advisory opinion from  
7 the President, through the LSU Executive Vice President. Where appropriate, the President  
8 may refer the question to the Board of Supervisors for a decision. The President may adopt  
9 guidelines to facilitate the provisions of this sub-paragraph.  
10

11 **8. Management Agreements/Cooperative Endeavor Agreements**

12  
13 8.1 With the written consent of the LSU Executive Vice President, Affiliate may enter into one or  
14 more agreements (“Management Agreements”) with other affiliates of University (that is,  
15 other non-profit organizations which are recognized pursuant to University policy) so that  
16 one affiliate will manage the funds of another affiliate. In such event, the affiliate which is  
17 agreeing to manage the funds of the other affiliate shall be known as the “Managing  
18 Affiliate,” while the affiliate transferring the funds shall be known as the “Managed Affiliate.”

19 8.2 Unless otherwise specifically provided for in the Management Agreement, where Affiliate  
20 enters into a Management Agreement with an organization that has executed an Affiliation  
21 Agreement with University, Affiliate shall have no internal control or audit responsibilities  
22 with respect to the Managed Affiliate; provided, however, that Affiliate shall cooperate with  
23 the Managed Affiliate’s management and auditors with respect to such matters.

24 8.3 Where Affiliate enters into a Management Agreement with an organization that has not  
25 executed an Affiliation Agreement with University, such Management Agreements shall:

26 8.3.1 Require that the Managing Affiliate comply with all applicable terms and conditions  
27 of this Agreement in its capacity as an agent of the Managed Affiliate; and

28 8.3.2 Require that the funds and transactions of the Managed Affiliate be included in  
29 either (a) an annual audit conducted pursuant to section 5.2 or reviewed and  
30 reported annually in accordance with other agreed upon procedures approved by  
31 University or, (b) if Affiliate is exempt from annual audit requirements pursuant to

1 La. R.S. 17:3390, an exemption certificate and a sworn financial statement are  
2 prepared and filed in accordance with La. R.S. 17:3390D(3)(a)-(c).

3 8.4 Where Affiliate is organized for more than a single purpose, Affiliate will enter into a  
4 Memorandum of Understanding, Cooperative Endeavor Agreement, or other written  
5 agreement outlining the structure or details of each specific transaction or collaboration.  
6 Such agreement will clearly describe the obligations of Affiliate, University and any other  
7 parties, where necessary, and state the net public benefit to the University from such  
8 transaction or collaboration.

9  
10 8.5 Upon written request from the LSU Executive Vice President, Affiliates that are exempt from  
11 annual audit requirements pursuant to La. R.S. 17:3390, may be required to submit a  
12 financial audit or agreed to procedures report acceptable to the University conducted in  
13 accordance with generally accepted auditing standards by an independent professional  
14 auditor or, at Affiliate’s option, LSU Internal Audit personnel. In connection with any audit  
15 or agreed to procedures conducted pursuant to this section, Affiliate shall: (a) provide its  
16 auditors with a copy of this Agreement; (b) provide its auditors with access to all documents  
17 and other information relevant to this Agreement; and, (c) represent to its auditors that  
18 except to the extent disclosed in writing, to the best of Affiliate’s knowledge, information  
19 and belief, Affiliate has complied with all applicable provisions of this Agreement.

20  
21 **9. Term and Termination**

22  
23 9.1 This Agreement revises and replaces previous Affiliation Agreements between University  
24 and Affiliate. It shall take effect on the date first written above, and shall continue for a  
25 period of one year. Thereafter, it shall be automatically renewed and extended for  
26 additional one year periods unless Affiliate gives notice to terminate pursuant to the  
27 provisions of section 9.2, or University gives notice to terminate pursuant to the provisions  
28 of section 9.3. The provisions of this section 9 shall survive any such termination.

29 9.2 Except to the extent modified by this Agreement or a separate written Agreement between  
30 Affiliate and University, Affiliate may terminate this Agreement without cause by providing  
31 written notice to the University no less than six (6) months prior to the effective date of the  
32 termination.



1           9.3       Except to the extent modified by this Agreement or a separate written Agreement between  
2                   Affiliate and University, University may terminate this Agreement for cause in the event (i)  
3                   Affiliate commits a material and substantial violation of the terms of this Agreement, (ii)  
4                   Affiliate fails to cure violations of this Agreement after being provided with at least 30 days  
5                   notice of such violations, (iii) Affiliate engages in or negligently allows: (a) any substantial  
6                   misuse of Affiliate’s funds, or (b) any fraudulent or other illegal activity, (iv) a transfer of  
7                   the campus, institution or program supported by Affiliate to another higher education  
8                   management board should occur, (v) elimination or modification of programs offered by  
9                   University such that Affiliate is no longer able to achieve its purpose(s), or (vi) the  
10                  occurrence of any other event or circumstance which, in the sole judgment of the  
11                  University, constitutes cause.

12           9.4       Upon termination of this Agreement, Affiliate shall:

13  
14                   9.4.1    Cease to use the University’s name to solicit donations or for any other purpose  
15                                   and shall not in any way represent to alumni, contributors, and the general public  
16                                   that said Affiliate is affiliated with the University or any of the colleges, schools,  
17                                   departments, and divisions comprising it;

18                   9.4.2    Unless otherwise directed in writing by the University or unless otherwise required  
19                                   pursuant to the terms of applicable law, immediately return to University all public  
20                                   funds which Affiliate holds as a depository pursuant to the provisions of section  
21                                   5.5;

22                   9.4.29.4.3    Unless otherwise directed in writing by the University, immediately  
23                                   return to the University (or, as requested by the University, deposit in another  
24                                   Affiliate) all private gifts, donations, or other funds raised in the name of or for  
25                                   direct support of the University that have not been encumbered, pledged or used  
26                                   to secure any indebtedness.

27                   9.4.39.4.4    Terminate any Management Agreements entered into with other  
28                                   University affiliates in accordance with the terms of Section 8 of this Agreement  
29                                   and immediately return any managed funds to the appropriate Managed  
30                                   Affiliate(s);

1 9.4.49.4.5 Provide an accounting to University of all funds, public or private, held by  
2 Affiliate within 120 days of notice of termination unless extended in writing by  
3 mutual agreement; and,

4 9.4.59.4.6 Subject to the exceptions provided for in sections 9.4.2 and 9.4.6 of this  
5 Agreement and to the extent consistent with the rights of creditors, applicable law  
6 and prudent financial management practices relating to unliquidated, contingent  
7 and future liabilities, transfer to University or at the University's sole discretion,  
8 and subject to applicable law, to another non-profit entity affiliated with  
9 University, all private funds and assets to be used as nearly as practicable in  
10 accordance with the express terms of written acts of donation, testaments,  
11 pledges and similar instruments, donor intent, Affiliate's purposes and applicable  
12 law. This sub-paragraph shall not prejudice any properly approved, valid, and  
13 enforceable financing agreements executed by Affiliate.

14 9.4.69.4.7 If the Affiliate's purpose is in primary support of a single campus or institution, and  
15 the necessity for termination of this Agreement results from the transfer of the  
16 supported campus or institution to another public higher education management  
17 board or affiliated nonprofit organization ("Transferee Institution"), to the extent  
18 consistent with applicable law and prudent financial management practices, the  
19 applicable provisions of any legislation authorizing transfer of the supported  
20 campus or institution and compliance with sections 9.4.1 – 9.4.3 of this Agreement,  
21 Affiliate may convey to the Transferee Institution all private funds (other than  
22 managed funds) and other assets to be used as nearly as practicable in accordance  
23 with the express terms of written acts of donation, testaments, pledges and similar  
24 instruments, donor intent, Affiliate's purposes and applicable law. In the event that  
25 funds and assets are conveyed to a Transferee Institution pursuant to the terms of  
26 this Section 9.4.6, the Transferee Institution and Affiliate shall agree to indemnify,  
27 defend and hold harmless University, its members, employees and agents from and  
28 against any and all claims and liabilities associated with or in any way arising out of  
29 University's association with Affiliate, Affiliate's actions or inactions (whether past,  
30 present or future) and conveyance of Affiliate's assets to the Transferee Institution.

31  
32 **10. Notices, Entire Agreement, Venue**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

10.1 Unless otherwise provided herein, whenever any notice or demand is required or permitted under this agreement, such notice or demand shall be given in writing and delivered in person or by certified mail to the University, addressed to its President at 3810 West Lakeshore Drive, Baton Rouge, LA, and to Affiliate at the address shown above. Unless otherwise provided herein, such advance notice requirements and time periods designated for the performance of specific acts may be extended or waived, in writing, by the LSU Executive Vice President.

10.2 This Agreement, including Exhibits A, B, and C to this Agreement, constitutes the entire agreement between the parties and shall not be amended except in writing signed by the President of University and a duly authorized officer of Affiliate. This Agreement is not intended to and does not create any rights in third parties.

10.3 The parties anticipate that they will enter into separate agreements for specific projects. Where there is a conflict between the terms of this Agreement and the terms of any separate agreement, the terms of the separate agreement shall control.

10.4 This Agreement is entered into, and any action arising from this Agreement shall be brought in, East Baton Rouge Parish, Louisiana.

**THUS DONE AND SIGNED** this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by the undersigned duly authorized representatives.

For Affiliate:

For University:

By: \_\_\_\_\_

By: \_\_\_\_\_

Name:

Name:

Title:

Title:

1 **EXHIBIT A TO UNIFORM AFFILIATION AGREEMENT**  
2 **ANNUAL AFFILIATE COMPLIANCE CERTIFICATE**  
3

4 October 31, 20\_\_\_\_

5 LSU Board of Supervisors

6 Attn: \_\_\_\_\_

7 Baton Rouge, Louisiana

8 Re: \_\_\_\_\_ (“Organization”)

9 Annual Compliance Certificate

10 Dear Sirs:

11 As the Chief Executive Officer of \_\_\_\_\_, I am writing to confirm that *after*  
12 *making reasonable and appropriate inquiries, to the best of my knowledge, information and belief*, the  
13 following information is true and correct as of the date of this letter:

- 14 1. The Organization is required to obtain an annual financial audit in accordance with La. R.S.  
15 17:3390. The annual financial audit for the fiscal year ending \_\_\_\_\_, conducted by an  
16 independent auditor, has been completed and a copy was provided to the Legislative  
17 Auditor with a copy to your office by letter dated \_\_\_\_\_;

18 **OR**

19 The Organization is exempt from the annual audit requirements of La. R.S. 17:3390, and  
20 copies of the Organization’s exemption certificate and sworn financial statement prepared in  
21 accordance with La. R.S. 17:3390D(3)(a)-(c), were provided to the Legislative Auditor with a  
22 copy to your office by letter dated \_\_\_\_\_;

- 23 2. The Organization’s annual tax return for the \_\_\_\_ tax year was completed and filed with  
24 IRS on \_\_\_\_\_ and a copy was delivered to your office by letter dated  
25 \_\_\_\_\_;

26 **OR IF APPLICABLE**

- 1           The Organization has requested an extension through \_\_\_\_\_ within which to file its  
2           annual tax return for the \_\_\_\_\_ tax year, and a copy of the return will be provided to your  
3           office upon filing;
- 4           3. A complete list of all active corporate affiliates and subsidiaries of the Organization as of this  
5           date and the purpose for which such entities have been formed is attached to this certificate  
6           as Schedule "1";
- 7           4. A complete list of all "managed organizations" as defined in the Uniform Affiliation  
8           Agreement, managed by the Organization is attached to this certificate as Schedule "2";
- 9           5. A current list of the Organization's officers and directors is attached to this certificate as  
10          Schedule "3";
- 11          6. A copy of the Organization's Articles of Incorporation and Bylaws are on file with and copies  
12          of any proposed amendments have been provided to the Executive Vice President;
- 13          7. The Organization is registered as a Louisiana nonprofit entity and it remains exempt from  
14          taxation in accordance with Sections \_\_\_\_\_ of the Internal Revenue Code;
- 15          8. The Organization has taken all necessary action, including any filings required by the  
16          Louisiana Secretary of State and other authorities, to maintain its corporate existence and  
17          its tax exempt status;
- 18          9. A preliminary list showing the type of any housing, personnel, and other support provided to  
19          Affiliate by University during the previous fiscal year pursuant to the provisions of La. R.S.  
20          17:3390(B)(3), including (i) amount and location of any space or facilities provided, (ii)  
21          number of personnel provided, and (iii) a listing of the type of any other services provided to  
22          Affiliate by University is attached to this certificate as Schedule "4";
- 23          10. As detailed in Schedule "5" to this certificate, during the previous fiscal year, (i) the total  
24          amount paid in cash to University as direct reimbursement for housing, personnel and other  
25          support was \$\_\_\_\_\_, and (ii) the total dollar value of all property provided to the  
26          University together with all expenditures made in support of the University (exclusive of  
27          costs for personnel employed solely by and for the benefit of Affiliate, facilities occupied  
28          solely by Affiliate and other Affiliate overhead and administrative costs), which amount shall

1 be considered "in-kind" reimbursement for purposes of La. R.S. 17:3390(b)(3), was  
2 \$\_\_\_\_\_;

3 11. The Organization maintains and enforces a policy on conflicts of interest as well as other  
4 policies procedures and internal controls required for the conduct of its business in  
5 accordance with applicable law, the terms of the Affiliation Agreement, applicable  
6 University policies and procedures and best practices for similar nonprofit organizations;

7 12. Except as specifically provided for under the circumstances described in Sections 6 and 7 of  
8 the Uniform Affiliation Agreement or previously disclosed in writing to the Executive Vice  
9 President, the Organization has not engaged in any prohibited transactions or made any  
10 prohibited expenditures over the last fiscal year;

11 13. Except as previously disclosed in writing to the Board of Supervisors, the Organization  
12 resolved all material and substantial audit findings within 90 days of the issuance of its  
13 annual audit in accordance with Uniform Affiliation Agreement Section 5.4;

14 14. The Organization has provided a copy of its current Affiliation Agreement and access to all  
15 documents and other information relevant to the Affiliation Agreement to its independent  
16 auditors, if applicable, for use in the evaluation of our internal controls and determining our  
17 compliance with the Affiliation Agreement in connection with transactions reviewed by the  
18 auditors in the course of their work. The Organization has represented to its auditors that  
19 except to the extent disclosed in writing, to the best of Affiliate's knowledge, information  
20 and belief, Affiliate has complied with all applicable provisions of the Affiliation Agreement;  
21 and,

22  
23 15. A copy of the Agreed Upon Procedures report described in Section 5.4 and Exhibit D was  
24 provided to your office by letter dated \_\_\_\_\_.

25  
26 Sincerely,

27 \_\_\_\_\_

28 Name:

29 Title:

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22

**Schedule 1 to Annual Affiliate Compliance Certificate**  
**List of Corporate Affiliates and Subsidiaries and Purposes of Such Entities**

**Name of Entity**                      **Type of Entity and Purpose**

**Schedule 2 to Annual Affiliate Compliance Certificate**  
**List of “Managed Organizations”**

**Name of Entity**                      **Type of Entity and Purpose**

**Schedule 3 to Annual Affiliate Compliance Certificate**  
**List of “Affiliate’s Officers and Directors”**

**Schedule 4 to Annual Affiliate Compliance Certificate**  
**List of Housing, Personnel, and Other Support Provided to Affiliate by University**

1

**Schedule 5 to Annual Affiliate Compliance Certificate**

2

**List of Support Provided by Affiliate to the University**

3

4



1 **EXHIBIT B TO UNIFORM AFFILIATION AGREEMENT**

2 **TRANSACTIONS REQUIRING A DETERMINATION OF APPROPRIATE UNIVERSITY PURPOSE**

3 1. Unless involving operational and business management matters of Affiliate itself, Affiliate shall  
4 not undertake the following transactions and disbursements without first obtaining a  
5 determination of acceptable University purpose by the President or his designee unless (i)  
6 approval by the University’s Board is required by the Board’s by-laws or applicable law, or (ii) the  
7 President, in the exercise of his discretion determines that consideration of the matter at issue by  
8 the University’s Board is appropriate:

- 9
- 10 A. Knowingly accepting any donation which either: contains a condition or imposes or  
11 purports to impose an obligation on the University, the fulfillment of which would  
12 require the University to undertake actions not previously taken or approvals not  
13 previously granted by the University in accordance with applicable policies and  
14 procedures without an express written provision indicating that the acceptance by  
15 Affiliate is conditioned on the acceptance of the conditions or obligations by the  
16 University’s Board or President in accordance with University policies and procedures  
17 and the terms of this Agreement;
  - 18 B. Accepting any donation of immovable property intended to be (a) retained by the  
19 Affiliate, rather than liquidated within a reasonable period of time, or (b) leased or  
20 otherwise occupied by a component of the University;
  - 21 C. Purchasing any immovable property with a fair market value of \$500,000 or more, except  
22 property which will serve as the primary location of Affiliate’s administrative offices;  
23 provided that this shall not prohibit decisions by Affiliate’s Board relating to reasonable  
24 and prudent investments for the Affiliate’s benefit;
  - 25 D. Selling, donating, or otherwise transferring any immovable property which was acquired  
26 for use by the University, without providing at least thirty (30) days advance written  
27 notice to the LSU Executive Vice President;
  - 28 E. Leasing any immovable property, facility, or portion of a facility which is expected to be  
29 occupied by the University for a period of one year or longer without providing at least  
30 thirty (30) days advance written notice to the LSU Executive Vice President;
  - 31 F. Entering into any cooperative endeavor or similar agreement with any public or quasi-  
32 public entity; and,

- 1 G. Creating a legal entity as a subsidiary or component of Affiliate without providing at least  
2 thirty (30) days advance written notice, which notice period may be waived by the LSU  
3 Executive Vice President, to the LSU Executive Vice President. If any such legal entities  
4 are created, affiliate shall either: (i) if available, present the financial activities of each  
5 such subsidiary in discrete schedules attached to Affiliate's financial statements, or (ii) if  
6 such discrete schedules are not available, provide University with copies of the tax  
7 returns of each such subsidiary.  
8
- 9 2. The following disbursements and transactions require approval in accordance with policies and  
10 procedures mutually agreed to by University and Affiliate:  
11
- 12 A. Reasonable moving expenses and reasonable relocation expenses of a University  
13 employee covered by PM 13; and,  
14 B. Reasonable travel, moving, relocation, entertainment, educational benefits or  
15 reimbursements may be paid to a University employee (or authorized traveler). Such  
16 payments may be made for such expenses within and above state limits when  
17 specifically approved by appropriate University administrators in accordance with  
18 University policy. Pending further specification of University policy, such expenses  
19 require approval of the employee's dean, vice chancellor or other equivalent  
20 administrative official, or their designee.  
21
- 22 3. Contracts (or other agreements, including employment agreements) and subsequent  
23 amendments between Affiliate and a University employee should be recommended by the  
24 Chancellor (or equivalent) and approved in accordance with University policy, including approval  
25 by the Board of Supervisors, where applicable. Justification for such contracts should be in  
26 writing and demonstrate that the employee's duties are not those which the employee should  
27 perform directly for the University. These requirements shall be in addition to those of  
28 University's PM-11.



- 1 G. For any purpose other than as authorized in the Agreement or through written  
2 amendment or clarification of this Agreement signed by both Affiliate and the President  
3 of University, except on the specific written recommendation of the Chancellor or  
4 equivalent (for himself/herself and those under his/her supervision) and specific written  
5 approval of the President;
- 6 H. For any purpose which is not consistent with Affiliate's tax exempt mission and the  
7 purpose(s) stated in section 1.1 of the Agreement.
- 8 I. Any purpose that would result in a finding that either (i) Affiliate is being operated for  
9 the benefit of private interests, or (ii) Affiliate has permitted its net earnings to inure to  
10 the benefit of any private shareholder or individual, in violation of applicable provisions  
11 of the Internal Revenue Code as amended.

1 **EXHIBIT D TO UNIFORM AFFILIATION AGREEMENT**

2 **SCHEDULE OF AGREED-UPON PROCEDURES**

3 **For**

4 **AFFILIATE VERIFICATION OF COMPLIANCE**

5 **WITH UNIFORM AFFILIATION AGREEMENT**

6  
7  
8 Independent Accountants retained by Affiliates will issue an Agreed Upon Procedures report  
9 regarding findings based on the following:

- 10
- 11 1. Confirm that Affiliate maintains a written policy regarding the handling and resolution of  
12 audit findings, audit exceptions, and any misuse of funds by observing a copy of such policy.  
13
  - 14 2. Confirm that Affiliate’s governing board has established and implemented policies governing  
15 conflicts of interest by observing a copy of such policy.  
16
  - 17 3. Obtain an understanding of the internal controls in place over cash disbursements and  
18 expenditures for the period in question. On a sample of items, inspect written evidence of  
19 the internal controls and support for each transaction to determine if Affiliate has designed  
20 and implemented procedures related to the following UAA provisions:  
21
    - 22 • Supplemental compensation or benefits, as defined in section 6.5 of the UAA paid  
23 directly to a University employee has written approval by the Chancellor or  
24 equivalent and the President of LSU (“President”).  
25
    - 26 • Payments made to or on behalf of University employees for travel, moving,  
27 relocation, entertainment, educational benefits, and other reimbursements have  
28 been approved by the employee’s dean, vice chancellor, or other equivalent  
29 administrative official approval in accordance with policies and procedures mutually  
30 agreed to by University and Affiliate.  
31

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31

- Payments for moving and relocation expenses of University employees covered by PM 13 have been approved approval in accordance with policies and procedures mutually agreed to by University and Affiliate.
- Payments have not been made for expenses that are solely for the private benefit of a University employee (or the family or spouse of a University employee or other non-employee who is on University business) unless approved in accordance with Section 2 of Exhibit B and Section 6.3 of the UAA.
- Fines, forfeitures or penalties of University employees have not been paid by the Affiliate.
- Gifts represented to be personally from a University employee in his or her personal capacity have not been made by the Affiliate nor has any University employee been reimbursed for the purchase of such a gift.
- Political contributions which are prohibited by applicable Internal Revenue Service Regulations or state law have not been made or reimbursed.
- Funds have not been disbursed in connection with contracts (or other agreements including employment agreements) between the Affiliate and a University employee unless recommended by the Chancellor (or equivalent) and approved by the LSU President or the Board of Supervisors.
- Funds have been not disbursed for any purpose which is not consistent with Affiliate’s tax-exempt mission and the purpose(s) stated in section 1.1 of the UAA.
- Funds have not been disbursed for any purpose that would result in a finding that either (i) Affiliate is being operated for the benefit of private interests, or (ii) Affiliate has permitted its net earnings to inure to the benefit of any private shareholder or individual, in violation of applicable provisions of the Internal Revenue Code as

1 amended.

2

3 The sample size will be mutually determined by the Affiliate and University prior to the  
4 engagement.

5

- 6 4. Obtain a written representation from the Affiliate that, in accordance with Section 5.3 of the  
7 UAA, Affiliate has (a) provided the Auditor with a copy of its current UAA including any  
8 amendments thereto; (b) provided the Auditor with access to all documents and other  
9 information relevant to the UAA; and, (c) represented to its auditors that except to the extent  
10 disclosed in writing, to the best of Affiliate's knowledge, information and belief, Affiliate has  
11 complied with all applicable provisions of the UAA.



---

# Board of Supervisors

SECTION F

AD HOC COMMITTEE ON REVENUE

*BOARD OF SUPERVISORS MEETING | SEPTEMBER 13, 2019*





---

# Board of Supervisors

SECTION G

## HEALTHCARE & MEDICAL EDUCATION COMMITTEE

*BOARD OF SUPERVISORS MEETING | SEPTEMBER 13, 2019*



---

# Board of Supervisors

SECTION H

LEGAL COMMITTEE

*BOARD OF SUPERVISORS MEETING | SEPTEMBER 13, 2019*



## Request to Authorize the President to Enter Litigation

**To: Members of the Board of Supervisors**

**Date: September 13, 2019**

Pursuant to Article VII, Section 1L of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

### L. Other Significant Matters

Such other matters that are not expressly delegated herein or hereafter by the Board to the President or a Chancellor and which reasonably should be considered to require Board approval as generally defined above, or which the Board hereafter determines to require Board approval.

### 1. Summary of the Matter

This resolution is related to potential litigation involving LSU and affirmative steps LSU might take to protect the University's legal rights. The litigation involves seeking recourse against several entities whose action or inaction caused harm to LSU. If LSU proceeds with these claims, LSU will not incur the cost of retaining legal counsel. Nor will LSU incur the expenses associated with prosecuting these claims. Legal counsel will pay all litigation expenses and hold their legal bills until the conclusion of the litigation. If the litigation is unsuccessful then the attorneys will waive their legal fees and not seek reimbursement of their expenses. Similarly situated universities have successfully made these claims – including Oklahoma State University who settled their claims for \$200 million. The legal strategy is affected by the timing because similar lawsuits are increasing in number across the country and there are time delays within which potential claims must be asserted.

### 2. Review of Business Plan

N/A

### 3. Fiscal Impact

This matter would be undertaken by counsel on a contingent fee basis. The financial risk of litigation would fall on counsel. If successful, counsel would be entitled to legal fees plus up to 25% of any award of damages or settlement up to a specified threshold. If the award or settlement is in excess of the specified threshold, the university may assign a scale of declining percentages based on increasing award/settlement amounts.

### 4. Description of Competitive Process

N/A

### 5. Review of Legal Documents

N/A

### 6. Parties of Interest

N/A

**7. Related Transactions**

N/A

**8. Conflicts of Interest**

N/A

**RESOLUTION**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby authorize F. King Alexander, President of the Louisiana State University, or his designee, to initiate affirmative steps toward protecting the University's legal rights.



---

# Board of Supervisors

SECTION I

AUDIT COMMITTEE

*AUDIT COMMITTEE MEETING OF THE BOARD OF SUPERVISORS MEETING  
SEPTEMBER 13, 2019 | 8:30 AM | CONFERENCE ROOM 112*

Louisiana State University  
Office of Internal Audit

---

# **Quarterly Audit Summary**

*Fiscal Year 2019, 4<sup>th</sup> Quarter*

# Table of Contents

## **Louisiana State University and A&M College**

|  |   |
|--|---|
| Payroll.....   | 1 |
| Research Initiatives .....                             | 2 |
| Athletics Compliance.....                              | 3 |
| Employee Travel & Reimbursements .....                 | 3 |
| Investment Management .....                            | 4 |
| Emergency/Crisis Management.....                       | 5 |
| IT Asset Management.....                               | 6 |
| Management Letter (Louisiana Legislative Auditor)..... | 7 |

## **Louisiana State University Eunice**

|                                  |   |
|----------------------------------|---|
| Online & Distance Learning ..... | 9 |
|----------------------------------|---|

## **Louisiana State University Health Sciences Center New Orleans**

|                                     |    |
|-------------------------------------|----|
| Physician Services Agreements ..... | 9  |
| Office of Compliance.....           | 10 |

## **Louisiana State University Health Sciences Center Shreveport**

|  |    |
|--|----|
| Human Resources .....                            | 11 |
| Department of Medicine – Financial Controls..... | 13 |

# Quarterly Audit Summary

*Fiscal Year 2019, 4<sup>th</sup> Quarter*

---

## Louisiana State University and A&M College

### **Payroll**

#### Audit Initiation:

This review originated as a scheduled audit from the Board approved audit plan.

#### Audit Scope and Objectives:

The primary objective of the audit was to evaluate the controls used by the LSU Payroll Office to ensure the accuracy of employee withholdings and deductions in accordance with Federal, State, and University regulations. The audit scope included payroll transactions and related documents for the period July 1, 2017, to June 30, 2018, at LSU A&M, LSU Agricultural Center, LSU Alexandria, LSU Eunice, LSU Shreveport, and Pennington Biomedical Research Center.

#### Audit Findings and Recommendations:

Our review noted issues with controls surrounding regulatory compliance and document retention. As a result, we provided management the following recommendations:

1. Implement a review process to validate the legitimacy and accuracy of payroll inputs.
2. Provide additional training to University departments to reduce the frequency of delayed terminations. In addition, a threshold should be established in policy regarding the amount of time required to terminate a University employee.
3. Establish controls to ensure compliance with Louisiana Revised Statute 42:31.
4. Establish documentation standards which require that Workday be the official repository for supporting documents on applicable financial and human resources transactions.
5. Implement controls to detect potential instances of non-compliance with minimum wage and overtime regulations promulgated by the Fair Labor Standards Act (FLSA).



# Quarterly Audit Summary

*Fiscal Year 2019, 4<sup>th</sup> Quarter*

---

## Management's Response and Corrective Action Plan:

Management agreed with the recommendations and is in the process of implementing corrective action plans which will be fully completed by December 31, 2019.

## **Research Initiatives (STC)**

### Audit Initiation:

This review originated as a scheduled audit from the Board approved audit plan.

### Audit Scope and Objectives:

The primary objective of this audit was to determine if adequate controls were in place to ensure compliance with LSU policy, applicable State laws, and the terms of the agreement between the University and its affiliate, Stephenson Technologies Corporation (STC). The scope included transactions and documentation related to STC's affiliation with LSU from inception through June 30, 2018.

### Audit Findings and Recommendations:

We identified issues regarding a lack of formalized written agreements governing the affiliation as well as apparent conflicts of interest. Related to these processes, we offered management the following recommendations:

1. Execute the Uniform Affiliation Agreement with STC and assign responsibility to an independent LSU employee for monitoring compliance with the agreement.
2. Consult General Counsel to determine actions necessary to remedy actual or apparent conflicts of interest and whether external reporting is required.
3. Make a full accounting of support provided to STC by the University and pursue reimbursement as necessary; evaluate the current structure for reimbursing travel costs related to STC contracts that are incurred by LSU employees.

# Quarterly Audit Summary

*Fiscal Year 2019, 4<sup>th</sup> Quarter*

---

## Management's Response and Corrective Action Plan:

Management agreed with the recommendations and is in the process of implementing corrective action plans which will be fully completed by December 31, 2019.

## **Athletics Compliance**

### Audit Initiation:

This review originated as a scheduled audit from the Board approved audit plan.

### Audit Scope and Objectives:

The primary objective of this audit was to determine whether LSU A&M's Athletics Compliance implemented controls designed to effectively mitigate risks and address the NCAA Division Bylaws governing the recruitment of prospective student athletes. The scope included recruiting controls during the period of August 1, 2016, to July 31, 2017. We also reviewed changes in controls that occurred through July 31, 2018.

### Audit Findings and Recommendations:

We did not identify any significant or reportable instances of control weaknesses; therefore, management was not required to provide a response. However, our conclusion was limited to the adequacy of controls within the scope of testing and does not represent absolute assurance regarding the potential existence of non-compliance.

## **Employee Travel & Reimbursements**

### Audit Initiation:

This review originated as a scheduled audit from the Board approved audit plan.

### Audit Scope and Objectives:

The primary objective of our audit was to evaluate the process for requesting, reviewing, and approving travel expenses and employee reimbursements to ensure compliance with applicable University policies and State law. The scope included expense transactions as well as related policies and procedures during the period of July 1,

# Quarterly Audit Summary

*Fiscal Year 2019, 4<sup>th</sup> Quarter*

---

2017, to June 30, 2018, for all campuses utilizing the Workday system to process reimbursements: LSU Agricultural Center, LSU A&M, LSU Alexandria, LSU Eunice, LSU Shreveport, and Pennington Biomedical Research Center.

## Audit Findings and Recommendations:

We identified issues related to compliance with State law governing payments to employees by affiliates, as well as weaknesses in the review and approval of executive expenditures. As a result, we had the following recommendations for management:

1. Implement written policies and procedures governing payments or reimbursements by affiliates to University employees over \$1,000 as required by State law.
2. Implement policies and procedures for executive travel, including appropriate approval protocol, regular reporting to the LSU Board of Supervisors, and applicability to expenditures routed through affiliated organizations.

## Management's Response and Corrective Action Plan:

Management agreed with the recommendations and is in the process of implementing corrective action plans. which will be fully completed by July 1, 2020.

## **Investment Management**

### Audit Initiation:

This review originated as a scheduled audit from the Board approved audit plan.

### Audit Scope and Objectives:

The primary objectives of the audit were to ensure funds were invested in accordance with the University's strategic goals, pursuant to applicable laws, and that investment services were obtained in compliance with the Higher Education Procurement Code. The scope included investments managed by the LSU Foundation during the 2018-2019 Fiscal Year for the following campuses: LSU A&M, Pennington Biomedical Research Center, LSU Agricultural Center, LSU

# Quarterly Audit Summary

*Fiscal Year 2019, 4<sup>th</sup> Quarter*

---

Alexandria, LSU Eunice, LSU Shreveport, and Health Sciences Center New Orleans.

## Audit Findings and Recommendations:

We identified issues regarding substantiation of the investment management contract fee, appropriateness of system access, and accuracy of the quarterly investment reports. As a result, we had the following recommendations for management:

1. Maintain documentation to support the fee paid to the LSU Foundation for investment management services.
2. Evaluate current user access levels within JP Morgan Markets to determine the appropriate level of access for each user based on their role and to maintain segregation of duties.
3. Review all formulas within the Quarterly Investment Report template for accuracy and correcting any errors to past reports available on the website.

## Management's Response and Corrective Action Plan:

Management agreed with the recommendations and is in the process of implementing corrective action plans. Recommendations two and three will be completed by October 31, 2019. The first recommendation will be addressed by July 1, 2021, which is when the current investment management contract expires.

## **Emergency/Crisis Management**

### Audit Initiation:

This review originated as a scheduled audit from the Board approved audit plan.

### Audit Scope and Objectives:

The primary objective of this audit was to determine if controls for emergency management were in place and communicated to responsible parties for the safety of LSU students, faculty, and staff. The scope included a review of emergency management protocols and related documentation for the period July 1, 2017, to March 31, 2019, at the LSU A&M campus.

# Quarterly Audit Summary

*Fiscal Year 2019, 4<sup>th</sup> Quarter*

---

## Audit Findings and Recommendations:

We identified issues regarding the formality of the emergency management program and contingency plans, as well as the adequacy of processes for training, education, and post-incident analysis. As a result, we had the following recommendations for management:

1. Develop a formalized emergency management plan, including a resource needs assessment, formal communication structure, and training protocol for emergency management personnel.
2. Establish a secondary location for the emergency operations center and reactivate the Load Shed Committee to prioritize the University's power needs in the event of a prolonged outage.
3. Determine the training needs of both emergency management personnel and University officials; develop a training curriculum, accordingly.
4. Implement a post-incident/post-training assessment, including a determination as to which exercises or incidents will require a post-incident assessment.

## Management's Response and Corrective Action Plan:

Management agreed with the recommendations and is in the process of implementing corrective action plans which will be fully completed by June 30, 2020.

## **IT Asset Management**

### Audit Initiation:

This review originated as a scheduled audit from the Board approved audit plan.

### Audit Scope and Objectives:

The objectives of this audit were to:

- Determine if controls are in place to identify and manage Information Technology (IT) assets regardless of acquisition cost of the asset.
- Determine if controls are in place to identify and report lost or stolen assets.

# Quarterly Audit Summary

*Fiscal Year 2019, 4<sup>th</sup> Quarter*

---

- Determine if controls are in place to ensure that IT equipment is properly sanitized prior to disposal.

The scope included purchases of IT assets made during Fiscal Year (FY) 2019, and recently surplused IT equipment housed at the LSU Property Management Warehouse. Devices with the ability to store, process, and transmit data were included in the scope.

## Audit Findings and Recommendations:

We identified issues related to the inventory of IT assets with an acquisition cost less than \$1,000; reporting of lost or stolen computing resources; and proper sanitization of electronic devices prior to disposal. As a result, we made the following recommendations:

1. Establish procedures to inventory all devices capable of storing, processing and distributing electronic information regardless of acquisition cost of the device.
2. Clarify the requirements defined under PS-114, or other appropriate policy, to ensure proper reporting of lost or stolen computing resources.
3. Ensure that departments are aware of the data sanitization policy requirements and methods for sanitizing electronic devices prior to disposal.

## Management's Response and Corrective Action Plan:

Management agreed with the recommendations and is in the process of implementing corrective action plans which will be fully completed by June 30, 2020.

## **Management Letter (Louisiana Legislative Auditor)**

### Audit Initiation:

This external audit was conducted by the Louisiana Legislative Auditor's Office.

### Audit Scope and Objectives:

The Louisiana Legislative Auditor's (LLA) Office conducted a review of the University's affiliate relationship with the Louisiana Health Information Technology Foundation (LaHIT).

# Quarterly Audit Summary

*Fiscal Year 2019, 4<sup>th</sup> Quarter*

---

## Audit Findings and Recommendations:

Overall, LLA found that LSU did not follow its own procedures and by-laws, or ensure proper oversight by the LSU Board, when forming LaHIT and licensing CLIQ for commercial use. Consequently, LLA made the following recommendations to University management:

1. Manage all technology transfers through the appropriate OTM office in accordance with a uniform process
2. Ensure proceeds from the license of intellectual property remain under the University's control
3. Develop policies that define circumstances in which LSU can assist with commercialization subsequent to technology transfer
4. Enter into written agreements that clearly outline reciprocal obligations and benefits to parties
5. Execute license agreements directly with companies responsible for commercializing the intellectual property
6. Adhere to licensing procedures, including use of standard templates and justification for significant deviations
7. Obtain formal estimate of the value of any intellectual property the University intends to license
8. Bring all significant actions regarding licensing of intellectual property and recognition of affiliates to the Board for approval
9. Review transactions and situations for potential conflicts of interest prior to their completion
10. Consider appropriate corrective action if LSU becomes aware that public employees received anything of value related to the commercialization of CLIQ

## Management's Response and Corrective Action Plan:

Management agreed with the recommendations and is in the process of implementing corrective action plans which will be fully completed by December 31, 2019.

# Quarterly Audit Summary

*Fiscal Year 2019, 4<sup>th</sup> Quarter*

---

## Louisiana State University Eunice

### **Online & Distance Learning**

#### Audit Initiation:

This review originated as a scheduled audit from the Board approved audit plan.

#### Audit Scope and Objectives:

The primary objective of this audit was to determine if LSU Eunice had controls in place to ensure appropriate course rigor, maintain student integrity, and correctly assess and record associated fee revenue related to online and distance learning.

#### Audit Findings and Recommendations:

We did not identify any material weaknesses related to the controls governing online and distance learning at LSUE; therefore, management was not required to provide a response.

## Louisiana State University Health Sciences Center New Orleans

### **Physicians Services Agreements**

#### Audit Initiation:

This audit was included on the Board approved audit plan.

#### Audit Scope and Objectives:

The objectives of this audit included an evaluation of the effectiveness of controls in place for the Physician Services Agreements (PSA) clinical revenue billing.

The scope of our work included a review of policies, procedures, controls, and documentation for clinical revenue PSAs including, but not limited to, contracts, timesheets, invoices, payments, etc. for the period July 1, 2017 to June 30, 2018.



# Quarterly Audit Summary

*Fiscal Year 2019, 4<sup>th</sup> Quarter*

---

## Audit Finding and Recommendations:

Based on testing performed, we noted an issue related to the accuracy of time and leave reporting and recommended that management implement controls to ensure timesheet and leave requests are reported accurately and approved by the responsible personnel. In addition, management should ensure the incorrect reporting of time did not result in billing discrepancies to 3rd parties.

## Management's Response and Corrective Action Plan:

Management concurred with our recommendations and is in the process of implementing corrective action plans.

## **Office of Compliance Program**

### Audit Initiation:

This audit was included on the Board approved audit plan.

### Audit Scope and Objectives:

The objective of this audit was to ensure the eight elements of a compliance program are effectively and efficiently implemented, which included the following:

- Implementing Policies and Procedures
- Designating a Compliance Officer and Compliance Committee
- Conducting Effective Training and Education
- Developing Effective Lines of Communication
- Conducting Internal Monitoring and Auditing
- Enforcing Standards through Well Publicized Disciplinary Guidelines
- Responding Promptly to Detected Problems and Undertaking Corrective Action
- Defining Roles and Responsibilities and Assigning Oversight Responsibility

The scope of this audit included a review of OCP's policies, procedures, and documentation for Fiscal Years 2016 to 2018 as well as interviews with key personnel at LSUHSC-NO.

# Quarterly Audit Summary

*Fiscal Year 2019, 4<sup>th</sup> Quarter*

---

## Audit Findings and Recommendations:

Based on testing performed, we identified issues related to the governance of OCP; risk-based monitoring and testing; lack of independence, anonymity, and under-utilization of the OCP hotline system. As a result, we made the following recommendations to management:

- Develop and implement policies to define the roles and responsibilities of OCP and establish an active compliance committee with diverse representation.
- Perform an annual risk assessment to assess which risks have the greatest risk exposure and allocate resources to performing testing and monitoring.
- Discontinue use of internal phone line to receive hotline calls and rely on the LSU-Ethics and Integrity Hotline.

## Management's Response and Corrective Action Plan:

Management concurred with our recommendations and is in the process of implementing corrective action plans.

## Louisiana State University Health Sciences Center Shreveport

### **Human Resources**

#### Audit Initiation:

We began the audit Financial Controls for Expenditures from the Board approved Audit Plan.

#### Audit Scope and Objectives:

The objectives of this audit included an evaluation of the effectiveness of human resource administration processes in reducing risk to acceptable levels in the following areas:

- Separation of Employment
- Compliance with federal and state regulations and University policy

# Quarterly Audit Summary

*Fiscal Year 2019, 4<sup>th</sup> Quarter*

---

The scope of this audit included human resource administration processes during the period July 1, 2016 through June 30, 2018. Employees on leaves of absence without pay as of June 30, 2019 were examined for compliance with Permanent Memorandum 20.

## Audit Findings and Recommendations:

Based on testing performed, we identified issues related to separation process; employee clearance process; recovery of assets from separated employees; compliance with LA R.S. 42:31; nepotism controls; and performance evaluations. As a result, we made the following recommendations to management:

- Develop and implement a comprehensive written policy and standardized process to govern all types of employee separations from the University.
- Develop and implement a comprehensive written policy and standardized process to govern employee clearance process.
- Develop and implement a comprehensive written policy and procedure to ensure that recover of University assets is pursued timely and compliance with LA Title 34.
- Consult with General Counsel regarding implementation of a written policy to ensure compliance with LA R.S. 42:31.
- Implement controls to ensure that compliance with University nepotism policies is reviewed in advance of employee transfers and promotions.
- Develop and implement a policy which governs and requires annual performance evaluations for unclassified personnel.

## Management's Response and Corrective Action Plan:

Management concurred with our recommendations and is in the process of implementing corrective action plans.

# Quarterly Audit Summary

*Fiscal Year 2019, 4<sup>th</sup> Quarter*

---

## **Department of Medicine - Financial Controls**

### Audit Initiation:

This was a consulting review that originated as a management request.

### Audit Scope and Objectives:

The objectives of this review included evaluating the effectiveness of financial processes in reducing risk to acceptable levels in the following areas:

- Process documentation
- Expenditures
- Employee leave
- Productivity

### Audit Findings and Recommendations:

During the review we documented areas for improvement and provided supplemental information to management. Upon receipt of these opportunities management has reviewed and is in the process of implementing changes as needed.

Louisiana State University  
Office of Internal Audit

# ANNUAL REPORT

FISCAL YEAR 2019

# TABLE OF CONTENTS

## Contents

|                     |   |
|---------------------|---|
| OVERVIEW _____      | 1 |
| RISKS _____         | 2 |
| REPORTING _____     | 4 |
| AUDIT PROCESS _____ | 6 |
| STAFF _____         | 8 |

APPENDIX A – FY 2019 AUDIT ACTIVITY BY FUNCTIONAL RISK CATGORY

APPENDIX B – FY 2019 REPORTS ISSUED BY CAMPUS

# OVERVIEW

## VISION

To be viewed as a valued business partner and a trusted advisor and recognized as a driving force behind a culture of governance, accountability, compliance, and execution that helps in the achievement of the University's objectives.

## MISSION

Internal Audit is committed to providing independent, objective, and timely service, as well as responding to requests for consulting and other services, and to adding value to and improving the University's operations. Internal Audit helps the University accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

## STRATEGIC GOALS

- Focus on the University's Highest Risks
- Provide Impactful Reporting to Stakeholders
- Maintain Efficient and Effective Audit Processes
- Maintain an Adequately Skilled and Knowledgeable Staff

## INDEPENDENCE STATEMENT

In accordance with Louisiana Revised Statute 17:3351.I, the Office of Internal Audit is maintained as an independent function that conforms to the *Institute of Internal Auditors, International Standards for the Professional Practice of Internal Auditing (Standards)*.

The *Standards* include certain elements to demonstrate that the internal audit activity is independent and internal auditors are objective in performing their work. Our Internal Audit Charter, which was adopted in June 2014, establishes the organization and responsibilities of our office and includes provisions to ensure independence and objectivity.

# RISKS

The scope of Internal Audit activities is primarily defined through an annual risk assessment process, the results of which are used to establish the Internal Audit Plan.

## INTERNAL AUDIT'S RESPONSIBILITY REGARDING RISK

Internal Audit has responsibility for evaluating the effectiveness and efficiency of controls established by management for the purpose of managing risk. A risk is anything that could occur that would impact the achievement of an objective and is generally measured in terms of impact and likelihood.

## RISK ASSESSMENT PROCESS

The purpose of our annual risk assessment is to aid Internal Audit in developing a risk-based plan of activities for the upcoming fiscal year. In this process, Internal Audit evaluates risk exposures relating to the University's governance, operations, and information systems regarding the following:

- Reliability and integrity of financial and operational information
- Effectiveness and efficiency of operations and programs
- Safeguarding of assets
- Compliance with laws, regulations, policies, procedures and contracts

Risks are identified, in part, by seeking input from executive management, operating management and external sources including external audits, regulatory and industry information.

We also rely on risks identified by management during the Enterprise Risk Management process, which is currently being implemented at LSU. Current events and emerging risks were considered as well. In determining the level of risk, the following factors may be considered: inherent risk, existing internal controls, results of analytics, results of previous audits, volume (e.g. number and dollar amount of transactions), value-added potential, management interest, emerging risks and auditor discretion.

To address the risk of fraud, on August 1, 2014, the University issued Permanent Memorandum (PM) 76 - Detection, Reporting and Investigation of Incidents of Financial Irregularity. In addition, the LSU Ethics and Integrity Hotline, which is monitored by EthicsPoint, provides a secure and confidential means to report suspected fraudulent or unethical behavior.



# RISKS

## ANNUAL AUDIT PLAN

Based on our risk assessment, an annual audit plan is developed and presented to the Board of Supervisors Audit Committee for approval. Risks are classified on the Audit Plan by major functional category with effort budgeted in each area. Below is a summary of FY 2019 planned and actual effort by functional risk category. A detailed list of all audit activities by functional risk category is also included as Appendix A to this report.

| <b>FUNCTIONAL RISK CATEGORY</b>       | <b>2019 Planned %<br/>Effort</b> | <b>2019 Actual %<br/>Effort</b> |
|---------------------------------------|----------------------------------|---------------------------------|
| Auxiliary and Service Departments     | 4%                               | 5%                              |
| Asset and Risk Management             | 5%                               | 1%                              |
| Compliance                            | 3%                               | 5%                              |
| Financial Management                  | 31%                              | 52%                             |
| Governance and External Relationships | 5%                               | 8%                              |
| Human Resources                       | 3%                               | 4%                              |
| Information Technology                | 12%                              | 7%                              |
| Plant Operations and Management       | 9%                               | 0                               |
| Research and Development              | 21%                              | 10%                             |
| Student Services                      | 3%                               | 5%                              |
| All Other Categories                  | 4%                               | 3%                              |
|                                       | <b>100%</b>                      | <b>100%</b>                     |

# REPORTING

## AUDIT REPORTS

Reports are issued at the end of each engagement to the President, Chancellors and other responsible parties at each institution. Each report includes a response from management that indicates whether they concur with the findings and the corrective actions that they plan to implement to address the recommendations.

The list of reports issued by campus for FY 2019 is included as *Appendix B*.

## OUTSTANDING ACTION PLANS

At the conclusion of each project, responsible management responds to each finding and recommendation with an action plan that they will implement to address the issue. Internal audit follows-up with them at the appropriate time to determine if the corrective action was taken and if those actions adequately resolved the issue. A report on Outstanding Action Plans is provided periodically to management and to the Audit Committee. The following chart shows the FY 2019 action plan activity for each campus:

| <b>Campus</b>           | <b>Open as of July 1, 2018</b> | <b>Added during FY 2019</b> | <b>Cleared During FY 2019</b> | <b>Open Action plans</b> |
|-------------------------|--------------------------------|-----------------------------|-------------------------------|--------------------------|
| Multi-campus            | 11                             |                             | 2                             | 9                        |
| LSU A&M                 | 27                             | 31                          | 25                            | 33                       |
| LSU Agricultural Center | 1                              |                             | 1                             | 0                        |
| LSU-Alexandria          | 10                             | 7                           | 2                             | 15                       |
| LSU-Eunice              | 0                              | 3                           | 2                             | 1                        |
| LSU-Shreveport          | 17                             |                             | 6                             | 11                       |
| LSUHSC-New Orleans      | 1                              | 13                          | 1                             | 13                       |
| LSUHSC-Shreveport       | 9                              | 9                           | 1                             | 17                       |
| LSU HCSD                | 0                              | 1                           |                               | 1                        |
| PBRC                    | 6                              |                             | 6                             | 0                        |
|                         | 82                             | 64                          | 46                            | 100                      |

# REPORTING

In addition, action plans resulting from the Encryption and Social Engineering audits, are not included in the above chart. Those action are dependent upon implementation of a policy addressing these issues at all institutions of the University. Development of that policy is currently in progress.

## INVESTIGATIONS

Internal Audit is responsible for conducting investigations when allegations of fraud, conflicts of interest, or significant non-compliance with regulations or policies are reported. Reports of alleged violations are received through LSU Ethics, Integrity, and Misconduct Helpline, phone calls or emails, through direct reports made by employees, faculty, contractors, students, vendors or through information discovered during regularly scheduled audits and audits requested by management.

During FY 2019, Internal Audit allocated approximately 4000 hours conducting or overseeing a total of 117 investigations, including two that were carried forward from FY 2018. Of the 115 new reports, 68 (59%) were received through the LSU Ethics, Integrity, and Misconduct Helpline. Four investigations remained open at June 30, 2019, and were carried over into FY 2020 for continued investigation.

# AUDIT PROCESS

To ensure an effective and efficient audit process, Internal Audit has established a Quality Assurance and Improvement Program (QAIP) designed to provide ongoing measurement and analyses of performance metrics to ensure compliance with the *Standards*.

## EXTERNAL QUALITY ASSURANCE REVIEW

Internal Audit is required to have an external quality assurance review at least every five years. This review was completed in FY 2019 with Internal Audit receiving an overall rating of “generally conforms” to the *Standards*. This opinion is the highest possible rating and means that practices are in place to ensure the independence, objectivity and proficiency of Internal Audit.

## PRODUCTIVITY PERFORMANCE MEASURES

- *Audit plan accomplishment*

Each year an audit plan is developed based on results of an annual risk assessment. Risks are continually monitored, and the audit plan is revised as necessary to address significant changes that may arise. We have established a target of 75% completion of our audit plan. This target allows for flexibility for unplanned audit work that may be necessary. The chart below illustrates the status of the 2019 Audit Plan:

| <b>2019 Audit Plan Status</b>                               | <b>#</b> | <b>%</b> |
|---|----------|----------|
| Audits on Plan (as revised)                                 | 31       |          |
| Audits substantially complete at 6/30/2019                  | 25       | 81%      |
| Audits currently in progress and carried forward to FY 2020 | 4        | 13%      |
| Audits not started and carried forward to FY 2020           | 2        | 6%       |

# AUDIT PROCESS

- *Direct/Indirect effort*  
Audit staff allocate their time between direct hours and indirect hours. Direct hours include time spent working on audits, consultations, special projects and investigations. Indirect hours include paid leave, meetings, training and administrative tasks. The internally established goal for our staff was 75% direct audit hours in FY 2019, and we achieved 74%.

# STAFF

## INTERNAL AUDIT STAFFING

|                                | As of<br>6/30/16 | As of<br>6/30/17 | As of<br>6/30/18 |
|--------------------------------|------------------|------------------|------------------|
| Professional Staff (Positions) | 15               | 15               | 15               |
| Administrative Support         | 1                | 1                | 1                |

## DEGREES

|   |      |
|---|------|
| Percent of audit staff with Bachelor's Degree           | 100% |
| Percent of audit staff with Advanced Degree             | 33%  |
| Percent of audit staff with Professional Certifications | 100% |

## CERTIFICATIONS (SOME STAFF HOLD MULTIPLE CERTIFICATIONS)

All staff that are not certified are currently pursuing appropriate certifications.

|  |   |
|--|---|
| Certified Public Accountant                  | 4 |
| Certified Internal Auditor                   | 7 |
| Certified Fraud Examiner                     | 3 |
| Certified Compliance and Ethics Professional | 1 |
| Certified EnCase Examiner                    | 1 |
| Certified Government Auditing Professional   | 1 |
| ITIL® Foundation                             | 1 |

## TRAINING AND PROFESSIONAL DEVELOPMENT

Our professional audit staff completed over 900 hours of continuing professional development in FY 2019. This included training provided by the Association of College and University Auditors (ACUA), the local and national chapters of the Institute of Internal Auditors (IIA), the LSU Department of Accounting and others. Training ensures that staff are current on auditing best practices and helps develop subject matter expertise that is valuable to the organization.

# APPENDIX A

## FY 2019 Audit Activity by Functional Risk Category

### ASSET AND RISK MANAGEMENT

1906 – LSU A&M Emergency/Crisis Management

### AUXILIARY AND SERVICE DEPARTMENTS

1809 – LSU A&M Athletics Compliance

1907 – LSU A&M Athletics

### COMPLIANCE

1914 – HSCNO Office of Compliance

### FINANCIAL MANAGEMENT

1805 – LSU A&M Payroll

1903 – LSU A&M Employee Travel

1905 – LSU A&M Investment Management

1912-A – HSCNO Financial Controls Expenditures – Consulting

1912-B – HSCNO Financial Controls Expenditures

1913 – HSCNO Physician Services Agreements

1815 – HSCS Feist Weiller Cancer Center Financial Operations

1920 – HSCS School of Medicine Financial Controls (Consulting)

1816 – HCSD Operational and Financial Controls

1910 – LSUA Scholarships and Financial Aid

### GOVERNANCE AND EXTERNAL RELATIONS

1919 – Multi Campus Supplier Diversity

### HUMAN RESOURCES

1807 – Multi Campus LSU First Pharmacy Benefits Manager (Gallagher Benefit Services)

1911 – HSCS Human Resource Management

### INSTRUCTION AND ACADEMIC SUPPORT

1909 – LSUE Online and Distance Learning

# APPENDIX A

## INFORMATION TECHNOLOGY

- 1915 – LSU A&M IT Asset Management
- 1821 – HSCNO Internet of Things (IoT)
- 1820 – Multi Campus Data Security (Encryption)
- 1822 – Multi Campus Social Engineering (IT)

## RESEARCH AND DEVELOPMENT

- 1806 – LSU A&M Research and Development Initiatives – Stephenson Technology Group
- 1717 – HSCNO Sponsored Programs
- 1802 – Multi Campus Export Controls
- 1904 – LSU A&M and HSCS – Lab Safety

## STUDENT SERVICES

- 1823 – LSU A&M University Lab School



# APPENDIX B

## Audits Issued in FY 2019 by Campus

### LSU A & M

- 1805 - Payroll
- 1806 – Research and Development Initiatives – Stephenson Technology Group
- 1807 - LSU First Pharmacy Benefits Manager (Gallagher Benefit Services)
- 1809 – Athletics Compliance
- 1823 - University Lab School
- 1903 – Employee Travel
- 1905 – Investment Management
- 1906 – Emergency/Crisis Management
- 1915 – IT Asset Management

### LSU HEALTH SCIENCES CENTER – NEW ORLEANS

- 1717 - Sponsored Programs
- 1821 - Internet of Things (IoT)
- 1912-A - Financial Controls Expenditures – Consulting
- 1912-B - Financial Controls Expenditures
- 1913 – Physician Services Agreements
- 1914 – Office of Compliance

### LSU HEALTH SCIENCES CENTER – SHREVEPORT

- 1815 - Feist Weiller Cancer Center Financial Operations
- 1911 – Human Resource Management
- 1920 - School of Medicine Financial Controls (Consulting)

### LSU HEALTH CARE SERVICES DIVISION

- 1816 - Operational and Financial Controls

### LSU EUNICE

- 1909 – Online and Distance Learning

### LSU ALEXANDRIA

- 1910 - Scholarships and Financial Aid

# APPENDIX B

## MULTI-CAMPUS

- 1802 - Export Controls
- 1820 - Data Security (Encryption)
- 1822 - Social Engineering (IT)
- 1919 - Supplier Diversity

## 2019 AUDITS CARRIED FORWARD TO 2019

- 1904 - LSU A&M and HSCS - Lab Safety
- 1907 - LSU A&M - Athletics
- 1908 - LSU A&M - Lab School Operations
- 1917 - Multi-campus - Security Awareness and Training (IT)

## OTHER AUDIT ACTIVITIES

- Information Technology (IT) support
- Follow-up on corrective action plans from prior audits
- Annual risk assessment and planning
- Implementation of enterprise risk management (ERM) program
- Quality Assessment Review (QAR)
- Quality Assessment and Improvement Program (QAIP)
- Investigations/special projects
- Management of LSU Ethics & Integrity Hotline
- Participation on campus committees
  - IT Governance Council
  - PCI Committee
  - Student Employment Committee
  - Benefits Oversight Committee



## Request to Approve Internal Audit Charter Amendment

To: Members of the Board of Supervisors

Date: September 13, 2019

Pursuant to Article VII, Section 1.L. of the Board Bylaws, the following is provided:

### 1. Significant Board Matter

This matter is a “significant board matter” pursuant to the following provisions of Article VII, section 1 of the Bylaws:

L. Other Significant Matter

The internal audit charter was first adopted by the Board on April 16, 1993. The charter has been amended a number of times with the last amendment adopted by the Board on June 20, 2014.

### 2. Summary of the Matter

This amendment to the internal audit charter provides for the adoption of current professional guidance. The amendment further reinforces the required independence of the internal audit function as recommended in a recently completed quality assurance review. Specifically, the amendment includes a clarification in reporting responsibility to reflect that the Chief Auditor reports functionally to the Board through the Audit Committee and administratively to the President. Additionally, the Audit Committee will have the responsibility of annually evaluating the performance of the Chief Auditor as well as regularly reviewing and approving the Chief Auditor’s compensation. Technical amendments are also included, such as removing the term, “System” and replacing it with the appropriate term in the title of the charter and elsewhere.

### 3. Fiscal Impact

Not applicable.

### 4. Review of Business Plan

Not applicable.

**5. Review of Documents Related to Referenced Matter:**

- a. Proposed amendment to the internal audit charter with additions and deletions to current policy noted
- b. Proposed amendment to the internal audit charter (clean copy)

**RESOLUTION**

**“NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College approves the proposed revisions to the internal audit charter as shown on the attachment.”

1 **LSU SYSTEM**

2 **INTERNAL AUDIT CHARTER**

Formatted: Centered

3  
4  
5 **Introduction**

6 The Louisiana State University ~~System~~ Internal Audit function is an independent and  
7 objective assurance and consulting activity that is guided by a philosophy of adding  
8 value to improve the operations of ~~the LSU including all component institutions System~~.  
9 It assists the University in accomplishing its objectives by bringing a systematic and  
10 disciplined approach to evaluate and improve the effectiveness of the organization's  
11 governance, risk management, and internal control.

12 **Role**

13 Management of each of the ~~University System~~'s component institutions has the  
14 responsibility to ensure that assets are properly safeguarded, internal controls are  
15 established and are sufficient to ensure compliance with applicable laws and regulations,  
16 and procedures are sufficient to detect errors and fraud in a timely manner. Campus  
17 heads are also responsible for providing input into the annual risk assessment and audit  
18 plan and for establishing and enforcing a policy to ensure the effective and timely  
19 resolution of all audit findings.  
20

21 Internal Audit is established by the Board of Supervisors (Board). Internal Audit furnishes  
22 impartial, independent analyses, appraisals, recommendations, and pertinent comments  
23 on the business activities of the institution. Its responsibilities are defined by the Board  
24 as part of their oversight role.

25 **Organization**

26 Internal auditing is centrally managed by the Chief Auditor who serves as the  
27 ~~University System~~'s "Chief Audit Executive" as defined by the *International Standards for*  
28 *the Professional Practice of Internal Auditing*. The Chief Auditor reports functionally to  
29 the Board of Supervisors (Board) through the Audit Committee and administratively (i.e.,  
30 day-to-day operations), to the President. The Board approves the internal audit charter  
31 as well as all decisions regarding the appointment and removal of the Chief Auditor.

32 The Audit Committee will:

- 33
- Approve the risk-based internal audit plan
  - Approve the internal audit budget and resource plan
  - Receive communications from the Chief Auditor on the Internal Audit's  
36 performance relative to its plan and other matters

- 1 • ~~and a~~Annually evaluate, with input from the President as necessary, ~~along with~~  
2 ~~the President,~~ the performance of the Chief Auditor
- 3 • -With input from the President, rReview and approve remuneration of the Chief  
4 Auditor -subject to applicable Board regulations
- 5 • Make appropriate inquiries of management and the Chief Auditor to determine  
6 whether there is inappropriate scope or resource limitations.

7 The Chief Auditor will communicate and interact directly with the Audit Committee  
8 including, when appropriate, in executive session and between meetings as appropriate.

### 9 **Professionalism**

10 Professionalism and commitment to excellence are facilitated by operating within a  
11 framework of professional practice. Internal Audit will govern itself by adherence to The  
12 Institute of Internal Auditors' mandatory guidance including the Definition of Internal  
13 Auditing, the Code of Ethics, and the *International Standards for the Professional*  
14 *Practice of Internal Auditing (Standards)*. This mandatory guidance constitutes principles  
15 of the fundamental requirements for the professional practice of internal auditing and for  
16 evaluating the effectiveness of Internal Audit's performance.

### 17 **Authority**

18 Internal Audit, with strict accountability for confidentiality and safeguarding records and  
19 information, is authorized full, free, and unrestricted access to any and all records,  
20 physical properties, and personnel pertinent to carrying out any engagement at all LSU  
21 ~~System~~ institutions. All employees are requested to assist Internal Audit in fulfilling its  
22 roles and responsibilities. Internal Audit will also have free and unrestricted access to the  
23 Audit Committee.

### 24 **Independence and Objectivity**

25 Internal Audit will remain free from interference by any element in the organization,  
26 including matters of audit selection, scope, procedures, frequency, timing, or report  
27 content to permit maintenance of a necessary independent and objective mental  
28 attitude.

29 Internal auditors will have no direct operational responsibility or authority over any of the  
30 activities audited. Accordingly, they will not implement internal controls, develop  
31 procedures, install systems, prepare records, or engage in any other activity that may  
32 impair internal auditor's judgment.

33 Internal auditors will exhibit the highest level of professional objectivity in gathering,  
34 evaluating, and communicating information about the activity or process being  
35 examined. Internal auditors will make a balanced assessment of all the relevant  
36 circumstances and not be unduly influenced by their own interests or by others in  
37 forming judgments.

38 The Chief Auditor will confirm to the Audit Committee, at least annually, the  
39 organizational independence of the internal audit activity.

1

## 2 **Responsibility**

3 The scope of internal auditing encompasses, but is not limited to, the examination and  
4 evaluation of the adequacy and effectiveness of the organization's governance, risk  
5 management, and internal controls as well as the quality of performance in carrying out  
6 assigned responsibilities to achieve the University's stated goals and objectives. This  
7 includes:

- 8 • Evaluating risk exposure relating to achievement of the University's strategic  
9 objectives.
- 10 • Evaluating the reliability and integrity of information and the means used to  
11 identify, measure, classify, and report such information.
- 12 • Evaluating the systems established to ensure compliance with those policies,  
13 plans, procedures, laws, and regulations which could have a significant impact  
14 on the organization.
- 15 • Evaluating the means of safeguarding assets and, as appropriate, verifying the  
16 existence of such assets.
- 17 • Evaluating the effectiveness and efficiency with which resources are employed.
- 18 • Evaluating operations or programs to ascertain whether results are consistent  
19 with established objectives and goals and whether the operations or programs  
20 are being carried out as planned.
- 21 • Monitoring and evaluating governance processes.
- 22 • Monitoring and evaluating the effectiveness of risk management processes.
- 23 • Performing consulting and advisory services related to governance, risk  
24 management, and control as appropriate for the University.
- 25 • Reporting periodically on Internal Audit's purpose, authority, responsibility, and  
26 performance relative to its plan.
- 27 • Reporting significant risk exposures and control issues, including fraud risks,  
28 governance issues, and other matters needed or requested by the Audit  
29 Committee.
- 30 • Evaluating specific operations at the request of the Audit Committee or  
31 management, as appropriate.
- 32 • Investigate allegations of fraud at all [LSUSystem](#) institutions.
- 33 • Giving due consideration to the scope of work of the external auditors and other  
34 regulatory agencies, as appropriate, for the purpose of providing optimal audit  
35 coverage to the University at a reasonable overall cost.

## 36 **Internal Audit Plan**

37 At least annually, the Chief Auditor will submit to senior management, for review, and the  
38 Audit Committee, for approval, an internal audit plan. The internal audit plan will consist  
39 of a work schedule as well as budget and resource requirements for the next fiscal year.  
40 The Chief Auditor will communicate the impact of resource limitations and significant  
41 interim changes to the President and the Audit Committee.

42 The internal audit plan will be developed based on a prioritization of the audit universe  
43 using a risk-based methodology, including input of senior management and the Audit  
44 Committee. The Chief Auditor will review and adjust the plan as necessary in response

1 to changes in the University's business, risks, operations, programs, systems, and  
2 controls. Any significant deviation from the approved internal audit plan will be  
3 communicated to the President and the Audit Committee through periodic activity  
4 reports.

5 **Reporting and Monitoring**

6 Internal Audit ensures that the results of audits and other services are properly  
7 communicated to the appropriate management or operating personnel in the form of  
8 written reports, consultation, advice, or any other means. The Chief Auditor will authorize  
9 the issuance of all internal audit reports. Written reports include, or will be followed by,  
10 management comments itemizing specific actions taken or planned to resolve the  
11 reported finding and to ensure that operational objectives are achieved. Management's  
12 response should include a timetable for anticipated completion of action to be taken and  
13 an explanation for any recommended corrective action that will not be implemented.  
14 Internal Audit will be responsible for appropriate follow-up on engagement findings and  
15 recommendations. All significant findings will remain in an open issues file until cleared.

16 The Chief Auditor shall report not less than quarterly to the Audit Committee and  
17 President and annually in writing to the entire Board on internal and external audit  
18 activities. Upon presentation to the President and acceptance by the Audit Committee,  
19 copies of the quarterly report will be provided to the Board.

20 **Quality Assurance and Improvement Program**

21 Internal Audit will maintain a quality assurance and improvement program that covers all  
22 aspects of the internal audit activity. The program will include an evaluation of Internal  
23 Audit's conformance with the Definition of Internal Auditing and the Standards and an  
24 evaluation of whether internal auditors apply the Code of Ethics. The program also  
25 assesses the efficiency and effectiveness of the internal audit activity and identifies  
26 opportunities for improvement.

27 The Chief Auditor will communicate to the President and the Audit Committee on Internal  
28 Audit's quality assurance and improvement program, including results of ongoing  
29 internal assessments and external assessments conducted at least every five years.

30

31



INDEX REGULAR BOARD MEETING  
JUNE 28, 2019

|     |   |      |
|-----|---|------|
| 1.  | Call to Order and Roll Call .....   | 1    |
| 2.  | Invocation and Pledge of Allegiance .....   | 1    |
| 3.  | Public Comment .....  | 1    |
|     | Committee Meetings .....  | 2    |
| 4.  | 4A. Academic & Research Committee .....   | 2-3  |
|     | 4.B. Finance Committee .....  | 3-4  |
|     | 4.C. Athletics .....  | 4-5  |
|     | 4.D. Property & Facilities Committee .....  | 5-6  |
|     | 4.E. Affiliated Organization Oversight Committee .....                            | 6    |
|     | 4.F. Legal Affairs Committee .....  | 7    |
|     | 4.G. Audit Committee .....  | 7-8  |
| 5.  | Reconvene Regular Meeting .....   | 8    |
| 6.  | Approval of the Minutes of the Executive Committee Meeting on June 28, 2019 ..... | 8    |
| 7.  | Approval of Personnel Actions Requiring Board Approval .....                      | 9    |
| 8.  | Reports from Council of Staff Advisors and Council of Faculty Advisors .....      | 9    |
| 9.  | President's Report .....  | 9    |
| 10. | Reports to the Board .....  | 9    |
| 11. | Committee Reports .....   | 9    |
| 12. | Chairman's Report .....   | 9-10 |
| 13. | Adjournment .....   | 10   |

MINUTES  
REGULAR BOARD MEETING  
JUNE 28, 2019

1. Call to Order and Roll Call

Mr. James Williams, Chairman, called to order the Regular Meeting of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College in the Board Room of the University Administration Building at Louisiana State University in Baton Rouge on June 28, 2019.

The office administrator called the roll.

Present:

Mr. James M. Williams, Chairman  
Ms. Mary Werner, Chair-Elect  
Mr. J. Stephen Perry, Past Chair  
Mr. Ronnie Anderson  
Mr. Glenn Armentor  
Mr. Jack "Jay" A. Blossman, Jr.  
Mr. Richard Brazzel  
Mr. B. Wayne Brown  
Mr. R. Blake Chatelain  
Mr. Robert S. Dampf  
Ms. Valencia Sarpy Jones  
Mr. Lee Mallet  
Mr. James M. Moore, Jr.  
Mr. Rémy Voisin Starns  
Mr. Jimmie Woods

Absent:

Mr. Robert "Bobby" Yarborough

Also present for the meeting were the following: Dr. F. King Alexander, President of LSU; Mr. Tom Skinner, General Counsel for LSU; LSU officers and administrators from their respective campuses; faculty representatives; interested citizens and representatives of the news media.

2. Invocation and Pledge of Allegiance

Jack Green, an LSU Odgen Honors College junior, led the Pledge of Allegiance.

Sarah Procopio, an LSU Odgen Honors College junior, delivered the invocation.

Both students delivered remarks about their experience as an LSU student.

Dr. Willis Delony received a certificate and spoke of appreciation of being named an LSU Boyd Professor.

3. Public Comment

There were no individuals registered for public comment.

4. Committee Meetings

The Board recessed the regular meeting to convene the committee meetings.

4.A. Academic & Research Committee

All items on the Academic & Research Committee agenda were presented by Dr. Stacia Haynie, Provost.

4.A.1 CONSENT AGENDA

- a. Request from LSU A&M for a Letter of Intent for a BS in Learning Experience Design & Innovation (LXD)
- b. Request from LSU A&M to Name Twelve Areas within the Football Operations Building
- c. Request from LSU A&M to Name the Carbo Landscape Architecture Recruitment Center
- d. Request from LSU A&M to Name the Deloitte Foundation Classroom
- e. Request to Revise the 2019 Conferral Dates for Online Degree Programs

Upon motion of Ms. Jones, seconded by Mr. Armentor, the Committee voted unanimously to approve the following resolutions of the Consent Agenda:

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors does hereby approve the Letter of Intent to develop a proposal for a Bachelor of Science in Learning Experience Design & Innovation (LXD) at LSU A&M, subject to approval by the Louisiana Board of Regents.

**NOW, THEREFORE, BE IT RESOLVED** that the LSU Board of Supervisors does hereby approve the request from LSU A&M to name the following 12 Areas within the newly renovated Football Operations Building:

1. Kate C. Brady Weight Room Meeting Room and Troy B. Brady Media Room
2. The Billy Cannon Running Backs Room
3. Scott and Toni Mayfield Athletic Training Conference Room
4. The Wall Family Fueling Station
5. Kurt A. Degueyter & Family War Room
6. The Cazalot Family Recruiting Lounge
7. Stacy Frederick and Family Hydrotherapy Room
8. Neal & Harrison Families Treatment Area
9. John P. and Eva L. Spera Quarterback Meeting Room
10. The Johnny Conrad Family Inside Linebacker Meeting Room
11. The Michael Brockers Family Defensive Line Meeting Room
12. The Dr. Eric Oberlander and Family Athletic Training Room

**NOW, THEREFORE, BE IT RESOLVED** that the LSU Board of Supervisors does hereby approve the request from LSU A&M to name the area on the third floor of the Design Building the "Carbo Landscape Architecture Recruitment Center".

**NOW, THEREFORE, BE IT RESOLVED** that the LSU Board of Supervisors does hereby approve the request from LSU A&M to name the Business Education Complex Room 1800 the "Deloitte Foundation Classroom".

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors does hereby approve the recommended degree conferral dates for online degree programs at the campus of LSU A&M for 2019: March 12, May 7, July 9, September 3, October 29, and December 20; for LSU Alexandria: March 12, May 7, July 2, August 27, October 22, and December 17; and for LSU Shreveport: March 19, May 10, August 7, September 3, October 29, and December 20.

4.A.2. Update from LSU Online

Ms. Sasha Thackaberry, Vice Provost for Digital and Continuing Education, provided an update on the growth of the LSU Online program.

4.B. Finance Committee

Items on the Finance Committee Agenda were presented by Dr. Dan Layzell, Chief Financial Officer.

4.B.1. Supplier Diversity Program Update

Mr. Don Lawhorn, Supplier Diversity Manager, provided an update on the growth of the Supplier Diversity program.

4.B.2. Approval of FY 2019 Supplemental Appropriation and FY 2020 Appropriations

The Chairman created an Ad Hoc Committee on funding to research ways to combat budget concerns related to the University without raising student fees. Mr. Blossman will chair the committee with other members including: Mr. Starns, Mr. Woods, Ms. Jones, Mr. Chatelain, Mr. Armentor and Mr. Mallett. The Chairman charged the committee with producing an initial report on their findings in thirty days.

Upon motion by Mr. Brown, seconded by Mr. Moore, the Committee voted unanimously to approve the following resolution:

**WHEREAS**, Article VII, Section 5 [D] [4] of the Louisiana Constitution requires the Board of Regents to develop a funding formula as a component of the Master Plan for Public Postsecondary Education for the equitable distribution of funds to the institutions of postsecondary education; and

**WHEREAS**, Article VIII, Section 12 of the Louisiana Constitution states that appropriations for the institutions of higher education shall be made to their managing boards and the funds appropriated shall be administered by the managing boards and used solely as provided by law.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College (Board) that the Board authorizes the President of LSU F. King Alexander, or his designee, to act on behalf of the Board in presenting the methodology and distribution of appropriations and related budget information for FY 2020 to the institutions of the University, the Board of Regents, the Governor and his agencies, and the Legislature or its

committees as required between meetings of the Board, and hereby delegates all such authority necessary to accomplish such purposes; and

**BE IT FURTHER RESOLVED** that the actions taken herein constitute approvals of the appropriations, not specific approval of the FY 2020 operating budgets of any budget entity of the University, as required, which approvals remain with the Board or President of LSU, each respectively, pursuant to the Bylaws and as provided by law.

- 4.B.3. Request from LSU Health Science Center in Shreveport to Approve the FY 2020 Expenditure of Carroll W. Feist Legacy Funds for the Feist Weiller Cancer Center and to Make a Determination of Acceptable University Purposes

Upon motion by Mr. Moore, seconded by Mr. Brown, the Committee voted unanimously to approve the following resolution:

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College does hereby (a) approve the budget request of \$4,352,000 from the CFeist Legacy Account for the benefit of the Feist Weiller Cancer Center programs at the LSU Health Sciences Center – Shreveport and (b) that the Board determines that the use of those funds constitute an appropriate and acceptable university purpose.

4.C. Athletics Committee

- 4.C.1. Request from LSU A&M to Approve Employment Contract for Scott Woodward, Athletics Director

Upon motion by Mr. Moore, seconded by Mr. Brown, the Committee voted unanimously to approve the following resolution:

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby authorize F. King Alexander, President of the Louisiana State University, or his designee, to sign the contract with Scott Woodward as provided in this item.

- 4.C.2. Request from LSU A&M to Approve Employment Contract with Verge Ausberry, Executive Deputy Athletics Director and Executive Director of External Relations

Upon motion by Mr. Blossman, seconded by Mr. Armentor, the Committee voted unanimously to approve the following resolution:

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College authorizes Dr. F. King Alexander, President, or his designee, to sign the contract with Verge Ausberry as described in this item, and to include in such amendments any terms and conditions as he, in consultation with the General Counsel, deems to be in the best interests of LSU.

- 4.C.3 Request from LSU A&M to Approve Employment Contract for James T. Moffitt, Head Strength Coach

- 4.C.4 Request from LSU A&M to Approve Employment Contract with Steven Ensminger, Assistant Coach Football

- 4.C.5. Request from LSU A&M to Approve Employment Contract with James Cregg, Assistant Coach Football
- 4.C.6. Request from LSU A&M to Approve Employment Contract with Gregory McMahon, Assistant Coach Football
- 4.C.7. Request from LSU A&M to Approve Employment Contract with Andres “Andy” Brandi, Co-Head Coach Men’s Tennis
- 4.C.8. Request from LSU A&M to Approve Employment Contract with Christopher Brandi, Co-Head Coach Men’s Tennis
- 4.C.9. Request from LSU A&M to Approve Employment Contract with William Armstrong, Assistant Coach Men’s Basketball

Upon motion by Mr. Anderson, seconded by Mr. Dampf, the Committee voted unanimously to approve the following resolutions for the above-mentioned Items 4.C.3 through 4.C.9:

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College authorizes Dr. F. King Alexander, President, or his designee, to sign the contract with James T. Moffitt as described in this item, and to include in such amendments any terms and conditions as he, in consultation with the General Counsel, deems to be in the best interests of LSU.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College authorizes Dr. F. King Alexander, President, or his designee, to sign the contract with Steven Ensminger as described in this item, and to include in such amendments any terms and conditions as he, in consultation with the General Counsel, deems to be in the best interests of LSU.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College authorizes Dr. F. King Alexander, President, or his designee, to sign the contract with James Cregg as described in this item, and to include in such amendments any terms and conditions as he, in consultation with the General Counsel, deems to be in the best interests of LSU.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College authorizes Dr. F. King Alexander, President, or his designee, to sign the contract with Gregory McMahon as described in this item, and to include in such amendments any terms and conditions as he, in consultation with the General Counsel, deems to be in the best interests of LSU.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College authorizes Dr. F. King Alexander, President, or his designee, to sign the contract with Christopher Brandi as described in this item, and to include in such amendments any terms and conditions as he, in consultation with the General Counsel, deems to be in the best interests of LSU.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College authorizes Dr. F. King Alexander, President, or his designee, to sign the contract with William Armstrong as described in this item, and to include

in such amendments any terms and conditions as he, in consultation with the General Counsel, deems to be in the best interests of LSU.

4.D. Property and Facilities Committee

4.D.1. Request from LSU Shreveport to Authorize the President to Determine an Acceptable University Purpose for Donation to the LSU Shreveport Foundation of the Spring Street Museum Property and Movable Assets

Upon motion by Mr. Brown, seconded by Mr. Chatelain, the Committee voted unanimously to approve the following resolution:

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College hereby authorizes Dr. F. King Alexander, President of Louisiana State University, or his designee to determine if an Acceptable University Purpose exists, for purposes of the Uniform Affiliation Agreement, for the LSU Shreveport Foundation or its subsidiary to accept the donation of immovable property and other assets associated with the Spring Street Museum located in Shreveport, Louisiana.

4.D.2. Request from LSU A&M to Authorize the President to Execute a Cooperative Endeavor Agreement with LSU Research Foundation regarding the Louisiana Emerging Technology Center, the Louisiana Digital Media Center and Innovation Park

Motion to table Item 2 of the Property and Facilities Agenda to a later date.

4.D.3. Request from LSU A&M to Accept the Donation of Chiller to the LSU Lab School

Upon motion by Mr. Starns, seconded by Mr. Brown, the Committee voted unanimously to approve the following resolution:

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College hereby authorizes Dr. F. King Alexander, President of Louisiana State University, or his designee to accept the donation or execute other appropriate paperwork to take ownership of the chiller units installed by Brilliant Efficiencies, LLC pursuant to the grant from the state Public Service Commission.

4.E. Affiliated Organization Oversight Committee

4.E.1. Request Approval of Evaluation Templates

Upon motion by Ms. Jones, seconded by Mr. Blossman, the Board voted unanimously to approve the Board Self-Evaluation Template.

Upon motion by Mr. Brown, seconded by Ms. Jones, the Board voted unanimously to approve the Presidential Evaluation Template.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby approve the Board of Supervisors Self Evaluation Policy and the Presidential Evaluation Policy.

4.E.2. Preliminary Report on Diversity at the University

The preliminary report on diversity at the University was presented by Dr. Dereck Rovaris, Vice Provost of Diversity. The findings of the report called for a search of recommendations for diverse applicant selections. An update on findings is requested for the next Board meeting scheduled on September 12, 2019.

4.E.3. Presentation of Proposed Amendments to the Affiliation Agreement

Mr. Winston DeCuir, external general counsel, presented the proposed amendments to the affiliation agreement. Mr. Starns recommended to schedule a meeting to finalize the proposed changes.

4.F. Legal Affairs Committee

4.F.1. Stephen M. Gruver, et al. v. State of Louisiana, through the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College, et al., Civil Action No. 18-CV-772 (USDC Middle District of La.)

4.F.2. Litigation having the potential to impact LSU.

Upon motion by Mr. Starns, seconded by Ms. Werner, the Board voted unanimously to enter into executive session pursuant to La. R.S.42:17(A)(2) to discuss both items on the Legal Affairs Committee. A roll call vote to enter into executive session was requested by the Chairman. Roll call vote reflected the following:

Yes

Mr. James M. Williams, Chairman  
Ms. Mary Werner, Chair-Elect  
Mr. J. Stephen Perry, Past Chair  
Mr. Ronnie Anderson  
Mr. Glenn Armentor  
Mr. Jack "Jay" A. Blossman, Jr.  
Mr. Richard Brazzel  
Mr. B. Wayne Brown  
Mr. R. Blake Chatelain  
Mr. Robert S. Dampf  
Ms. Valencia Sarpy Jones  
Mr. Lee Mallet  
Mr. James M. Moore, Jr.  
Mr. Rémy Voisin Starns  
Mr. Jimmie Woods

There was a call to conclude executive session.

4.G. Audit Committee

Roll was taken and the following Board members were present

Mr. Lee Mallett, Chair  
Ms. Mary L. Werner, Vice Chair  
Mr. Ronnie Anderson



Mr. Jay Blossman  
Mr. Blake Chatelain  
Mr. Robert S. Dampf  
Mr. James Moore, Jr.  
Mr. Rémy Voisin Starns  
Mr. Jimmie M. Woods

Other members of the Board attended all or some of the meeting: Mr. Williams, Mr. Armentor, Mr. Brown, and Mr. Dampf.

4.G.1. Request to Approve the FY2020 Audit Plan

Upon motion by Mr. Blossman and seconded by Mr. Chatelain, the Committee voted unanimously to approve the FY2020 Audit Plan.

4.G.2. Request to Accept the 3rd Quarter Audit Summary

Upon motion by Mr. Blossman and seconded by Mr. Starns, the Committee accepted the 3<sup>rd</sup> Quarter Audit Summary.

4.G.3. Internal Audit Quality Assurance Report

Mr. Chad Brackin, chief auditor, presented the results of the Internal Audit Quality Assurance Report. In summary, the report suggested more information sent to the Board, written guidance when the auditors provide consultations outside of audits, and the desire to have a charter for the Audit Committee separate than the one for the chief auditor, with emphasis on assuring Internal Audit's proper functional reporting to the Board and independence of the Chief Auditor.

4.G.4. Approval of Revised Internal Audit Charter

The Committee chose to take no action on the recommendation to approve of a revision of the Internal Audit Charter. Instead, the Committee adopted a recommendation upon motion by Mr. Blossman and seconded by Mr. Starns. The motion as approved was: Recommendation to reaffirm that the Audit Committee and President will jointly evaluate the chief auditor; there shall be a clarification of roles of the Audit Committee, President, and chief auditor; and, report such clarification to the Audit Committee on September 13, 2019.

The motion was reduced to writing and submitted to the Chairman of the Board prior to Committee Report approvals so that the recommendation may be approved by the full Board.

There was also a notice provided by Mr. Brackin stating that he was about to conduct a review of data for integrity purposes related to the diversity supplier program.

5. Reconvene Board Meeting

After the adjournment of the Committee Meetings, the Regular Board Meeting was called back to order. The roll call was recorded:

Present:

Mr. James M. Williams, Chairman

Ms. Mary Werner, Chair-Elect  
Mr. J. Stephen Perry, Past Chair  
Mr. Ronnie Anderson  
Mr. Glenn Armentor  
Mr. Jack "Jay" A. Blossman, Jr.  
Mr. Richard Brazzel  
Mr. B. Wayne Brown  
Mr. R. Blake Chatelain  
Mr. Robert S. Dampf  
Ms. Valencia Sarpy Jones  
Mr. Lee Mallet  
Mr. James M. Moore, Jr.  
Mr. Rémy Voisin Starns  
Mr. Jimmie Woods

Absent:

Mr. Robert "Bobby" Yarborough

6. Approval of the Minutes of the Board Meeting held on May 31, 2019

Upon motion by Mr. Anderson, seconded by Mr. Chatelain, the Board voted unanimously to approve the meetings of the Board meeting held on May 31, 2019.

7. Personnel Actions Requiring Board Approval

7.A. Request to Amend the President's Employment Contract

Upon motion by Mr. Mallett, seconded by Mr. Chatelain, the Board voted unanimously to approve the amendment of the President employment contract.

8. Reports from Council of Staff Advisors and Council of Faculty Advisors

Tammy Millican, Past President of the Council of Staff Advisors, gave an informational report to the Board.

Dr. Ken McMillan, President of the Council of Staff Advisors, gave an informational report to the Board.

9. President's Report

Dr. Alexander welcomed Dr. Paul Coreil as Interim Chancellor of LSU Alexandria.

Dr. Alexander welcomed Nancee Sorenson as Chancellor of LSU Eunice.

Dr. Alexander reported on the research activities on campus.

Dr. Alexander reported that the "Fierce for the Future" Campaign has already reached the halfway mark.

Dr. Alexander announced Chairman James Williams as the summer commencement speaker for the main campus ceremony.

Dr. Alexander gave an update on the Rice Research.

10. Reports to the Board

There were no reports submitted to the Board

11. Committee Reports

A motion was made by Mr. Anderson, seconded by Mr. Blossman, to approve the Committee resolutions there were approved by the Committees. The Board voted unanimously to approve all Committee resolutions.

12. Chairman's Report

Chairman Williams reported on the 60<sup>th</sup> anniversary of the LSU Golden Girls.

Chairman Williams congratulated LSUS student and former SGA President Meghan Crews for being crowned as Miss Louisiana 2019.

Chairman Williams reported on the success and impact of the combined LSU and UL System Boards dinner held the previous night.

Chairman Williams announced the next meeting will be held on Friday, September 12 in Baton Rouge.

13. Adjournment

Personnel Actions Requiring Board Approval  
per PM-69

September 13, 2019

Personnel Actions Requiring Board Approval per PM-69  
September 13, 2019

**LSU A&M  
Appointments**

| <u>Name</u>  | <u>Title</u>                              | <u>Effective Date</u> | <u>Base Salary</u>     |
|--------------|---|-----------------------|------------------------|
| Jim Sabourin | Vice President of Strategic Communication | 10/1/2019             | \$250,000 <sup>1</sup> |

**Change in Title and Compensation Increase**

| <u>Name</u>                        | <u>Current Title</u>                        | <u>Proposed Title</u>                         | <u>Effective Date</u> | <u>Current Base Salary</u> | <u>Proposed Base Salary</u> | <u>% Increase</u> |
|------------------------------------|---|---|-----------------------|----------------------------|-----------------------------|-------------------|
| Alexandra Thackaberry <sup>2</sup> | Vice Provost, Online and Distance Education | Vice President, Online and Distance Education | 10/1/2019             | \$195,500                  | \$225,000                   | 15%               |

1. Jim Sabourin will also receive a reimbursement of moving expenses up to \$15,000 and a one-time relocation incentive cash payment in the amount of \$25,000.
2. Alexandra Thackaberry will be leading online initiatives at LSU Eunice, Alexandria, Shreveport, and the LSU Health Science Centers in addition to LSU A&M.

FY 2018-19 4th Quarter Consolidated Report on  
Personnel Actions Not Requiring Board Approval  
in accordance with the  
Regulations of the Board of Supervisors

September 13, 2019

**Personnel Actions Information Report**  
**Reporting Period: January 2019 - March 2019**

**LSU**

| <b>Honorifics</b> |                       |                      |                  |  |                    |  |
|-------------------|-----------------------|----------------------|------------------|--|--------------------|--|
| <b>Name</b>       | <b>Effective Date</b> | <b>Academic Rank</b> | <b>Allowance</b> | <b>Named Professorship</b>   | <b>Transaction</b> |  |
| Hamilton, John    | 4/3/2019              | Professor            | N/A              | Thomas O. and Darlene Wood Ryder Distinguished Professorship             | Honorific          |  |
| Gaarde, Mette     | 6/15/2019             | Professor            | \$6,200          | Les and Dot Broussard Alumni Departmental Proessorship in Basic Sciences | Honorific          |  |

| <b>Personnel Actions</b> |                       |                          |                       |                    |                   |                 |                                   |
|--------------------------|-----------------------|--------------------------|-----------------------|--------------------|-------------------|-----------------|-----------------------------------|
| <b>Name</b>              | <b>Effective Date</b> | <b>Title</b>             | <b>Allowance Plan</b> | <b>Prev Salary</b> | <b>New Salary</b> | <b>% Change</b> | <b>Transaction</b>                |
| Arceneaux, Ashley        | 4/15/2019             | Chief of Staff           |                       | \$107,227          | \$150,000         | 40%             | Promotion                         |
| Lee, Mimi Singer         | 5/1/2019              | Assistant Vice President |                       | \$146,319          | \$170,000         | 16%             | Change Job Details                |
| Douglass, Brandy         | 6/17/2019             | Chief of Staff           |                       | N/A                | \$145,000         | N/A             | New Hire                          |
| Cordoba, Cherie          | 5/13/2019             | Assistant Coach          |                       | N/A                | \$140,000         | N/A             | New Hire                          |
| Shin, Jeremiah           | 6/28/2019             | Vice President           |                       | N/A                | \$230,000         | N/A             | New Hire                          |
| Coyle, Kevin             | 6/15/2019             | Senior Football Analyst  |                       | N/A                | \$150,000         | N/A             | New Hire                          |
| Krishnadas, Radhika      | 4/3/2019              | Director                 |                       | N/A                | \$125,000         | N/A             | New Hire                          |
| Mullenix, Shelly         | 6/13/2019             | Athletic Trainer         |                       | \$90,700           | \$150,000         | 65%             | Promotion via Competitive Process |
| Mitchell, Tasmin         | 6/1/2019              | Assistant Coach          |                       | \$50,000           | \$175,000         | 250%            | Promotion via Competitive Process |
| Davidson, Mark           | 5/15/2019             | Professor                |                       | N/A                | N/A               | N/A             | Emeritus                          |
| Gilmer, Patrick          | 5/15/2019             | Professor                |                       | N/A                | N/A               | N/A             | Emeritus                          |

**LSU Agricultural Center**

| <b>Name</b> | <b>Effective Date</b> | <b>Title</b> | <b>Prev Salary</b> | <b>New Salary</b> | <b>% Net Change</b> | <b>Transaction</b>        |
|-------------|-----------------------|--------------|--------------------|-------------------|---------------------|---------------------------|
| Wu, Qinglin | 5/1/2019              | Professor    | \$150,864          | \$175,000         | 16%                 | Permanent Salary Increase |

**Pennington Biomedical Center**

| <b>Name</b>               | <b>Effective Date</b> | <b>Title</b>   | <b>Prev Salary</b> | <b>New Salary</b> | <b>% Net Change</b> | <b>Transaction</b> |
|---------------------------|-----------------------|--|--------------------|-------------------|---------------------|--------------------|
| Hymel, Bonnie             | 4/1/2019              | Director   | \$143,750          | \$147,344         | 2.5%                | Merit Increase     |
| Morrison, Christopher     | 4/1/2019              | Professor (RP)   | \$180,000          | \$184,500         | 2.5%                | Merit Increase     |
| Bouchard, Claude          | 4/1/2019              | Professor (RP)   | \$274,664          | \$281,531         | 2.5%                | Merit Increase     |
| Kappen, Claudia           | 4/1/2019              | Professor (RP)   | \$245,866          | \$252,013         | 2.5%                | Merit Increase     |
| Martin, Corbin            | 4/1/2019              | Professor (RP)   | \$205,000          | \$210,125         | 2.5%                | Merit Increase     |
| Alexander, David          | 4/1/2019              | Director of Data Processing/Computer Services/Admin Information Sy | \$143,520          | \$147,108         | 2.5%                | Merit Increase     |
| Ravussin, Eric            | 4/1/2019              | Associate Executive Director PBRC                                  | \$332,884          | \$341,206         | 2.5%                | Merit Increase     |
| Greenway, Frank           | 4/1/2019              | Professor - Research (RP)  | \$218,009          | \$224,709         | 3.1%                | Merit Increase     |
| Lavergne, Guy             | 4/1/2019              | Associate Executive Director PBRC                                  | \$178,314          | \$182,772         | 2.5%                | Merit Increase     |
| Berthoud, Hans-Rudolf     | 4/1/2019              | Professor (RP)   | \$178,378          | \$182,837         | 2.5%                | Merit Increase     |
| Muenzberg-Gruening, Heike | 4/1/2019              | Professor (RP)   | \$180,000          | \$184,500         | 2.5%                | Merit Increase     |
| Keller, Jeffrey           | 4/1/2019              | Professor (RP)   | \$231,701          | \$237,494         | 2.5%                | Merit Increase     |
| Rood, Jennifer            | 4/1/2019              | Associate Executive Director PBRC                                  | \$218,400          | \$223,860         | 2.5%                | Merit Increase     |
| Blanchard, Jerry          | 4/1/2019              | Director of Physical Plant/Facility Services                       | \$142,272          | \$145,829         | 2.5%                | Merit Increase     |
| Salbaum, Johannes         | 4/1/2019              | Professor (RP)   | \$208,000          | \$213,200         | 2.5%                | Merit Increase     |
| Kirwan, John              | 4/1/2019              | Executive Director-Medical Service Area                            | \$350,000          | \$358,750         | 2.5%                | Merit Increase     |
| Singletery, Kem           | 4/1/2019              | Associate Professor - Research                                     | \$166,400          | \$170,560         | 2.5%                | Merit Increase     |
| Gadde, Kishore            | 4/1/2019              | Professor (RP)   | \$300,000          | \$307,500         | 2.5%                | Merit Increase     |
| Redman, Leanne            | 4/1/2019              | Professor (RP)   | \$200,000          | \$205,000         | 2.5%                | Merit Increase     |
| Lamonica, Leigh           | 4/1/2019              | Director of Non-Academic Or Service Area                           | \$130,364          | \$133,623         | 2.5%                | Merit Increase     |
| Mougeot, Monica           | 4/1/2019              | Director of Fiscal Operations                                      | \$130,874          | \$134,146         | 2.5%                | Merit Increase     |
| Katzmarzyk, Peter         | 4/1/2019              | Associate Executive Director PBRC                                  | \$238,493          | \$244,455         | 2.5%                | Merit Increase     |
| Brantley, Phillip         | 4/1/2019              | Associate Executive Director PBRC                                  | \$208,171          | \$213,375         | 2.5%                | Merit Increase     |
| Mynatt, Randall           | 4/1/2019              | Professor (RP)   | \$182,000          | \$186,550         | 2.5%                | Merit Increase     |
| Rogers, Richard           | 4/1/2019              | Associate Executive Director PBRC                                  | \$215,186          | \$220,566         | 2.5%                | Merit Increase     |
| Newton, Robert            | 4/1/2019              | Associate Professor (RP)   | \$161,200          | \$165,230         | 2.5%                | Merit Increase     |
| Horswell, Ronald          | 4/1/2019              | Associate Professor - Research                                     | \$151,424          | \$155,210         | 2.5%                | Merit Increase     |
| Heymsfield, Steven        | 4/1/2019              | Professor (RP)   | \$278,100          | \$285,053         | 2.5%                | Merit Increase     |
| Gettys, Thomas            | 4/1/2019              | Professor (RP)   | \$234,000          | \$239,850         | 2.5%                | Merit Increase     |
| Stewart, Tiffany          | 4/1/2019              | Associate Professor (RP)   | \$161,200          | \$165,230         | 2.5%                | Merit Increase     |
| Johnson, William          | 4/1/2019              | Professor (RP)   | \$203,261          | \$208,343         | 2.5%                | Merit Increase     |

**LSU Shreveport**

| Name            | Effective Date | Title                                | Faculty Rank | Prev Salary | New Salary | % Net Change | Transaction                                  |
|-----------------|----------------|--------------------------------------|--------------|-------------|------------|--------------|--|
| Taylor, Helen   | 5/1/2019       | Vice Chancellor for Academic Affairs | Professor    | \$80,000    | \$137,500  | 71.88%       | Promotion                                    |
| Clark, Lawrence | 4/1/2019       | Chancellor                           | Professor    | \$244,800   | \$244,800  | 0%           | \$3,000 Salary Supplement (One Time Payment) |

**LSUHSC-New Orleans**

| Name                   | Effective Date | Title  | Faculty rank        | Prev Salary | New Salary | % Net Change | Transaction                        |
|------------------------|----------------|--|---------------------|-------------|------------|--------------|------------------------------------|
| Harman,Jessie Amburgey | 4/22/2019      | DIRECTOR OF NON ACADEMIC OR SE                           |                     | \$0         | \$160,000  | 100%         | HIR Appointment Unclassified       |
| Honoree,Nicole B.      | 4/1/2019       | ASST VICE CHANCELLOR                                     |                     | \$137,702   | \$151,472  | 10%          | PAY Sal Inc - Equity Adjust Unclas |
| Kimball,Thomas Richard | 5/1/2019       | PROFESSOR  | Professor           | \$0         | \$175,000  | 100%         | HIR Appointment Unclassified       |
| Kimball,Thomas Richard | 5/1/2019       | Nelson K. Ordway, MD Professorship of Pediatric Research | Professor           | N/A         | N/A        | 0%           | Initial Appointment                |
| Laughlin,Robert M      | 5/1/2019       |  | Associate Professor | N/A         | N/A        | 0%           | Initial Appointment                |
| Laughlin,Robert M      | 5/1/2019       | DEPARTMENT HEAD/CHAIRMAN                                 | Associate Professor | \$0         | \$275,000  | 100%         | REH Appointment Unclas             |
| Love,Gordon L          | 5/20/2019      |  | Professor           | N/A         | N/A        | 0%           | Initial Appointment                |
| Love,Gordon L          | 5/20/2019      | DEPARTMENT HEAD/CHAIRMAN                                 | Professor           | \$110,000   | \$160,000  | 45%          | PRO Promotion-Unclas/Admin Duties  |

**LSUHSC-Shreveport**

| Name               | Effective Date | Title                          | Faculty Rank        | Prev Salary | New Salary | % Net Change | Transaction                        |
|--------------------|----------------|--------------------------------|---------------------|-------------|------------|--------------|------------------------------------|
| Babin,Lisa S.      | 4/1/2019       | EXECUTIVE DIR NON ACADEMIC ARE |                     | \$156,000   | \$180,000  | 15%          | PAY Sal Inc-Expan/Upgrade Duties   |
| Bailey,Steven R.   | 4/1/2019       | DEPARTMENT HEAD/CHAIRMAN       | Associate Professor | \$0         | \$249,000  | 100%         | HIR Appointment-Academic Rank Uncl |
| Chandler,Debbie A. | 6/1/2019       | ASSOCIATE DEAN OF STUDENT AFFA | Associate Professor | \$139,310   | \$150,000  | 8%           | PRO Promotion-Unclas/Admin Duties  |
| Dunn,Sharon L.     | 6/1/2019       | DEAN OF MAJOR ACADEMIC AREA    | Associate Professor | \$105,060   | \$150,000  | 43%          | PRO Promotion-Unclas/Admin Duties  |
| Ebarb,Lisa L       | 4/1/2019       | EXECUTIVE DIR NON ACADEMIC ARE |                     | \$147,154   | \$155,000  | 5%           | PAY Change in Pay Unclassified     |
| Harris,Norman R.   | 5/1/2019       | PROFESSOR                      | Professor           | \$150,800   | \$150,800  | 0%           | PAY Change from Acting Position Un |
| Harris,Norman R.   | 5/1/2019       | DEPARTMENT HEAD/CHAIRMAN       | Professor           | \$150,800   | \$220,500  | 46%          | PRO Promotion-Unclas/Admin Duties  |
| Jones,Edward F.    | 4/1/2019       | ASST VICE CHAN ADMINISTRATION/ |                     | \$155,000   | \$155,000  | 0%           | DTA Change in Title Unclassified   |
| Jones,Edward F.    | 4/1/2019       | STAFF ATTORNEY                 |                     | \$121,170   | \$155,000  | 28%          | PRO Promotion-Unclas/Admin Duties  |
| Miciotto,Joseph M  | 4/1/2019       | EXECUTIVE DIR NON ACADEMIC ARE |                     | \$0         | \$234,000  | 100%         | REH Appointment Unclas             |
| Mouton,Andrew      | 5/1/2019       | ADMINISTRATIVE DIRECTOR OF MED |                     | \$0         | \$144,000  | 100%         | HIR Appointment Unclassified       |
| Orr,Anthony W.     | 5/1/2019       | PROFESSOR                      | Professor           | \$123,562   | \$163,562  | 32%          | PAY Change in Pay Unclassified     |
| Stokes,Karen Y     | 5/1/2019       | ASSOCIATE PROFESSOR            | Associate Professor | \$97,859    | \$125,000  | 28%          | PAY Change in Pay Unclassified     |

**HCSDA**

| Name              | Effective Date | Title                         | Faculty Rank | Prev Salary | New Salary | % Net Change | Transaction                        |
|-------------------|----------------|-------------------------------|--------------|-------------|------------|--------------|------------------------------------|
| Walker Jr.,Carl D | 5/2/2019       | Chief of Medical Service Area |              | N/A         | N/A        | N/A          | TER Termination of Indefinite Appt |



**LSU**  
**Deposit and Collateral Report**  
**For the Quarter Ended June 30, 2019**

| Deposits Requiring Posting of Collateral:  | Demand Deposit<br>Sweep/MMA<br>Repurchase | Certificates<br>of<br>Deposit | Total Deposits<br>in Financial<br>Institutions | Collateral<br>(1)     |
|--|---|-------------------------------|--|-----------------------|
| <b>LSU A&amp;M, LSU Alexandria, LSU Eunice, LSU Shreveport, and LSU Health New Orleans</b> |   |                               |  |                       |
| Chase - LSU, Health Plan Premium   | \$ 84,427,852                             |                               | \$ 84,427,852                                  | \$ 125,000,000        |
| Cottonport Bank-LSU Ag Center  | 651,460                                   |                               | 651,460  | 1,000,610             |
| Capital One - LSU-A  | 1,865,957                                 |                               | 1,865,957                                      | 1,865,957             |
| St. Landry Bank - LSU-E  | 285,436                                   |                               | 285,436  | 502,253               |
| Campus Federal Credit Union - LSU-S  |   | \$ 100,364                    | 100,364  | 250,000               |
| Capital One (Hibernia National Bank) - LSU-S   | 28,572,604                                |                               | 28,572,604                                     | 28,778,637            |
| Chase-HSCNO  | 29,287,903                                | 18,600                        | 29,306,503                                     | 69,106,632            |
| <b>Total</b>   | <b>\$ 145,091,212</b>                     | <b>\$ 118,964</b>             | <b>\$ 145,210,176</b>                          | <b>\$ 226,504,089</b> |
| <b>LSU Health Shreveport</b>   |   |                               |  |                       |
| JPMC-Shreveport  | \$ 89,889,498                             |                               | \$ 89,889,498                                  | \$ 97,750,000         |
| JPMC-Shreveport Endowment Fds  | 2,155,226                                 |                               | 2,155,226                                      |                       |
| <b>Total</b>   | <b>\$ 92,044,724</b>                      | <b>\$ -</b>                   | <b>\$ 92,044,724</b>                           | <b>\$ 97,750,000</b>  |
| <b>LSU Health Care Services Division</b>   |   |                               |  |                       |
| JP Morgan Chase (HCSD)   | \$ 71,884,901                             |                               | \$ 71,884,901                                  | \$ 89,850,000         |
| Capital One (MCLNO Trust Fund)   | 4,042,419                                 |                               | 4,042,419                                      | 4,148,124             |
| <b>Total</b>   | <b>\$ 75,927,320</b>                      | <b>\$ -</b>                   | <b>\$ 75,927,320</b>                           | <b>\$ 93,998,124</b>  |
| <b>Total Requiring Collateral</b>  | <b>\$ 313,063,256</b>                     | <b>\$ 118,964</b>             | <b>\$ 313,182,220</b>                          | <b>\$ 418,252,213</b> |
| <b>Deposits In Trust or Federal Obligations Not Requiring Collateral</b>                   |   |                               |  |                       |
| Federated Money Markets  | \$ 32,544,793                             |                               | \$ 32,544,793                                  |                       |
| Federated Funds-Treas. Oblig. (2)  |   |                               |  | -                     |
| <b>Total</b>   | <b>\$ 32,544,793</b>                      | <b>\$ -</b>                   | <b>\$ 32,544,793</b>                           |                       |
| <b>Total Deposits</b>  | <b>\$ 345,608,049</b>                     | <b>\$ 118,964</b>             | <b>\$ 345,727,013</b>                          |                       |

(1) Collateral amounts include FDIC coverage of \$250,000 on Demand Deposits, \$250,000 on CD's and \$250,000 by the National Credit Union Share Insurance Fund on deposits with Campus Federal Credit Union.

(2) One Group & Federated Funds are no-load, open ended mutual funds investing in U.S. Treasury obligations.

**LSU**  
**Investment Summary**  
**For the Quarter Ended June 30, 2019**

| Fund Description                          | As of 7/1/2018       |                      | As of 9/30/2018      |                      | As of 12/31/2018     |                      | As of 3/31/2019      |                      | As of 06/30/2019     |  |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|--|
|   | Value                | Cost                 | Market Value         | Cost                 | Market Value         | Cost                 | Market Value         | Cost                 | Market Value         |  |
| <b>Current Funds</b>                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |  |
| Cash/Sweeps                               | \$328,817,689        | \$341,354,052        | \$341,354,052        | \$320,178,425        | \$320,178,425        | \$343,054,109        | \$343,054,109        | \$306,865,611        | \$306,865,611        |  |
| Money Market Accounts/Repos (A)           | \$28,531             | \$1,086,482          | \$1,086,482          | \$1,199,033          | \$1,199,033          | \$945,755            | \$945,755            | \$0                  | \$0                  |  |
| Certificates of Deposit                   | \$100,239            | \$100,239            | \$100,239            | \$100,335            | \$100,335            | \$100,335            | \$100,335            | \$100,364            | \$100,364            |  |
| Treasury Notes                            | \$6,431,371          | \$6,457,022          | \$6,411,798          | \$21,788,628         | \$22,050,453         | \$24,395,615         | \$22,872,851         | \$22,441,845         | \$21,227,616         |  |
| CMO's                                     | \$12,194             | \$1,191              | \$1,178              | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  |  |
| Agency Securities (B)                     | \$111,198,710        | \$116,452,882        | \$109,942,126        | \$119,408,596        | \$115,012,860        | \$123,356,364        | \$121,000,028        | \$127,010,951        | \$126,643,680        |  |
| Mortgaged Backed Securities               | \$24,883,702         | \$23,491,867         | \$22,471,167         | \$30,072,527         | \$29,491,294         | \$28,825,660         | \$28,490,104         | \$21,132,534         | \$21,114,859         |  |
| Equity Securities (C)                     | \$66,752             | \$0                  | \$71,528             | \$0                  | \$62,863             | \$0                  | \$65,175             | \$0                  | \$76,045             |  |
| Bond Mutual Funds                         | \$43,624,820         | \$46,697,531         | \$42,755,183         | \$46,697,531         | \$42,326,162         | \$46,697,531         | \$43,702,120         | \$46,697,531         | \$44,537,463         |  |
| Municipal Bonds (E)                       | \$86,777,337         | \$89,832,231         | \$83,897,325         | \$88,856,377         | \$83,988,942         | \$89,450,258         | \$87,284,966         | \$71,537,239         | \$71,084,957         |  |
| Corporate Bonds (D)                       | \$109,778,076        | \$173,924,058        | \$166,928,153        | \$208,643,687        | \$201,569,802        | \$219,718,407        | \$217,458,846        | \$180,478,665        | \$182,155,503        |  |
| <b>Total</b>                              | <b>\$711,719,421</b> | <b>\$799,397,555</b> | <b>\$775,019,231</b> | <b>\$836,945,139</b> | <b>\$815,980,169</b> | <b>\$876,544,034</b> | <b>\$864,974,289</b> | <b>\$776,264,740</b> | <b>\$773,806,098</b> |  |
| <b>Endowment Funds</b>                    |                      |                      |                      |                      |                      |                      |                      |                      |                      |  |
| Cash/Sweeps                               | \$10,875,343         | \$10,242,801         | \$10,242,801         | \$10,039,731         | \$10,039,731         | \$9,648,786          | \$9,648,786          | \$2,155,226          | \$2,155,226          |  |
| Money Market Accounts/Repos (A)           | \$0                  | \$1,271,290          | \$1,271,290          | \$313,739            | \$313,739            | \$91,023             | \$91,023             | \$0                  | \$0                  |  |
| Certificates of Deposit                   | \$18,600             | \$18,600             | \$18,600             | \$18,600             | \$18,600             | \$18,600             | \$18,600             | \$18,600             | \$18,600             |  |
| Agency Securities (B)                     | \$2,373,165          | \$2,509,075          | \$2,329,905          | \$2,509,075          | \$2,371,310          | \$2,509,075          | \$2,415,955          | \$2,509,075          | \$2,458,460          |  |
| Mortgaged Backed Securities               | \$2,549,768          | \$2,189,501          | \$2,094,644          | \$2,187,987          | \$2,142,934          | \$2,030,618          | \$2,013,312          | \$2,026,216          | \$2,061,535          |  |
| Equity Securities (C)                     | \$10,779,017         | \$5,275,089          | \$10,351,048         | \$5,474,705          | \$9,238,034          | \$5,793,339          | \$10,664,716         | \$5,793,339          | \$11,033,662         |  |
| Mutual Funds                              | \$49,822,343         | \$46,568,590         | \$50,769,675         | \$48,081,688         | \$49,674,991         | \$48,821,246         | \$53,193,512         | \$56,743,378         | \$62,469,830         |  |
| Municipal Bonds (E)                       | \$3,101,638          | \$3,184,432          | \$3,047,390          | \$3,184,432          | \$3,098,234          | \$3,169,310          | \$3,135,319          | \$3,154,187          | \$3,160,443          |  |
| Corporate Bonds (D)                       | \$9,047,724          | \$9,807,163          | \$9,518,521          | \$10,798,164         | \$10,530,678         | \$9,528,664          | \$9,509,264          | \$9,529,472          | \$9,703,121          |  |
| <b>Total</b>                              | <b>\$88,567,598</b>  | <b>\$81,066,541</b>  | <b>\$89,643,874</b>  | <b>\$82,608,121</b>  | <b>\$87,428,251</b>  | <b>\$81,610,661</b>  | <b>\$90,690,487</b>  | <b>\$81,929,493</b>  | <b>\$93,060,877</b>  |  |
| <b>Other Funds</b>                        |                      |                      |                      |                      |                      |                      |                      |                      |                      |  |
| Cash/Sweeps                               | \$3,028,809          | \$3,348,755          | \$3,348,755          | \$3,737,567          | \$3,737,567          | \$3,905,061          | \$3,905,061          | \$4,042,419          | \$4,042,419          |  |
| Money Market Accounts/Repos (A)           | \$32,231,117         | \$10,448,038         | \$10,448,038         | \$18,643,201         | \$18,643,201         | \$10,168,265         | \$10,168,265         | \$32,544,793         | \$32,544,793         |  |
| Agency Securities (B)                     | \$730,811            | \$732,417            | \$725,332            | \$732,417            | \$734,698            | \$732,417            | \$740,248            | \$625,500            | \$644,873            |  |
| Equity Securities (C)                     | \$410,341            | \$0                  | \$421,699            | \$0                  | \$338,222            | \$0                  | \$400,768            | \$0                  | \$380,085            |  |
| <b>Total</b>                              | <b>\$36,401,078</b>  | <b>\$14,529,210</b>  | <b>\$14,943,824</b>  | <b>\$23,113,185</b>  | <b>\$23,453,688</b>  | <b>\$14,805,743</b>  | <b>\$15,214,342</b>  | <b>\$37,212,712</b>  | <b>\$37,612,170</b>  |  |
| <b>Grand Total</b>                        | <b>\$836,688,097</b> | <b>\$894,993,306</b> | <b>\$879,606,929</b> | <b>\$942,666,445</b> | <b>\$926,862,108</b> | <b>\$972,960,438</b> | <b>\$970,879,118</b> | <b>\$895,406,945</b> | <b>\$904,479,145</b> |  |
| <b>Deposits in Financial Institutions</b> |                      |                      |                      |                      |                      |                      |                      |                      |                      |  |
| Total Cash/Sweeps/MMA/Repos               | \$374,981,489        | \$367,751,418        | \$367,751,418        | \$354,111,696        | \$354,111,696        | \$367,812,999        | \$367,812,999        | \$345,608,049        | \$345,608,049        |  |
| Total Certificates of Deposit             | \$118,839            | \$118,839            | \$118,839            | \$118,935            | \$118,935            | \$118,935            | \$118,935            | \$118,964            | \$118,964            |  |
| <b>Total Deposits</b>                     | <b>\$375,100,328</b> | <b>\$367,870,257</b> | <b>\$367,870,257</b> | <b>\$354,230,631</b> | <b>\$354,230,631</b> | <b>\$367,931,934</b> | <b>\$367,931,934</b> | <b>\$345,727,013</b> | <b>\$345,727,013</b> |  |
| <b>Other Investments</b>                  |                      |                      |                      |                      |                      |                      |                      |                      |                      |  |
| Treasury Notes                            | \$6,431,371          | \$6,457,022          | \$6,411,798          | \$21,788,628         | \$22,050,453         | \$24,395,615         | \$22,872,851         | \$22,441,845         | \$21,227,616         |  |
| CMO's                                     | \$12,194             | \$1,191              | \$1,178              | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  |  |
| Agency Securities (B)                     | \$114,302,686        | \$119,694,374        | \$112,997,363        | \$122,650,088        | \$118,118,868        | \$126,597,856        | \$124,156,231        | \$130,145,526        | \$129,747,013        |  |
| Mortgaged Backed Securities               | \$27,433,470         | \$25,681,368         | \$24,565,811         | \$32,260,514         | \$31,634,228         | \$30,856,278         | \$30,503,416         | \$23,158,750         | \$23,176,394         |  |
| Equity Securities (C)                     | \$11,256,110         | \$5,275,089          | \$10,844,275         | \$5,474,705          | \$9,639,119          | \$5,793,339          | \$11,130,659         | \$5,793,339          | \$11,489,792         |  |
| Bond Mutual Funds                         | \$43,624,820         | \$46,697,531         | \$42,755,183         | \$46,697,531         | \$42,326,162         | \$46,697,531         | \$43,702,120         | \$46,697,531         | \$44,537,463         |  |
| Mutual Funds                              | \$49,822,343         | \$46,568,590         | \$50,769,675         | \$48,081,688         | \$49,674,991         | \$48,821,246         | \$53,193,512         | \$56,743,378         | \$62,469,830         |  |
| Municipal Bonds (E)                       | \$89,878,975         | \$93,016,663         | \$86,944,715         | \$92,040,809         | \$87,087,176         | \$92,619,568         | \$90,420,285         | \$74,691,426         | \$74,245,400         |  |
| Corporate Bonds (D)                       | \$118,825,800        | \$183,731,221        | \$176,446,674        | \$219,441,851        | \$212,100,480        | \$229,247,071        | \$226,968,110        | \$190,008,137        | \$191,858,624        |  |
| <b>Total Other</b>                        | <b>\$461,587,769</b> | <b>\$527,123,049</b> | <b>\$511,736,672</b> | <b>\$588,435,814</b> | <b>\$572,631,477</b> | <b>\$605,028,504</b> | <b>\$602,947,184</b> | <b>\$549,679,932</b> | <b>\$558,752,132</b> |  |
| <b>Grand Total</b>                        | <b>\$836,688,097</b> | <b>\$894,993,306</b> | <b>\$879,606,929</b> | <b>\$942,666,445</b> | <b>\$926,862,108</b> | <b>\$972,960,438</b> | <b>\$970,879,118</b> | <b>\$895,406,945</b> | <b>\$904,479,145</b> |  |
| <b>LSU Paid Campuses</b>                  |                      |                      |                      |                      |                      |                      |                      |                      |                      |  |
| <b>Current Funds</b>                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |  |
| Cash/Sweeps                               | \$181,674,912        | \$203,182,436        | \$203,182,436        | \$143,406,677        | \$143,406,677        | \$177,356,466        | \$177,356,466        | \$145,091,212        | \$145,091,212        |  |
| Money Market Accounts/Repos (A)           |                      | \$1,086,482          | \$1,086,482          | \$1,199,033          | \$1,199,033          | \$945,755            | \$945,755            |                      |                      |  |
| Certificates of Deposit                   | \$100,239            | \$100,239            | \$100,239            | \$100,335            | \$100,335            | \$100,335            | \$100,335            | \$100,364            | \$100,364            |  |
| Treasury Notes                            | \$5,946,560          | \$5,981,106          | \$5,936,380          | \$5,981,106          | \$5,992,880          | \$2,010,874          | \$2,022,960          |                      |                      |  |
| CMO's                                     | \$12,194             | \$1,191              | \$1,178              | \$0                  | \$0                  | \$0                  | \$0                  |                      |                      |  |
| Agency Securities (B)                     | \$106,431,935        | \$111,597,769        | \$105,185,500        | \$114,553,969        | \$110,223,622        | \$114,502,219        | \$112,185,223        | \$119,157,286        | \$118,806,417        |  |
| Mortgaged Backed Securities               | \$24,739,884         | \$23,399,388         | \$22,382,418         | \$29,980,855         | \$29,402,259         | \$28,757,743         | \$28,424,240         | \$21,089,829         | \$21,073,826         |  |
| Equity Securities (C)                     | \$66,752             | \$0                  | \$71,528             | \$0                  | \$62,863             | \$0                  | \$65,175             |                      | \$76,045             |  |
| Bond Mutual Funds                         | \$43,624,820         | \$46,697,531         | \$42,755,183         | \$46,697,531         | \$42,326,162         | \$46,697,531         | \$43,702,120         | \$46,697,531         | \$44,537,463         |  |
| Municipal Bonds (E)                       | \$69,850,308         | \$74,813,338         | \$69,103,860         | \$74,813,338         | \$70,083,243         | \$76,907,058         | \$72,919,232         | \$59,092,380         | \$56,657,029         |  |
| Corporate Bonds (D)                       | \$109,778,076        | \$171,411,630        | \$164,444,383        | \$191,498,075        | \$184,365,617        | \$196,513,340        | \$193,862,806        | \$157,248,557        | \$158,183,933        |  |
| <b>Total</b>                              | <b>\$542,225,680</b> | <b>\$638,271,110</b> | <b>\$614,249,587</b> | <b>\$608,230,919</b> | <b>\$587,162,691</b> | <b>\$643,791,321</b> | <b>\$631,584,312</b> | <b>\$548,477,159</b> | <b>\$544,526,289</b> |  |
| <b>Endowment Funds</b>                    |                      |                      |                      |                      |                      |                      |                      |                      |                      |  |
| Money Market Accounts/Repos (A)           |                      | \$1,271,290          | \$1,271,290          | \$313,739            | \$313,739            | \$91,023             | \$91,023             |                      |                      |  |
| Certificates of Deposit                   | \$18,600             | \$18,600             | \$18,600             | \$18,600             | \$18,600             | \$18,600             | \$18,600             | \$18,600             | \$18,600             |  |
| Agency Securities (B)                     | \$2,373,165          | \$2,509,075          | \$2,329,905          | \$2,509,075          | \$2,371,310          | \$2,509,075          | \$2,415,955          | \$2,509,075          | \$2,458,460          |  |
| Mortgaged Backed Securities               | \$2,549,768          | \$2,189,501          | \$2,094,644          | \$2,187,987          | \$2,142,934          | \$2,030,618          | \$2,013,312          | \$2,026,216          | \$2,061,535          |  |
| Equity Securities (C)                     | \$10,764,405         | \$5,267,439          | \$10,336,092         | \$5,467,055          | \$9,222,264          | \$5,785,689          | \$10,647,045         | \$5,785,689          | \$11,015,092         |  |
| Municipal Bonds (E)                       | \$3,101,638          | \$3,184,432          | \$3,047,390          | \$3,184,432          | \$3,098,234          | \$3,169,310          | \$3,135,319          | \$3,154,187          | \$3,160,443          |  |
| Corporate Bonds (D)                       | \$9,047,724          | \$9,807,163          | \$9,518,521          | \$10,798,164         | \$10,530,678         | \$9,528,664          | \$9,509,264          | \$9,529,472          | \$9,703,121          |  |
| <b>Total</b>                              | <b>\$27,855,300</b>  | <b>\$24,247,500</b>  | <b>\$28,616,442</b>  | <b>\$24,479,052</b>  | <b>\$27,697,759</b>  | <b>\$23,132,979</b>  | <b>\$27,830,518</b>  | <b>\$23,023,239</b>  | <b>\$28,417,251</b>  |  |
| <b>Other Funds</b>                        |                      |                      |                      |                      |                      |                      |                      |                      |                      |  |
| Money Market Accounts/Repos (A)           | \$23,626,037         | \$1,805,015          | \$1,805,015          | \$9,956,205          | \$9,956,205          | \$1,449,454          | \$1,449,454          | \$23,776,969         | \$23,776,969         |  |
| Agency Securities (B)                     | \$730,811            | \$732,417            | \$725,332            | \$732,417            | \$734,698            | \$732,417            | \$740,248            | \$625,500            | \$644,873            |  |
| <b>Total</b>                              | <b>\$24,356,848</b>  | <b>\$2,537,432</b>   | <b>\$2,530,347</b>   | <b>\$10,688,622</b>  | <b>\$10,690,903</b>  | <b>\$2,181,871</b>   | <b>\$2,189,702</b>   | <b>\$24,402,469</b>  | <b>\$24,421,842</b>  |  |
| <b>Grand Total</b>                        | <b>\$594,437,828</b> | <b>\$665,056,042</b> | <b>\$645,396,376</b> | <b>\$643,398,593</b> | <b>\$625,551,353</b> | <b>\$669,106,171</b> | <b>\$661,604,532</b> | <b>\$595,902,867</b> | <b>\$597,365,382</b> |  |

**LSU**  
**Investment Summary**  
**For the Quarter Ended June 30, 2019**

| Fund Description                | As of 7/1/2018       |                      |                      | As of 9/30/2018      |                      |                      | As of 12/31/2018     |                      |                      | As of 3/31/2019      |                      | As of 06/30/2019 |  |
|---------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|------------------|--|
|                                 | Value                | Cost                 | Market Value         | Cost                 | Market Value         | Cost                 | Market Value         | Cost                 | Market Value         | Cost                 | Market Value         |                  |  |
| <b>LSU Health Shreveport</b>    |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                  |  |
| <b>Current Funds</b>            |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                  |  |
| Cash/Sweeps S.                  | \$71,661,018         | \$70,084,920         | \$70,084,920         | \$75,562,440         | \$75,562,440         | \$71,227,062         | \$71,227,062         | \$89,889,498         | \$89,889,498         | \$89,889,498         | \$89,889,498         |                  |  |
| <b>Cash/Sweeps</b>              | <b>\$71,661,018</b>  | <b>\$70,084,920</b>  | <b>\$70,084,920</b>  | <b>\$75,562,440</b>  | <b>\$75,562,440</b>  | <b>\$71,227,062</b>  | <b>\$71,227,062</b>  | <b>\$89,889,498</b>  | <b>\$89,889,498</b>  | <b>\$89,889,498</b>  | <b>\$89,889,498</b>  |                  |  |
| Money Market Accounts/Repos (A) | \$28,531             | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  | \$0                  |                  |  |
| Treasury Notes (B)              | \$484,811            | \$475,916            | \$475,418            | \$15,807,522         | \$16,057,573         | \$22,384,741         | \$20,849,891         | \$22,441,845         | \$21,227,616         | \$22,441,845         | \$21,227,616         |                  |  |
| Agency Securities (B)           | \$4,766,775          | \$4,855,113          | \$4,756,626          | \$4,854,627          | \$4,789,238          | \$8,854,145          | \$8,814,805          | \$7,853,665          | \$7,837,263          | \$7,853,665          | \$7,837,263          |                  |  |
| Mortgaged Backed Securities (B) | \$143,818            | \$92,479             | \$88,749             | \$91,672             | \$89,035             | \$67,917             | \$65,864             | \$42,705             | \$41,033             | \$42,705             | \$41,033             |                  |  |
| Municipal Bonds (E)             | \$16,927,029         | \$15,018,893         | \$14,793,465         | \$14,043,039         | \$13,905,699         | \$12,543,200         | \$14,365,734         | \$12,444,859         | \$14,427,928         | \$12,444,859         | \$14,427,928         |                  |  |
| Corporate Bonds (D)             | \$0                  | \$2,512,428          | \$2,483,770          | \$17,145,612         | \$17,204,185         | \$23,205,067         | \$23,596,040         | \$23,230,108         | \$23,971,570         | \$23,230,108         | \$23,971,570         |                  |  |
| <b>Total</b>                    | <b>\$94,011,982</b>  | <b>\$93,039,749</b>  | <b>\$92,682,948</b>  | <b>\$127,504,912</b> | <b>\$127,608,170</b> | <b>\$138,282,132</b> | <b>\$138,919,396</b> | <b>\$155,902,680</b> | <b>\$157,394,908</b> | <b>\$155,902,680</b> | <b>\$157,394,908</b> |                  |  |
| <b>Endowment Funds</b>          |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                  |  |
| Cash/Sweeps                     | \$10,875,343         | \$10,242,801         | \$10,242,801         | \$10,039,731         | \$10,039,731         | \$9,648,786          | \$9,648,786          | \$2,155,226          | \$2,155,226          | \$2,155,226          | \$2,155,226          |                  |  |
| Equity Securities (C)           | \$14,612             | \$7,650              | \$14,956             | \$7,650              | \$15,770             | \$7,650              | \$17,671             | \$7,650              | \$18,570             | \$7,650              | \$18,570             |                  |  |
| Mutual Funds                    | \$49,822,343         | \$46,568,590         | \$50,769,675         | \$48,081,688         | \$49,674,991         | \$48,821,246         | \$53,193,512         | \$56,743,378         | \$62,469,830         | \$56,743,378         | \$62,469,830         |                  |  |
| <b>Total</b>                    | <b>\$60,712,298</b>  | <b>\$56,819,041</b>  | <b>\$61,027,432</b>  | <b>\$58,129,069</b>  | <b>\$59,730,492</b>  | <b>\$58,477,682</b>  | <b>\$62,859,969</b>  | <b>\$58,906,254</b>  | <b>\$64,643,626</b>  | <b>\$58,906,254</b>  | <b>\$64,643,626</b>  |                  |  |
| <b>Grand Total</b>              | <b>\$154,724,280</b> | <b>\$149,858,790</b> | <b>\$153,710,380</b> | <b>\$185,633,981</b> | <b>\$187,338,662</b> | <b>\$196,759,814</b> | <b>\$201,779,365</b> | <b>\$214,808,934</b> | <b>\$222,038,534</b> | <b>\$214,808,934</b> | <b>\$222,038,534</b> |                  |  |
| <b>LSU HCSD</b>                 |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                  |  |
| <b>Current Funds</b>            |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                  |  |
| Cash/Sweeps                     | \$75,481,759         | \$68,086,696         | \$68,086,696         | \$101,209,308        | \$101,209,308        | \$94,470,581         | \$94,470,581         | \$71,884,901         | \$71,884,901         | \$71,884,901         | \$71,884,901         |                  |  |
| <b>Total</b>                    | <b>\$75,481,759</b>  | <b>\$68,086,696</b>  | <b>\$68,086,696</b>  | <b>\$101,209,308</b> | <b>\$101,209,308</b> | <b>\$94,470,581</b>  | <b>\$94,470,581</b>  | <b>\$71,884,901</b>  | <b>\$71,884,901</b>  | <b>\$71,884,901</b>  | <b>\$71,884,901</b>  |                  |  |
| <b>Other Funds</b>              |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |                  |  |
| Cash/Sweeps                     | \$3,028,809          | \$3,348,755          | \$3,348,755          | \$3,737,567          | \$3,737,567          | \$3,905,061          | \$3,905,061          | \$4,042,419          | \$4,042,419          | \$3,905,061          | \$4,042,419          |                  |  |
| Money Market Accounts/Repos (A) | \$8,605,080          | \$8,643,023          | \$8,643,023          | \$8,686,996          | \$8,686,996          | \$8,718,811          | \$8,718,811          | \$8,767,824          | \$8,767,824          | \$8,718,811          | \$8,767,824          |                  |  |
| Equity Securities (C)           | \$410,341            |                      | \$421,699            |                      | \$338,222            |                      | \$400,768            |                      | \$380,085            |                      | \$380,085            |                  |  |
| <b>Total</b>                    | <b>\$12,044,230</b>  | <b>\$11,991,778</b>  | <b>\$12,413,477</b>  | <b>\$12,424,563</b>  | <b>\$12,762,785</b>  | <b>\$12,623,872</b>  | <b>\$13,024,640</b>  | <b>\$12,810,243</b>  | <b>\$13,190,328</b>  | <b>\$12,623,872</b>  | <b>\$13,190,328</b>  |                  |  |
| <b>Grand Total</b>              | <b>\$87,525,989</b>  | <b>\$80,078,474</b>  | <b>\$80,500,173</b>  | <b>\$113,633,871</b> | <b>\$113,972,093</b> | <b>\$107,094,453</b> | <b>\$107,495,221</b> | <b>\$84,695,144</b>  | <b>\$85,075,229</b>  | <b>\$107,094,453</b> | <b>\$85,075,229</b>  |                  |  |
| <b>System Total</b>             | <b>\$836,688,097</b> | <b>\$894,993,306</b> | <b>\$879,606,929</b> | <b>\$942,666,445</b> | <b>\$926,862,108</b> | <b>\$972,960,438</b> | <b>\$970,879,118</b> | <b>\$895,406,945</b> | <b>\$904,479,145</b> | <b>\$972,960,438</b> | <b>\$904,479,145</b> |                  |  |

\* Negative balance in the cash/Sweeps section of the current funds does not represent an actual negative bank balance, rather it represents a timing difference of the allocation of the current funds.  
\*\* Small endowment funds at LSUS were moved to the LSUS Foundation to accommodate Workday  
\*\*\* LSU Paid Campuses include the following: LSU, LSU Ag Center, LSUA, LSUE, LSUS, LSU Health New Orleans, and the LSU Pennington Biomedical Research Center

**BENCHMARK NOTES (Example Only)**

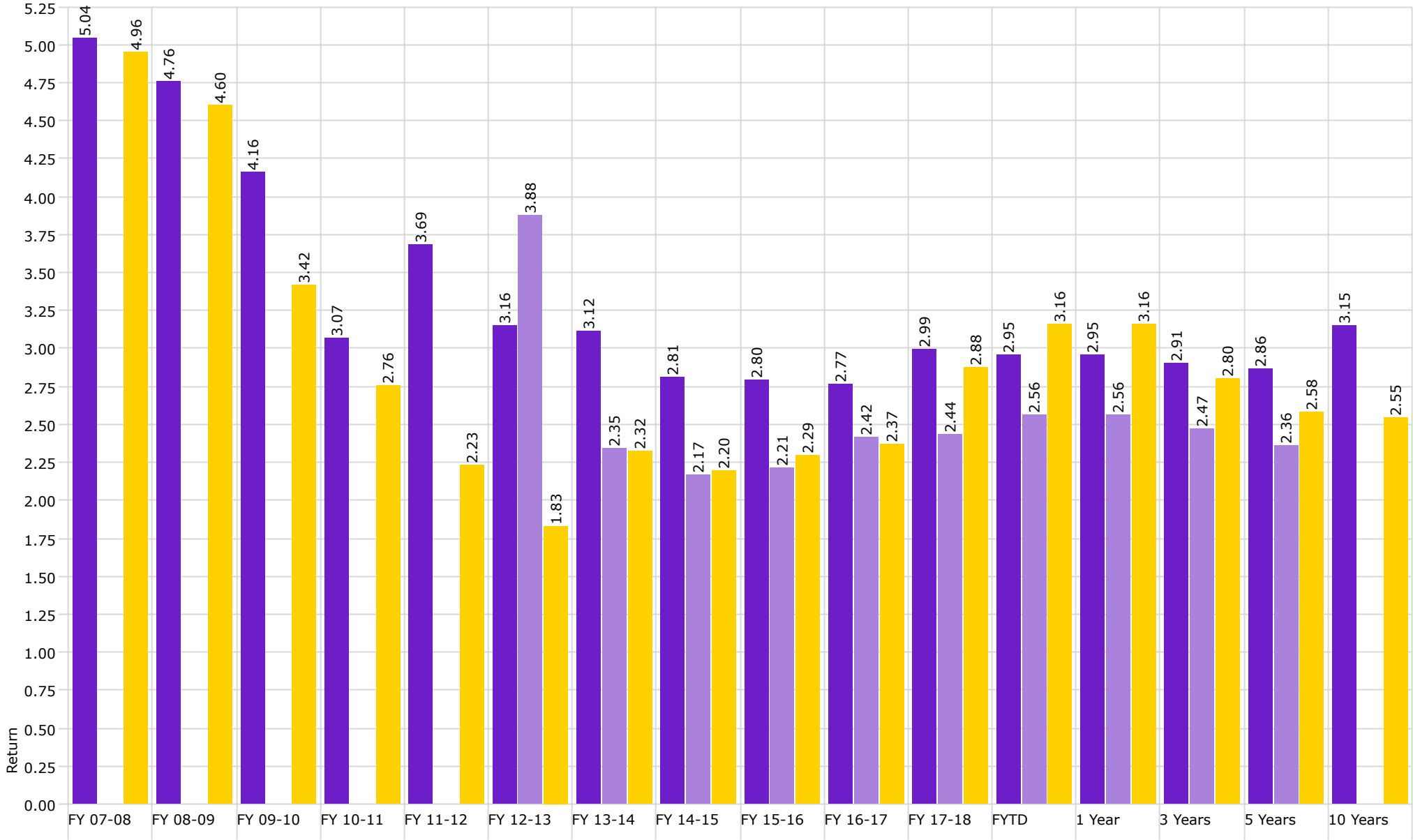
- (A) Benchmarked against 90 day T-Bill
- (B) Benchmarked against Barclay's US Agg Bond TR USD
- (C) US equities benchmarked against Russell 3000 and international against MSCI emerging market
- (D) Benchmarked against XYZ
- (E) Benchmarked against XYZ

Disclaimer: Pursuant to PM-9, corporate bonds/notes only available for investment beginning 7-1-2011  
Louisiana law provides for restrictions on maturity and allocation and may effect benchmark comparison:



# Investment Management Program Non Endowed Accounts **Realized Yield**

As of 6/30/2019



■ Non Endowed

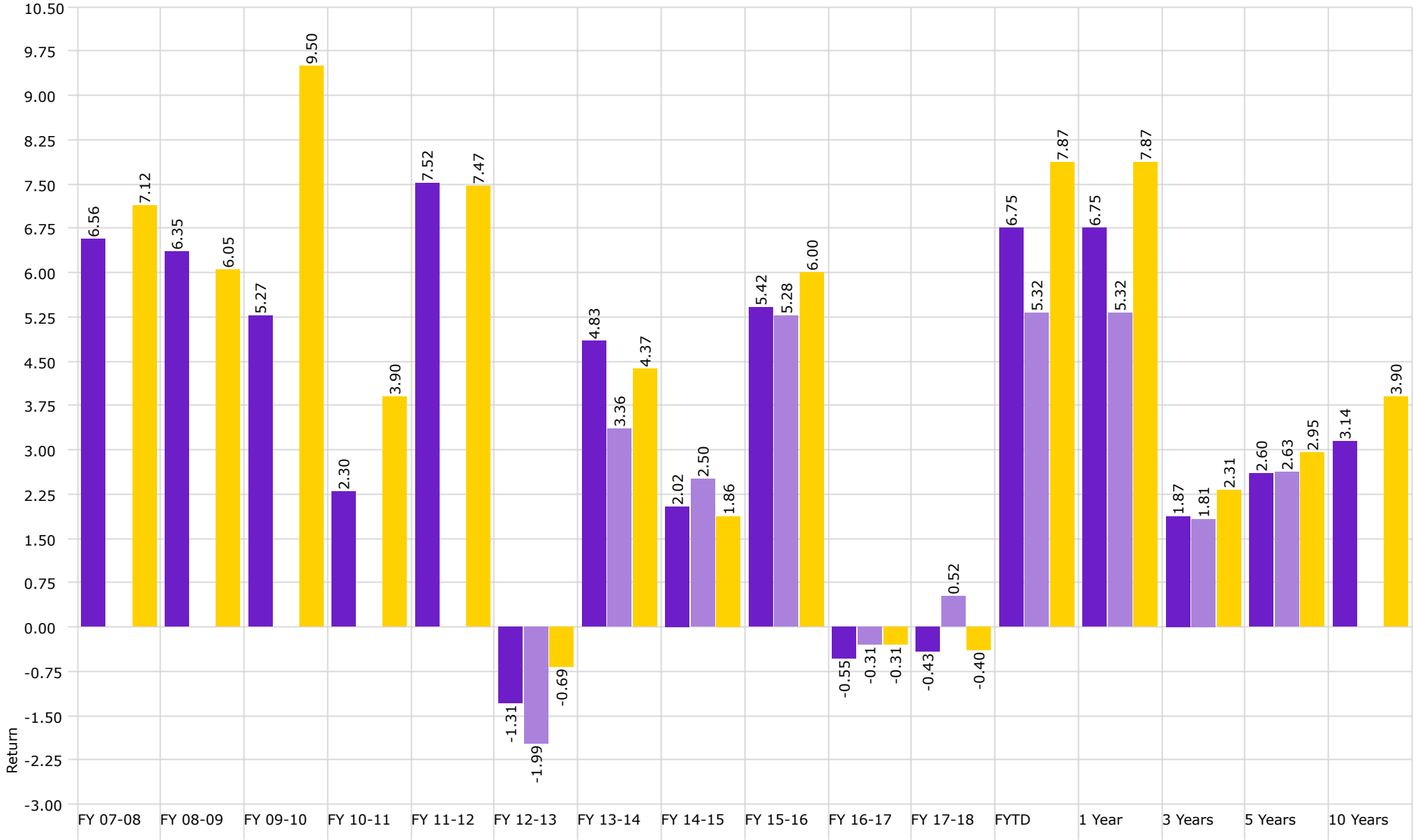
■ Health Plan

■ Barclays Aggregate Bond Index



# Investment Management Program Non Endowed Accounts **Total Return**

As of 6/30/2019



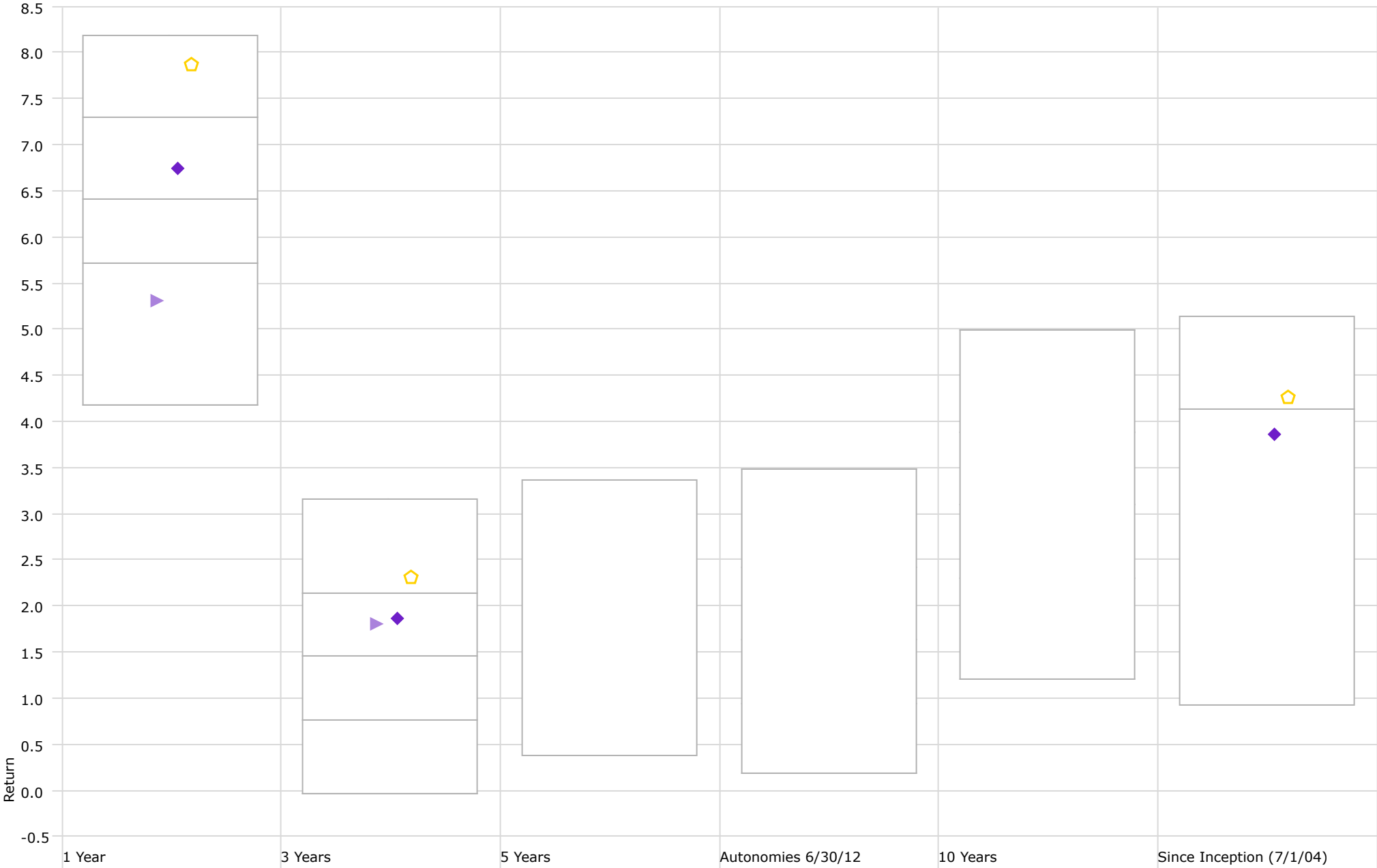
■ Non Endowed

■ Health Plan

■ Barclays Aggregate Bond Index

# Performance Relative to Peer Group (Total Return)

Peer Group (5-95%): All Managed Investments - U.S. - Intermediate Core Bond



◆ Non-Endowed

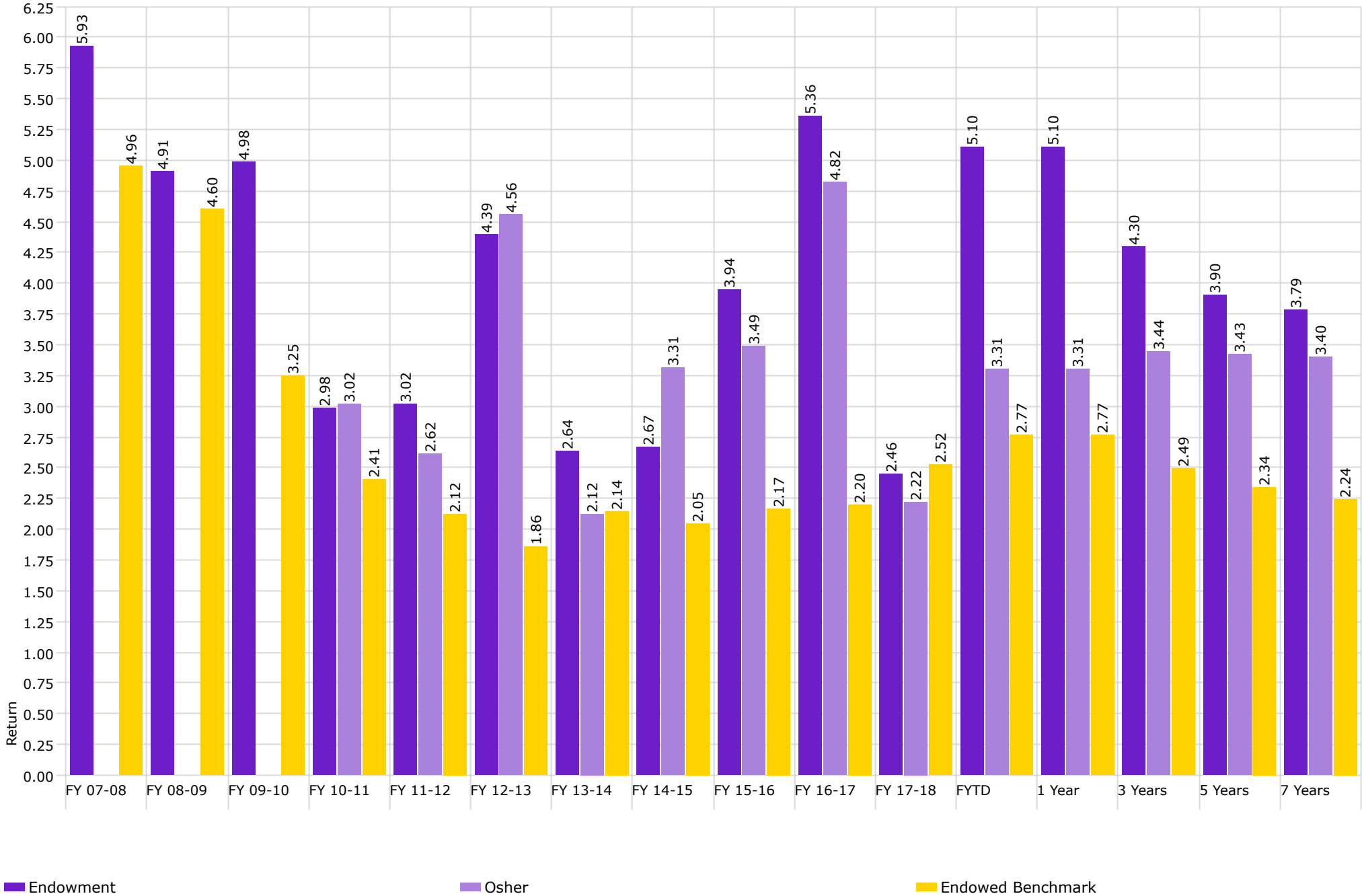
▶ Health Plan

⬠ Barclays Aggregate Bond Index



# Investment Management Program Endowed Accounts **Realized Yield**

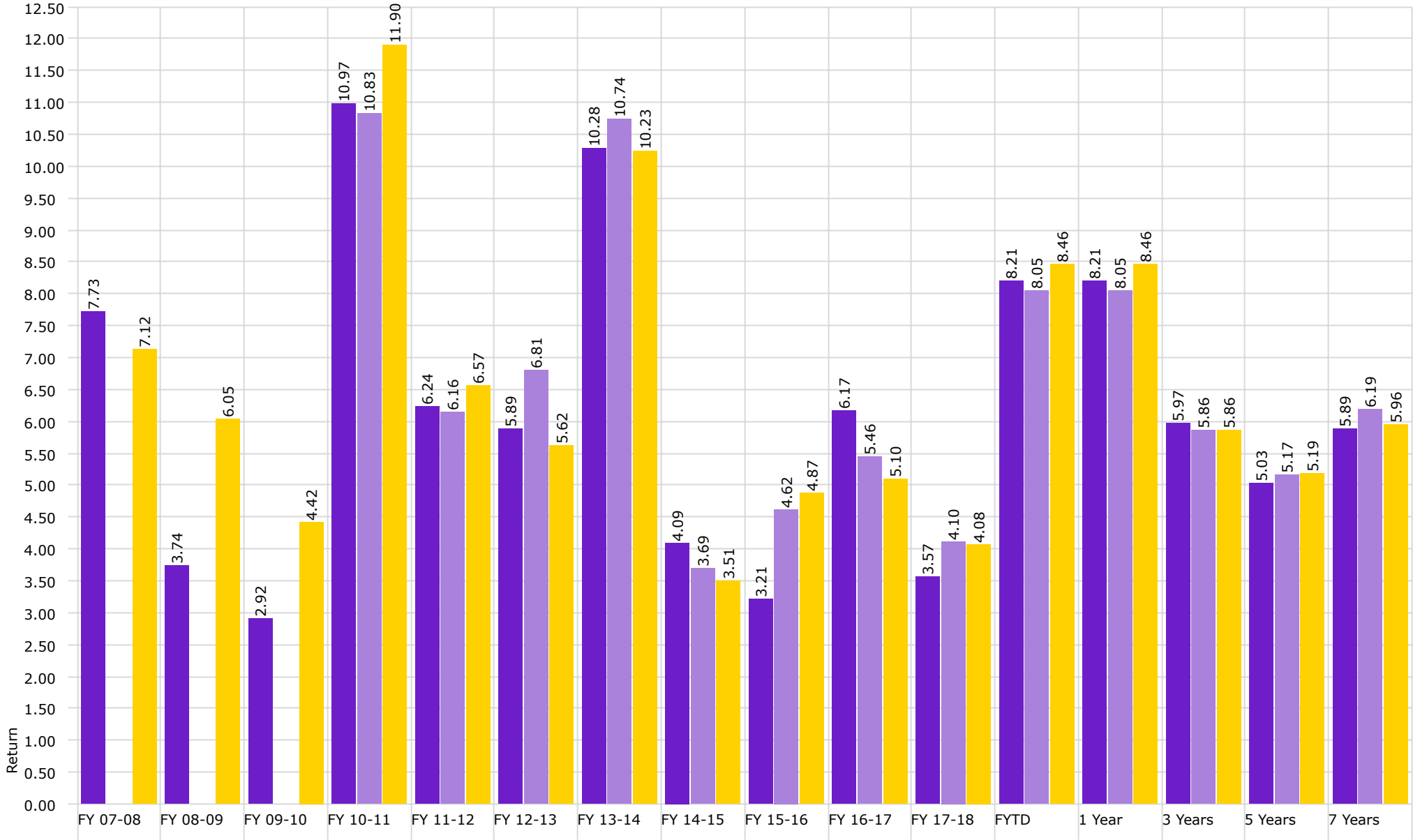
As of 6/30/2019





# Investment Management Program Endowed Accounts **Total Return**

As of 6/30/2019



■ Endowment

■ Osher

■ Endowed Benchmark



# **Louisiana State University**



**Semi-Annual Financial Report  
For Six-Month Period Ending June 30, 2019**

## Table of Contents

|   |    |
|---|----|
| LSU and A&M College                       | 1  |
| LSU Agricultural Center                   | 5  |
| LSU Pennington Biomedical Research Center | 10 |
| LSU Alexandria                            | 14 |
| LSU Eunice                                | 19 |
| LSU Shreveport                            | 24 |
| LSU Health Sciences Center - New Orleans  | 28 |
| LSU Health Sciences Center - Shreveport   | 33 |
| LSU Health Care Services Division         | 38 |



---

## CAMPUS CORRESPONDENCE

---

*To:* F. King Alexander  
President

Date: August 5, 2019

*From:* Daniel T. Layzell  
Executive Vice President for Finance and Administration & CFO

*Subject:* Semi-Annual FY 2018-2019 Financial Report

LSU has completed the 2018-2019 fiscal year within its authorized budget authority. Ending the fiscal year within the authorized budget authority was the result of the cooperation, hard work, and dedication of hundreds of LSU employees from the vice presidents, deans, heads of budgetary units, down through the departmental personnel, to individual faculty and staff. All deserve credit for this accomplishment.

Due to the required submission date of the quarterly report, it should be noted that actual expenditure and revenue data presented in this report are preliminary. The data will be finalized once financial reporting entries are complete and audited by the Legislative Auditors. Thank you for your leadership and continued support of LSU. Please contact me should you have any questions concerning this report.

| Unrestricted Operations                  |                           | Actual Amount for each semi-annual period in 2018-2019 |                    |                    |
|--|---------------------------|--|--------------------|--------------------|
|  | Adjusted Operating Budget | 1st & 2nd Quarter                                      | 3rd & 4th Quarter  | Cumulative Total   |
| <b>Revenues</b>                          |                           |  |                    |                    |
| General Fund                             | 116,169,563               | 67,550,910   | 48,618,653         | 116,169,563        |
| Statutory Dedications                    | 13,331,660                | 3,229,967  | 9,398,990          | 12,628,957         |
| Interim Emergency Board                  | 0                         | 0  |                    | 0                  |
| Interagency Transfers                    | 7,472,774                 | 3,744,728  | 3,670,618          | 7,415,346          |
| Interagency Transfers - Federal Stimulus | 0                         | 0  |                    | 0                  |
| Self Generated Revenues                  | 425,616,716               | 371,205,621  | 50,640,884         | 421,846,505        |
| Federal Funds                            | 0                         | 0  |                    | 0                  |
| <b>Total Revenues</b>                    | <b>562,590,713</b>        | <b>445,731,227</b>                                     | <b>112,329,144</b> | <b>558,060,371</b> |
| <b>Expenditures by Object:</b>           |                           |  |                    |                    |
| Salaries                                 |                           | 126,337,439  | 133,648,041        | 259,985,480        |
| Other Compensation                       |                           | 16,555,497   | 16,032,498         | 32,587,994         |
| Related Benefits                         |                           | 55,909,560   | 53,592,669         | 109,502,228        |
| <b>Personal Services</b>                 |                           | <b>198,802,495</b>                                     | <b>203,273,208</b> | <b>402,075,703</b> |
| Travel                                   |                           | 1,668,014  | 2,881,412          | 4,549,426          |
| Operating Services                       |                           | 16,919,459   | 8,254,563          | 25,174,021         |
| Supplies                                 |                           | 9,699,017  | 10,800,733         | 20,499,751         |
| <b>Operating Expenses</b>                |                           | <b>28,286,490</b>                                      | <b>21,936,708</b>  | <b>50,223,198</b>  |
| Professional Services                    |                           | 2,796,838  | 3,455,586          | 6,252,424          |
| Other Charges                            |                           | 78,691,794   | 12,885,400         | 91,577,194         |
| Debt Services                            |                           | 0  | 0                  | 0                  |
| Interagency Transfers                    |                           | 238,677  | 602,485            | 841,162            |
| <b>Other Charges</b>                     |                           | <b>81,727,309</b>                                      | <b>16,943,471</b>  | <b>98,670,780</b>  |
| General Acquisitions                     |                           | 3,171,098  | 3,540,849          | 6,711,947          |
| Library Acquisitions                     |                           | 160,289  | 218,454            | 378,742            |
| Major Repairs                            |                           | 0  | 0                  | 0                  |
| <b>Acquisitions and Major Repairs</b>    |                           | <b>3,331,387</b>                                       | <b>3,759,302</b>   | <b>7,090,689</b>   |
| <b>Total Expenditures</b>                |                           | <b>312,147,682</b>                                     | <b>245,912,689</b> | <b>558,060,371</b> |
| <b>Expenditures by Function:</b>         |                           |  |                    |                    |
| Instruction                              |                           | 104,346,123  | 108,552,219        | 212,898,343        |
| Research                                 |                           | 30,301,335   | 35,943,031         | 66,244,365         |
| Public Service                           |                           | 2,584,690  | 3,024,797          | 5,609,487          |
| Academic Support (Includes Library)      |                           | 38,949,031   | 35,344,531         | 74,293,562         |
| <b>Academic Expenditures</b>             |                           | <b>176,181,179</b>                                     | <b>182,864,578</b> | <b>359,045,757</b> |
| Student Services                         |                           | 9,428,327  | 9,866,607          | 19,294,934         |
| Institutional Support                    |                           | 17,227,713   | 15,331,066         | 32,558,780         |
| Scholarships/Fellowships                 |                           | 77,185,808   | 14,676,805         | 91,862,613         |
| Plant Operations/Maintenance             |                           | 31,225,922   | 25,794,414         | 57,020,336         |
| Hospital                                 |                           | 0  | 0                  | 0                  |
| Transfers out of agency                  |                           | 898,733  | (2,620,782)        | (1,722,049)        |
| Athletics                                |                           | 0  | 0                  | 0                  |
| Other                                    |                           | 0  | 0                  | 0                  |
| <b>Non-Academic Expenditures</b>         |                           | <b>135,966,503</b>                                     | <b>63,048,111</b>  | <b>199,014,614</b> |
| <b>Total Expenditures</b>                |                           | <b>312,147,682</b>                                     | <b>245,912,689</b> | <b>558,060,371</b> |

**LSU A&M  
Restricted Operations**

**Semi-Annual Revenues and Expenditures Executive Summary**

|  | <b>Beginning<br/>Acct/Fund<br/>Balance</b> | <b>1st &amp; 2nd Quarter<br/>Fund Balance</b> | <b>3rd &amp; 4th Quarter<br/>Fund Balance</b> |
|--|--|---|---|
| State Appropriations                         | 0  | 0   | 0   |
| Restricted Fees                              | 22,201,293                                 | 36,191,290                                    | 22,136,318                                    |
| Sales and Services of Educational Activities | 14,606,477                                 | 15,856,952                                    | 12,477,543                                    |
| Auxiliaries                                  | 37,578,838                                 | 75,361,652                                    | 41,500,921                                    |
| Endowment Income                             | 21,517,315                                 | 21,205,331                                    | 22,183,959                                    |
| Grants and Contracts                         | 659,110                                    | 15,622,133                                    | 2,244,857                                     |
| Indirect Cost Recovered                      | 41,214,556                                 | 34,368,983                                    | 32,001,935                                    |
| Gifts  | 9,200,707                                  | 7,743,017                                     | 7,816,109                                     |
| Federal Funds                                | 0  | 0   | 0   |
| Hospitals                                    | 0  | 0   | 0   |
| All Other Sources                            | 28,615,815                                 | 29,069,824                                    | 29,962,337                                    |
| <b>TOTAL</b>                                 | <b>175,594,112</b>                         | <b>235,419,182</b>                            | <b>170,323,978</b>                            |

**Overview and Analysis of Campus Operations**

Revenues:  
A budget amendment increasing the State General Fund by \$368,000 was processed per HB 392 Supplemental Appropriations Bill. Also included in HB 392 was a \$247,724 increase in Statutory Dedications (specifically SELF), and an \$11,800,000 increase in Self-Generated Budget Authority due to the increase in Student Excellence Fee. The shortfall in Statutory Dedicated funding is attributable to the Firemen Training (\$229,178) and SELF (\$473,525) fund revenues being less than the state Revenue Estimating Conference's estimate.

Expenditures:  
The negative expenditure in the Transfer function is the Athletic Department transfer. This transfer is reflected as a negative expenditure due to the original source of the revenues being recorded in the Athletic Department and so not to "double count" the revenue as prescribed by the Governmental Accounting Standards Board (GASB).

# Semi -Annual Overview of Restricted Operations

Campus: *Louisiana State University A&M*

| Show Expenditures As Positive         | Actual Amount for each Semi-Annual Period in FY 2018-2019 |                    |                            |                    |                    |                            |                    |
|---------------------------------------|---|--------------------|----------------------------|--------------------|--------------------|----------------------------|--------------------|
|                                       | Acct/Fund Balance   | 1st & 2nd Quarter  |                            |                    | 3rd & 4th Quarter  |                            |                    |
|                                       |   | Revenues           | Expenses, Transfers, & ICR | Fund Balance       | Revenues           | Expenses, Transfers, & ICR | Fund Balance       |
| <b>Revenues</b>                       |   |                    |                            |                    |                    |                            |                    |
| Restricted State Appropriations       | 0   | 0                  | 0                          | 0                  | 0                  | 0                          | 0                  |
| Restricted Fees                       | 22,201,293  | 30,070,304         | 16,080,308                 | 36,191,290         | 11,940,374         | 25,995,346                 | 22,136,318         |
| Sales & Svcs of Educ. Activ's         | 14,606,477  | 9,884,303          | 8,633,828                  | 15,856,952         | 10,059,900         | 13,439,309                 | 12,477,543         |
| Auxiliaries (List)                    |   |                    |                            |                    |                    |                            | 0                  |
| 1 - Athletic Department               | 1,754,160   | 61,620,838         | 67,818,763                 | (4,443,765)        | 78,269,185         | 72,939,454                 | 885,966            |
| 2 - Golf Course                       | 906,890   | 397,640            | 368,628                    | 935,902            | 414,584            | 467,425                    | 883,061            |
| 3 - Residential Life                  | 7,717,882   | 45,993,052         | 18,038,828                 | 35,672,105         | 8,338,028          | 34,821,786                 | 9,188,348          |
| 4 - Lab School Cafeteria              | 425,280   | 423,009            | 259,210                    | 589,079            | 46,234             | 234,122                    | 401,192            |
| 5 - Copier Mgmt & Mailing Services    | 5,907,848   | 1,021,595          | 447,907                    | 6,481,536          | 1,318,407          | 641,657                    | 7,158,286          |
| 6 - University Stores                 | 378,758   | 2,539,473          | 2,556,534                  | 361,697            | 2,935,407          | 3,015,082                  | 282,021            |
| 7 - Parking, Traffic & Transportation | 5,561,288   | 8,911,925          | 4,193,823                  | 10,279,391         | 3,416,168          | 8,523,879                  | 5,171,679          |
| 8 - Student Health                    | 1,622,958   | 8,781,686          | 4,453,211                  | 5,951,433          | 1,571,991          | 5,858,324                  | 1,665,100          |
| 9 - Student Media                     | 765,077   | 933,756            | 474,805                    | 1,224,029          | 296,640            | 581,125                    | 939,543            |
| 10 - Auxiliary Services               | 4,569,601   | 1,999,488          | 892,301                    | 5,676,788          | 1,431,316          | 1,667,014                  | 5,441,091          |
| 11 - Union                            | 7,969,096   | 7,526,531          | 2,862,170                  | 12,633,457         | 2,116,325          | 5,265,148                  | 9,484,633          |
| 12                                    |   |                    |                            |                    |                    |                            |                    |
| 13                                    |   |                    |                            |                    |                    |                            |                    |
| 14                                    |   |                    |                            |                    |                    |                            |                    |
| 15                                    |   |                    |                            |                    |                    |                            |                    |
| Endowment Income                      | 21,517,315  | 1,673,112          | 1,985,096                  | 21,205,331         | 2,837,155          | 1,858,528                  | 22,183,959         |
| Grants and Contracts                  |   |                    |                            |                    |                    |                            |                    |
| Federal                               | (625,694)   | 52,468,951         | 50,267,404                 | 1,575,853          | 56,716,329         | 57,814,774                 | 477,408            |
| State and Local                       | 262,970   | 22,301,825         | 15,687,883                 | 6,876,913          | 12,404,131         | 18,376,512                 | 904,532            |
| Private                               | 1,021,834   | 16,982,276         | 10,834,742                 | 7,169,367          | 4,896,927          | 11,203,378                 | 862,917            |
| Indirect Cost Recovered               | 41,214,556  | 4,191,768          | 11,037,340                 | 34,368,983         | 13,667,854         | 16,034,902                 | 32,001,935         |
| Gifts                                 | 9,200,707   | 10,567,718         | 12,025,408                 | 7,743,017          | 11,511,631         | 11,438,539                 | 7,816,109          |
| Federal Funds                         |   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| Hospitals                             |   |                    |                            |                    |                    |                            |                    |
| Hospital - Commercial/Self-Pay        |   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| Physician Practice Plans              |   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| Medicare                              |   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| Medicaid                              |   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| Uncompensated Care Costs              |   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| Sponsored Grants and Contracts        |   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| Sales and Services Other              |   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| All Other Sources                     | 28,615,815  | 3,604,987          | 3,150,978                  | 29,069,824         | 11,542,833         | 10,650,320                 | 29,962,337         |
| <b>TOTAL</b>                          | <b>175,594,112</b>  | <b>291,894,239</b> | <b>232,069,168</b>         | <b>235,419,182</b> | <b>235,731,419</b> | <b>300,826,623</b>         | <b>170,323,978</b> |

## Report on Restricted Operations

**Federal Grants:** The University must incur the expenses and seek reimbursement. Revenue is recognized after the expenses are incurred.

**State Grants:** Board of Regents grants provide a large part of the funding in advance, which provides positive cash flow for state projects.

**Indirect Cost Recovered:** The fund balance is comprised of funds that are earmarked to be used as start-up funds for new faculty members, matching funds for grants, high cost maintenance expenses for research equipment or lab renovations, and other unexpected costs. The start up costs can range from \$100,000 for a researcher in Humanities and Social Sciences to \$500,000 for researchers in Engineering to amounts in excess of \$3 million for an internationally renowned researcher in the College of Science.



Date: July 31, 2019

To: F. King Alexander, President and Chancellor  
LSU System

From: William Richardson, Vice President for Agriculture  
LSU Agricultural Center

RE: Fourth Quarter Budget Report for FY 2018-2019

FY2018-2019 was a stable budget year for the AgCenter in terms of appropriations. Base funding was not reduced July 1, 2018, and there were no mid-year reductions. For a second year; however, there was a reduction in statutory dedications. In FY2016-17, the AgCenter minimized spending in an effort to realign expenditures with available funds. This was largely successful in the short-term and the AgCenter started FY17-18 on a positive note. However new budget pressures are always present and FY18-19 was not an exception.

After minimizing spending in FY16-17, by July 1, 2017 there were numerous critical positions the AgCenter could no longer hold off on filling. This continued into FY18-19.

New hires in FY18-19 consisted of a large number of faculty level positions essential to the overall research and extension programs and having major impact on teaching needs of the LSU A&M College of Agriculture. These faculty hires also mandate sizeable start-up packages. Without these packages, the AgCenter would be at a serious disadvantage with regard to competing for talented new hires.

At the beginning of FY18-19, a faculty merit raise plan was implemented. This was imperative to retain faculty and engage in successful recruiting efforts. Continuing in FY18-19 were various duty changes for key employees.

Though necessary, all of these actions create significant additional budget pressure. Closing FY18-19 was very difficult financially because funds are very tight and not sufficient to meet the needs encompassed by the AgCenter's mission. Increased mandated costs were a problem in FY18-19 and aggravated the budget situation. This is anticipated to be the case again in FY19-20. Thus, the challenge of insufficient resources to meet programmatic/clientele demand continues.

As noted in previous reports, well over 500 positions have been eliminated since 2008; multiple research stations closed; departments merged; 124 positions lost in three retirement incentive programs offered; and many programs downsized, re-missioned or eliminated. It is extremely difficult to meet the normal demands of the agricultural industry, much less emerging issues, new threats, and forward-looking research to ensure the industry is well-positioned many years into the future.

Dr. F. King Alexander  
July 31, 2019  
Page Two

As always, we note that because the AgCenter is a nonstudent campus, increases in tuition and student fees are not available as a revenue source. The GRAD Act does not provide relief for the AgCenter in terms of funding.

During FY18-19, the AgCenter continued to identify ways of streamlining costs and more effectively utilizing resources. A revised staffing plan for agricultural agents is in its second year and is working well. This involved re-design of staffing for program delivery with the objective of having fewer agents, but making them more specialized. The 4-H program is expanding agent training, using technology creatively to educate and motivate youth, and reviewing its event-specific expenses to more efficiently use financial resources. Many departments continued to re-configure course offerings due to the loss of faculty. Several research stations are refining their focus as new faculty come on board. Others stations are being downsized and streamlined, primarily through attrition.

The LSU AgCenter continues to make every effort to utilize resources effectively and to maintain its most critical programs, remain true to the core mission of improving the lives of Louisiana citizens and provide the most it can for every dollar invested in the AgCenter. Your continued support is valued and appreciated.

Sincerely,

A handwritten signature in blue ink that reads "William B. Richardson". The signature is fluid and cursive, with a long horizontal stroke at the end.

William B. Richardson  
Vice President for Agriculture  
and Dean of the College of Agriculture

xc: Ms. Ann Coulon  
Ms. Lori Parker  
Mr. Jim Buras



**Appendix A  
Semi-Annual Revenues and Expenditures Executive Summary**

| <b>Unrestricted Operations</b>           |                           | Actual Amount for each semi-annual period in 2018-2019 |                   |                   |
|--|---------------------------|--|-------------------|-------------------|
|  | Adjusted Operating Budget | 1st & 2nd Quarter                                      | 3rd & 4th Quarter | Cumulative Total  |
| <b>Revenues</b>                          |                           |  |                   |                   |
| General Fund                             | 67,696,729                | 39,489,758   | 28,206,971        | 67,696,729        |
| Statutory Dedications                    | 4,293,706                 | 1,568,194  | 2,566,614         | 4,134,808         |
| Interim Emergency Board                  | 0                         | 0  | 0                 | 0                 |
| Interagency Transfers                    | 0                         | 0  | 0                 | 0                 |
| Interagency Transfers - Federal Stimulus | 0                         | 0  | 0                 | 0                 |
| Self Generated Revenues                  | 6,807,967                 | 1,346,732  | 2,475,412         | 3,822,144         |
| Federal Funds                            | 13,018,275                | 2,421,999  | 10,579,296        | 13,001,295        |
| <b>Total Revenues</b>                    | <b>91,816,677</b>         | <b>44,826,683</b>                                      | <b>43,828,293</b> | <b>88,654,976</b> |
| <b>Expenditures by Object:</b>           |                           |  |                   |                   |
| Salaries                                 |                           | 23,018,637   | 23,053,969        | 46,072,606        |
| Other Compensation                       |                           | 1,291,973  | 1,232,792         | 2,524,765         |
| Related Benefits                         |                           | 14,498,525   | 12,886,296        | 27,384,821        |
| Personal Services                        |                           | <b>38,809,135</b>                                      | <b>37,173,057</b> | <b>75,982,191</b> |
| Travel                                   |                           | 641,658  | 770,624           | 1,412,282         |
| Operating Services                       |                           | 3,214,711  | 2,939,431         | 6,154,142         |
| Supplies                                 |                           | 1,609,515  | 2,021,730         | 3,631,245         |
| Operating Expenses                       |                           | <b>5,465,884</b>                                       | <b>5,731,785</b>  | <b>11,197,669</b> |
| Professional Services                    |                           | 389,880  | 125,353           | 515,233           |
| Other Charges                            |                           | 165,622  | 80,025            | 245,648           |
| Debt Services                            |                           | 0  | 0                 | 0                 |
| Interagency Transfers                    |                           | 263,850  | 450,385           | 714,235           |
| Other Charges                            |                           | <b>819,352</b>   | <b>655,763</b>    | <b>1,475,115</b>  |
| General Acquisitions                     |                           | 0  | 0                 | 0                 |
| Library Acquisitions                     |                           | 0  | 0                 | 0                 |
| Major Repairs                            |                           | 0  | 0                 | 0                 |
| Acquisitions and Major Repairs           |                           | <b>0</b>   | <b>0</b>          | <b>0</b>          |
| <b>Total Expenditures</b>                |                           | <b>45,094,371</b>                                      | <b>43,560,605</b> | <b>88,654,976</b> |
| <b>Expenditures by Function:</b>         |                           |  |                   |                   |
| Instruction                              |                           | 263,199  | (263,199)         | 0                 |
| Research                                 |                           | 13,237,292   | 13,891,976        | 27,129,268        |
| Public Service                           |                           | 10,475,211   | 11,984,046        | 22,459,257        |
| Academic Support (Includes Library)      |                           | 1,292,694  | 1,055,076         | 2,347,770         |
| Academic Expenditures                    |                           | <b>25,268,397</b>                                      | <b>26,667,899</b> | <b>51,936,296</b> |
| Student Services                         |                           | 0  | 0                 | 0                 |
| Institutional Support                    |                           | 17,781,944   | 14,944,405        | 32,726,350        |
| Scholarships/Fellowships                 |                           | (114)  | 114               | 0                 |
| Plant Operations/Maintenance             |                           | 2,044,144  | 1,948,187         | 3,992,330         |
| Hospital                                 |                           | 0  | 0                 | 0                 |
| Transfers out of agency                  |                           | 0  | 0                 | 0                 |
| Athletics                                |                           | 0  | 0                 | 0                 |
| Other                                    |                           | 0  | 0                 | 0                 |
| Non-Academic Expenditures                |                           | <b>19,825,974</b>                                      | <b>16,892,706</b> | <b>36,718,680</b> |
| <b>Total Expenditures</b>                |                           | <b>45,094,371</b>                                      | <b>43,560,605</b> | <b>88,654,976</b> |

|  | <b>Beginning<br/>Acct/Fund<br/>Balance</b> | <b>1st &amp; 2nd Quarter<br/>Fund Balance</b> | <b>3rd &amp; 4th Quarter<br/>Fund Balance</b> |
|--|--|---|---|
| State Appropriations                         | 0  | 0   | 0   |
| Restricted Fees                              | 0  | (1,415)                                       | 0   |
| Sales and Services of Educational Activities | 2,770,248                                  | 2,715,442                                     | 2,670,477                                     |
| Auxiliaries                                  | 0  | 0   | 0   |
| Endowment Income                             | 699,130                                    | 184,601                                       | 212,829                                       |
| Grants and Contracts                         | 3,964,895                                  | 8,628,237                                     | 3,447,612                                     |
| Indirect Cost Recovered                      | 137,770                                    | 135,750                                       | 132,889                                       |
| Gifts  | 5,028,579                                  | 4,810,852                                     | 4,651,654                                     |
| Federal Funds                                | 0  | 0   | 0   |
| Hospitals                                    | 0  | 0   | 0   |
| All Other Sources                            | 10,164,996                                 | 11,881,971                                    | 7,486,620                                     |
| <b>TOTAL</b>                                 | <b>22,765,618</b>                          | <b>28,355,439</b>                             | <b>18,602,081</b>                             |

**Overview and Analysis of Campus Operations**

|  |
|--|
|  |
|--|

# Semi -Annual Overview of Restricted Operations

Campus: *LSU Agricultural Center*

| Show Expenditures As Positive   | Actual Amount for each Semi-Annual Period in FY 2018-2019 |                   |                            |                   |                   |                            |                   |
|---------------------------------|---|-------------------|----------------------------|-------------------|-------------------|----------------------------|-------------------|
|                                 | Acct/Fund Balance   | 1st & 2nd Quarter |                            |                   | 3rd & 4th Quarter |                            |                   |
|                                 |   | Revenues          | Expenses, Transfers, & ICR | Fund Balance      | Revenues          | Expenses, Transfers, & ICR | Fund Balance      |
| <b>Revenues</b>                 |   |                   |                            |                   |                   |                            |                   |
| Restricted State Appropriations |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Restricted Fees                 | 0   | 0                 | 1,415                      | (1,415)           | 0                 | (1,415)                    | 0                 |
| Sales & Svcs of Educ. Activ's   | 2,770,248   | 1,027,352         | 1,082,157                  | 2,715,442         | 1,263,118         | 1,308,084                  | 2,670,477         |
| Auxiliaries (List)              |   |                   |                            |                   |                   |                            | 0                 |
| 1                               |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 2                               |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 3                               |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 4                               |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 5                               |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 6                               |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 7                               |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 8                               |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 9                               |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 10                              |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 11                              |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 12                              |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 13                              |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 14                              |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 15                              |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Endowment Income                | 699,130   | (446,338)         | 68,191                     | 184,601           | 95,340            | 67,112                     | 212,829           |
| Grants and Contracts            |   |                   |                            |                   |                   |                            |                   |
| Federal                         | (26,581)  | 3,113,166         | 3,028,991                  | 57,595            | 3,299,386         | 3,432,204                  | (75,223)          |
| State and Local                 | 2,570,761   | 9,723,673         | 7,677,789                  | 4,616,645         | 7,392,420         | 9,670,868                  | 2,338,197         |
| Private                         | 1,420,715   | 5,060,300         | 2,527,018                  | 3,953,997         | 32,637            | 2,801,996                  | 1,184,638         |
| Indirect Cost Recovered         | 137,770   | 0                 | 2,020                      | 135,750           | 0                 | 2,861                      | 132,889           |
| Gifts                           | 5,028,579   | 1,283,472         | 1,501,199                  | 4,810,852         | 1,305,494         | 1,464,692                  | 4,651,654         |
| Federal Funds                   |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Hospitals                       |   |                   |                            |                   |                   |                            |                   |
| Hospital - Commercial/Self-Pay  |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Physician Practice Plans        |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Medicare                        |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Medicaid                        |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Uncompensated Care Costs        |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Sponsored Grants and Contracts  |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Sales and Services Other        |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| All Other Sources               | 10,164,996  | 8,122,046         | 6,405,072                  | 11,881,971        | 4,074,564         | 8,469,914                  | 7,486,620         |
| <b>TOTAL</b>                    | <b>22,765,618</b>   | <b>27,883,673</b> | <b>22,293,852</b>          | <b>28,355,439</b> | <b>17,462,959</b> | <b>27,216,317</b>          | <b>18,602,081</b> |

## Report on Restricted Operations



## Semi-Annual Budget Summary Narrative

For the Period Ending June 30, 2019


### Revenues

Unrestricted Revenues were received as anticipated with the exception of statutory dedications—the “Support Education in Louisiana Fund” (SELF) had a shortfall in collections of \$5,146. Restricted revenues in the form of gifts, grants and contracts are also at expected levels. All other collections are within expected levels.

The Pennington Biomedical Research Center Stores Auxiliary revenues were as anticipated for the fiscal year. We continue to closely monitor the stores operations to ensure operations remain viable.

### Expenditures

Unrestricted expenditures are at anticipated levels. Restricted funds expenditures are within expected parameters. There are no unexpected or material variances in relation to the budget. Overall, expenditure budgets are in line with expected expenditures for the fiscal year.



---

John P. Kirwan, Ph.D.  
Executive Director

**Appendix A**  
**Semi-Annual Revenues and Expenditures Executive Summary**

| <b>Unrestricted Operations</b>           |                                  | <b>Actual Amount for each semi-annual period in 2018-2019</b> |                              |                         |
|--|----------------------------------|---|------------------------------|-------------------------|
|  | <b>Adjusted Operating Budget</b> | <b>1st &amp; 2nd Quarter</b>                                  | <b>3rd &amp; 4th Quarter</b> | <b>Cumulative Total</b> |
| <b>Revenues</b>                          |                                  |   |                              |                         |
| General Fund                             | 17,182,659                       | 9,439,885   | 7,742,774                    | 17,182,659              |
| Statutory Dedications                    | 96,556                           | 35,105  | 56,305                       | 91,410                  |
| Interim Emergency Board                  | 0                                | 0   | 0                            | 0                       |
| Interagency Transfers                    | 0                                | 0   | 0                            | 0                       |
| Interagency Transfers - Federal Stimulus | 0                                | 0   | 0                            | 0                       |
| Self Generated Revenues                  | 845,561                          | 127,024   | 718,537                      | 845,561                 |
| Federal Funds                            | 0                                | 0   | 0                            | 0                       |
| <b>Total Revenues</b>                    | <b>18,124,776</b>                | <b>9,602,014</b>  | <b>8,517,616</b>             | <b>18,119,630</b>       |
| <b>Expenditures by Object:</b>           |                                  |   |                              |                         |
| Salaries                                 |                                  | 6,123,058   | 6,205,415                    | 12,328,473              |
| Other Compensation                       |                                  | 59,783  | 76,867                       | 136,650                 |
| Related Benefits                         |                                  | 2,690,444   | 1,817,988                    | 4,508,432               |
| Personal Services                        |                                  | <b>8,873,285</b>  | <b>8,100,270</b>             | <b>16,973,555</b>       |
| Travel                                   |                                  | 16,719  | 16,497                       | 33,216                  |
| Operating Services                       |                                  | (599,884)   | 221,809                      | (378,074)               |
| Supplies                                 |                                  | 567,073   | 810,638                      | 1,377,711               |
| Operating Expenses                       |                                  | <b>(16,092)</b>   | <b>1,048,944</b>             | <b>1,032,853</b>        |
| Professional Services                    |                                  | 18,161  | 32,999                       | 51,160                  |
| Other Charges                            |                                  | 5,715   | 13,144                       | 18,859                  |
| Debt Services                            |                                  |   | 0                            | 0                       |
| Interagency Transfers                    |                                  |   | 0                            | 0                       |
| Other Charges                            |                                  | <b>23,876</b>   | <b>46,144</b>                | <b>70,020</b>           |
| General Acquisitions                     |                                  | 0   | 0                            | 0                       |
| Library Acquisitions                     |                                  | 0   | 0                            | 0                       |
| Major Repairs                            |                                  | 20,574  | 22,629                       | 43,203                  |
| Acquisitions and Major Repairs           |                                  | <b>20,574</b>   | <b>22,629</b>                | <b>43,203</b>           |
| <b>Total Expenditures</b>                |                                  | <b>8,901,643</b>  | <b>9,217,987</b>             | <b>18,119,630</b>       |
| <b>Expenditures by Function:</b>         |                                  |   |                              |                         |
| Instruction                              |                                  | 22  | (22)                         | 0                       |
| Research                                 |                                  | 1,691,742   | 1,901,974                    | 3,593,716               |
| Public Service                           |                                  | 101,958   | 108,288                      | 210,246                 |
| Academic Support (Includes Library)      |                                  | 2,751,070   | 3,026,894                    | 5,777,964               |
| Academic Expenditures                    |                                  | <b>4,544,792</b>  | <b>5,037,134</b>             | <b>9,581,926</b>        |
| Student Services                         |                                  | 0   | 0                            | 0                       |
| Institutional Support                    |                                  | 2,888,419   | 1,693,637                    | 4,582,056               |
| Scholarships/Fellowships                 |                                  | 0   | 0                            | 0                       |
| Plant Operations/Maintenance             |                                  | 1,465,936   | 2,489,712                    | 3,955,648               |
| Hospital                                 |                                  | 0   | 0                            | 0                       |
| Transfers out of agency                  |                                  | 2,496   | (2,496)                      | 0                       |
| Athletics                                |                                  | 0   | 0                            | 0                       |
| Other                                    |                                  | 0   | 0                            | 0                       |
| Non-Academic Expenditures                |                                  | <b>4,356,851</b>  | <b>4,180,853</b>             | <b>8,537,704</b>        |
| <b>Total Expenditures</b>                |                                  | <b>8,901,643</b>  | <b>9,217,987</b>             | <b>18,119,630</b>       |

|  | <b>Beginning<br/>Acct/Fund<br/>Balance</b> | <b>1st &amp; 2nd Quarter<br/>Fund Balance</b> | <b>3rd &amp; 4th Quarter<br/>Fund Balance</b> |
|--|--|---|---|
| State Appropriations                         | 0  | 0   | 0   |
| Restricted Fees                              | 0  | 0   | 0   |
| Sales and Services of Educational Activities | 236,452                                    | 178,937                                       | 124,469                                       |
| Auxiliaries                                  | 73,680                                     | 24,176  | 70,981  |
| Endowment Income                             | 0  | 0   | 0   |
| Grants and Contracts                         | 2,092,261                                  | 3,415,842                                     | 2,873,292                                     |
| Indirect Cost Recovered                      | 2,930,241                                  | 1,771,784                                     | 1,183,623                                     |
| Gifts  | 592,556                                    | 980,221                                       | 540,220                                       |
| Federal Funds                                | 0  | 0   | 0   |
| Hospitals                                    | 0  | 0   | 0   |
| All Other Sources                            | 1,438,527                                  | 1,344,105                                     | 820,841                                       |
| <b>TOTAL</b>                                 | <b>7,363,716</b>                           | <b>7,715,066</b>                              | <b>5,613,425</b>                              |

**Overview and Analysis of Campus Operations**

**Semi -Annual Overview of Restricted Operations**

Campus: *Pennington Biomedical Research Center*

| Show Expenditures As Positive   | Actual Amount for each Semi-Annual Period in FY 2018-2019 |                   |                            |                  |                   |                            |                  |
|---------------------------------|---|-------------------|----------------------------|------------------|-------------------|----------------------------|------------------|
|                                 | Acct/Fund Balance   | 1st & 2nd Quarter |                            |                  | 3rd & 4th Quarter |                            |                  |
|                                 |   | Revenues          | Expenses, Transfers, & ICR | Fund Balance     | Revenues          | Expenses, Transfers, & ICR | Fund Balance     |
| <b>Revenues</b>                 |   |                   |                            |                  |                   |                            |                  |
| Restricted State Appropriations |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Restricted Fees                 |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Sales & Svcs of Educ. Activ's   | 236,452   | 86,244            | 143,758                    | 178,937          | 114,017           | 168,486                    | 124,469          |
| Auxiliaries (List)              |   |                   |                            |                  |                   |                            | 0                |
| Pennington Stores               | 73,680  | 691,653           | 741,157                    | 24,176           | 989,798           | 942,993                    | 70,981           |
| 2                               |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 3                               |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 4                               |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 5                               |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 6                               |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 7                               |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 8                               |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 9                               |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 10                              |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 11                              |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 12                              |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 13                              |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 14                              |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 15                              |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Endowment Income                |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Grants and Contracts            |   |                   |                            |                  |                   |                            |                  |
| Federal                         | 710   | 8,892,006         | 8,444,208                  | 448,508          | 10,375,323        | 10,802,106                 | 21,725           |
| State and Local                 | 659,159   | 1,088,794         | 733,524                    | 1,014,429        | 1,337,459         | 1,119,786                  | 1,232,101        |
| Private                         | 1,432,392   | 4,812,877         | 4,292,364                  | 1,952,905        | 4,365,646         | 4,699,086                  | 1,619,465        |
| Indirect Cost Recovered         | 2,930,241   | 3,272,619         | 4,431,076                  | 1,771,784        | 3,653,769         | 4,241,930                  | 1,183,623        |
| Gifts                           | 592,556   | 1,114,675         | 727,009                    | 980,221          | 738,667           | 1,178,668                  | 540,220          |
| Federal Funds                   |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Hospitals                       |   |                   |                            |                  |                   |                            |                  |
| Hospital - Commercial/Self-Pay  |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Physician Practice Plans        |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Medicare                        |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Medicaid                        |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Uncompensated Care Costs        |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Sponsored Grants and Contracts  |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Sales and Services Other        |   | 0                 |                            | 0                | 0                 |                            | 0                |
| All Other Sources               | 1,438,527   | 310,074           | 404,496                    | 1,344,105        | 423,115           | 946,379                    | 820,841          |
| <b>TOTAL</b>                    | <b>7,363,716</b>  | <b>20,268,941</b> | <b>19,917,591</b>          | <b>7,715,066</b> | <b>21,997,794</b> | <b>24,099,435</b>          | <b>5,613,425</b> |

**Report on Restricted Operations**

|  |
|--|
|  |
|--|

**Louisiana State University of Alexandria**  
**Semi-Annual Financial Report Narrative**  
**July 2019**


Overview and Analysis of Campus Operations:

Financially speaking, FY19 was a bad year. Census day total headcount for Fall 2018 saw a 7.8% drop in enrollment. Spring 2019 followed at 3% down. On-campus enrollment was down 6.1%, while full-time on-campus students dropped by 1.7%. On-line enrollments were up by 20% in the 100% online programs, however, LSUA must pay out 50% of tuition from these programs. The overall result was a net loss in revenue. In the FY19 budget narrative, LSUA states, "*The overall 2018/19 proposed budget is based on slightly increased enrollment projections. If the projections are not met, the university will have to make budget adjustments – primarily in the area of salary increases.*" These adjustments were not made.

Much needed salary increases were given across the board despite missing enrollment thresholds for adequate revenue. Recurring personnel costs increased over \$700,000 from FY18 to FY19. Already being short on revenue, added with increased personnel costs, as well as other one-time expenses, and some department overages, all led to a ~\$1.1M deficit in unrestricted operating accounts.

This shortfall was covered through multiple channels. Historically, all summer revenue, regardless of session end-date, was deferred to the upcoming fiscal year. This year, Summer2 (ending prior to yearend) was booked in FY19 instead of being deferred. Additionally, fringe benefits for Athletics were moved from unrestricted to a restricted account. Other expenditures were moved to restricted accounts (Building Use, Student Union, Student Technology Fee). The final closing entry was made from two restricted accounts. Given that one of the institution's primary goals from FY15 through FY19 was to increase account balances on all auxiliary and restricted accounts, this year was a slight setback.

Ultimately the year was balanced, but at the cost of restricted funding. Additional details can be provided as needed.

  
8/1/19

PC



Report on Restricted Operations:

The primary concern is Athletics. Over the past 5 years, the Athletics deficit has increased from \$300,000 to \$1.1M. The last 4 years have seen a ~\$300K overage each year. There were no restrictions or plans put in place to mitigate or curb this growing deficit. Most of the overage is due to successful teams. Winning teams travel more in post-season, subsequently spending more than budgeted. Athletic expenditures have been trimmed to a very minimal amount. The major expense comes from personnel costs. The solution is finding additional revenue. Going in to FY20, fundraising and private donations are top priority. Additionally, the institution's new Chancellor has committed to ensuring the deficit remains flat at the end of FY20 -- even if this means major changes/reductions in the Athletic department.

The Campus Housing deficit is cash-flow timing issue from The Oaks transfers. This account is not in questionable status.

The Golf Course is still recovering from two years of having two greens/holes closed while construction was taking place on campus. Additionally, weather contributed to lower revenues, and a large dollar piece of equipment had to be replaced. Future projections show a recovery on the negative balance.

The Child Care Center is a different issue. Historically, the CCC was supported in part by a student assessed fee of \$7.50/student/semester. Student Government recently voted to reduce the fee across three years until it was removed by the end of FY21. This loss of revenue, coupled with a falling enrollment has placed the Child Care Center at risk of closure in the immediate future. University administration is considering options, with closure being at the top of the list. University priorities have changed since construction of the center, and institutional operating dollars can no longer be afforded. A decision will be made during the FY20 year.

All other restricted accounts ended the year as projected.

**Appendix A  
Semi-Annual Revenues and Expenditures Executive Summary**

| <b>Unrestricted Operations</b>           |                           | Actual Amount for each semi-annual period in 2018-2019 |                   |                   |
|--|---------------------------|--|-------------------|-------------------|
|  | Adjusted Operating Budget | 1st & 2nd Quarter                                      | 3rd & 4th Quarter | Cumulative Total  |
| <b>Revenues</b>                          |                           |  |                   |                   |
| General Fund                             | 4,962,613                 | 2,894,857  | 2,067,756         | 4,962,613         |
| Statutory Dedications                    | 275,077                   | 100,010  | 160,405           | 260,415           |
| Interim Emergency Board                  | 0                         | 0  | 0                 | 0                 |
| Interagency Transfers                    | 0                         | 0  | 0                 | 0                 |
| Interagency Transfers - Federal Stimulus | 0                         | 0  | 0                 | 0                 |
| Self Generated Revenues                  | 16,641,127                | 15,404,741   | 1,862,471         | 17,267,212        |
| Federal Funds                            | 0                         | 0  | 0                 | 0                 |
| <b>Total Revenues</b>                    | <b>21,878,817</b>         | <b>18,399,608</b>                                      | <b>4,090,632</b>  | <b>22,490,240</b> |
| <b>Expenditures by Object:</b>           |                           |  |                   |                   |
| Salaries                                 |                           | 5,223,860  | 5,445,515         | 10,669,375        |
| Other Compensation                       |                           | 175,628  | 125,640           | 301,268           |
| Related Benefits                         |                           | 2,466,942  | 2,535,836         | 5,002,778         |
| Personal Services                        |                           | <b>7,866,429</b>                                       | <b>8,106,991</b>  | <b>15,973,420</b> |
| Travel                                   |                           | 64,470   | 74,154            | 138,624           |
| Operating Services                       |                           | 1,329,817  | 410,419           | 1,740,236         |
| Supplies                                 |                           | 353,205  | 134,524           | 487,729           |
| Operating Expenses                       |                           | <b>1,747,492</b>                                       | <b>619,097</b>    | <b>2,366,589</b>  |
| Professional Services                    |                           | 1,535,541  | 1,012,392         | 2,547,933         |
| Other Charges                            |                           | 821,252  | 733,457           | 1,554,709         |
| Debt Services                            |                           | 0  | 0                 | 0                 |
| Interagency Transfers                    |                           | 0  | 0                 | 0                 |
| Other Charges                            |                           | <b>2,356,794</b>                                       | <b>1,745,849</b>  | <b>4,102,643</b>  |
| General Acquisitions                     |                           | 27,221   | 8,843             | 36,064            |
| Library Acquisitions                     |                           | 3,433  | 8,091             | 11,524            |
| Major Repairs                            |                           | 0  | 0                 | 0                 |
| Acquisitions and Major Repairs           |                           | <b>30,654</b>  | <b>16,934</b>     | <b>47,588</b>     |
| <b>Total Expenditures</b>                |                           | <b>12,001,369</b>                                      | <b>10,488,871</b> | <b>22,490,240</b> |
| <b>Expenditures by Function:</b>         |                           |  |                   |                   |
| Instruction                              |                           | 4,759,807  | 4,347,708         | 9,107,515         |
| Research                                 |                           | 0  | 0                 | 0                 |
| Public Service                           |                           | 0  | 0                 | 0                 |
| Academic Support (Includes Library)      |                           | 624,084  | 594,262           | 1,218,346         |
| Academic Expenditures                    |                           | <b>5,383,891</b>                                       | <b>4,941,970</b>  | <b>10,325,861</b> |
| Student Services                         |                           | 599,625  | 569,924           | 1,169,549         |
| Institutional Support                    |                           | 3,811,841  | 3,349,977         | 7,161,818         |
| Scholarships/Fellowships                 |                           | 831,269  | 725,365           | 1,556,634         |
| Plant Operations/Maintenance             |                           | 1,374,742  | 916,297           | 2,291,039         |
| Hospital                                 |                           | 0  | 0                 | 0                 |
| Transfers out of agency                  |                           | 0  | (14,662)          | (14,662)          |
| Athletics                                |                           | 0  | 0                 | 0                 |
| Other                                    |                           | 0  | 0                 | 0                 |
| Non-Academic Expenditures                |                           | <b>6,617,477</b>                                       | <b>5,546,901</b>  | <b>12,164,378</b> |
| <b>Total Expenditures</b>                |                           | <b>12,001,369</b>                                      | <b>10,488,871</b> | <b>22,490,240</b> |

|  | Beginning Acct/Fund Balance | 1st & 2nd Quarter Fund Balance | 3rd & 4th Quarter Fund Balance |
|--|-----------------------------|--------------------------------|--------------------------------|
| State Appropriations                         | 0                           | 0                              | 0                              |
| Restricted Fees                              | 1,646,307                   | 2,675,406                      | 1,944,995                      |
| Sales and Services of Educational Activities | 359,511                     | 387,016                        | 369,201                        |
| Auxiliaries                                  | 1,655,018                   | 2,214,930                      | 1,364,004                      |
| Endowment Income                             | 663,197                     | 671,616                        | 678,221                        |
| Grants and Contracts                         | 78,514                      | 39,073                         | 25,185                         |
| Indirect Cost Recovered                      | 14,369                      | 13,862                         | 13,862                         |
| Gifts  | 81,804                      | 168,024                        | 120,287                        |
| Federal Funds                                | 0                           | 0                              | 0                              |
| Hospitals                                    | 0                           | 0                              | 0                              |
| All Other Sources                            | 70,641                      | (122,179)                      | (109,500)                      |
| <b>TOTAL</b>                                 | <b>4,569,362</b>            | <b>6,047,747</b>               | <b>4,406,254</b>               |

### Overview and Analysis of Campus Operations

Financially speaking, FY19 was a bad year. Census day total headcount for Fall 2018 saw a 7.8% drop in enrollment. Spring 2019 followed at 3% down. On-campus enrollment was down 6.1%, while full-time on-campus students dropped by 1.7%. On-line enrollments were up by 20% in the 100% online programs, however, LSUA must pay out 50% of tuition from these programs. The overall result was a net loss in revenue. In the FY19 budget narrative, LSUA states, "The overall 2018/19 proposed budget is based on slightly increased enrollment projections. If the projections are not met, the university will have to make budget adjustments – primarily in the area of salary increases." These adjustments were not made.

Much needed salary increases were given across the board despite missing enrollment thresholds for adequate revenue. Recurring personnel costs increased over \$700,000 from FY18 to FY19. Already being short on revenue, added with increased personnel costs, as well as other one-time expenses, and some department overages, led to a ~\$1.1M deficit in unrestricted operating accounts.

This shortfall was covered through multiple channels. Historically, all summer revenue, regardless of session end-date, was deferred to the upcoming fiscal year. This year, Summer2 (ending prior to yearend) was booked in FY19 instead of being deferred. Additionally, fringe benefits for Athletics were moved from unrestricted to a restricted account. Other expenditures were moved to restricted accounts (Building Use, Student Union, Student Technology Fee). The final closing entry was made from two restricted accounts. Given that one of the institutions primary goals from FY15 through FY19 was to increase account balances on all auxiliary and restricted accounts, this year was a slight setback.

Ultimately the year was balanced, but at the cost of restricted funding. Additional details can be provided as needed.

# Semi -Annual Overview of Restricted Operations

Campus: *LSU of Alexandria*

| Show Expenditures As Positive   | Actual Amount for each Semi-Annual Period in FY 2018-2019 |                   |                            |                  |                   |                            |                  |
|---------------------------------|---|-------------------|----------------------------|------------------|-------------------|----------------------------|------------------|
|                                 | Acct/Fund Balance   | 1st & 2nd Quarter |                            |                  | 3rd & 4th Quarter |                            |                  |
|                                 |   | Revenues          | Expenses, Transfers, & ICR | Fund Balance     | Revenues          | Expenses, Transfers, & ICR | Fund Balance     |
| <b>Revenues</b>                 |   |                   |                            |                  |                   |                            |                  |
| Restricted State Appropriations |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Restricted Fees                 | 1,646,307   | 1,406,451         | 377,353                    | 2,675,406        | 209,036           | 939,447                    | 1,944,995        |
| Sales & Svcs of Educ. Activ's   | 359,511   | 59,765            | 32,261                     | 387,016          | 14,417            | 32,232                     | 369,201          |
| Auxiliaries (List)              |   |                   |                            |                  |                   |                            | 0                |
| 1 - Athletic Department         | (804,489)   | 805,842           | 575,235                    | (573,882)        | 96,726            | 634,387                    | (1,111,543)      |
| 2 - Bookstore                   | 1,085,988   | 58,363            | (2,821)                    | 1,147,172        | 89,326            | 248,795                    | 987,703          |
| 3 - Child Care Center           | (37,038)  | 90,107            | 85,977                     | (32,908)         | 68,321            | 162,053                    | (126,640)        |
| 4 - Campus Housing              | 26,162  | 51,399            | 57,649                     | 19,913           | 99,553            | 134,157                    | (14,691)         |
| 5 - Campus Card Operations      | 9,036   | 0                 | 2,640                      | 6,396            | 27,197            | 24,491                     | 9,102            |
| 6 - Duplications & Copy         | 130,810   | 53,838            | 65,169                     | 119,479          | 62,886            | 97,338                     | 85,027           |
| 7 - Golf Course                 | 39,876  | 21,515            | 45,657                     | 15,734           | 18,549            | 61,074                     | (26,791)         |
| 8 - Museum                      | 68,766  | 75,000            | 179,954                    | (36,188)         | 255,000           | 196,467                    | 22,345           |
| 9 - Newspaper                   | 12,347  | 3,494             |                            | 15,841           | 563               | 6,865                      | 9,539            |
| 10 - Parking, Street & Safety   | 541,142   | 155,936           | 4,410                      | 692,668          | 28,464            | 100                        | 721,032          |
| 11 - Union                      | 513,752   | 394,221           | 135,897                    | 772,076          | 67,982            | 101,220                    | 738,838          |
| 12 - Yearbook                   | 68,666  | (36)              |                            | 68,630           | 1,454             |                            | 70,084           |
| 13                              |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 14                              |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 15                              |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Endowment Income                | 663,197   | 23,219            | 14,800                     | 671,616          | 31,123            | 24,518                     | 678,221          |
| Grants and Contracts            |   |                   |                            |                  |                   |                            |                  |
| Federal                         | (1,379)   | 3,256,727         | 3,256,584                  | (1,237)          | 3,492,472         | 3,487,524                  | 3,711            |
| State and Local                 | 66,392  | 50,197            | 126,671                    | (10,082)         | 81,655            | 63,599                     | 7,974            |
| Private                         | 13,501  | 72,181            | 35,290                     | 50,392           | 6,409             | 43,301                     | 13,500           |
| Indirect Cost Recovered         | 14,369  | (507)             |                            | 13,862           | 0                 |                            | 13,862           |
| Gifts                           | 81,804  | 221,111           | 134,891                    | 168,024          | 266,729           | 314,466                    | 120,287          |
| Federal Funds                   |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Hospitals                       |   |                   |                            |                  |                   |                            |                  |
| Hospital - Commercial/Self-Pay  |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Physician Practice Plans        |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Medicare                        |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Medicaid                        |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Uncompensated Care Costs        |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Sponsored Grants and Contracts  |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Sales and Services Other        |   | 0                 |                            | 0                | 0                 |                            | 0                |
| All Other Sources               | 70,641  | (192,820)         |                            | (122,179)        | 12,679            |                            | (109,500)        |
| <b>TOTAL</b>                    | <b>4,569,362</b>  | <b>6,606,002</b>  | <b>5,127,616</b>           | <b>6,047,747</b> | <b>4,930,541</b>  | <b>6,572,034</b>           | <b>4,406,254</b> |

## Report on Restricted Operations

See unrestricted narrative for background information on restricted accounts in FY19.

The primary concern is Athletics. Over the past 5 years, the Athletics deficit has increased from \$300,000 to \$1.1M. The last 4 years have seen a ~\$300K overage each year. There were no restrictions or plans put in place to mitigate or curb this growing deficit. Most of the overage is due to successful teams. Winning teams travel more in post-season, subsequently spending more than budgeted. Athletic expenditures have been trimmed to a very minimal amount. The major expense comes from personnel costs. The solution is finding additional revenue. Going in to FY20, fundraising and private donations are top priority. Additionally, the institution's new Chancellor has committed to ensuring the deficit remains flat at the end of FY20 -- even if this means major changes/reductions in the Athletic department.

The Campus Housing deficit is timing from The Oaks transfers. This account is not in questionable status.

The Golf Course is still recovering from two years of having two greens/holes closed while construction was taking place on campus. Additionally, weather contributed to lower revenues, and a large dollar piece of equipment had to be replaced. Future projections show a recovery on the negative balance.

The Child Care Center is a different issue. Historically, the CCC was supported in part by a student assessed fee of \$7.50/student/semester. Student Government recently voted to reduce the fee across three years until it was removed by the end of FY21. This loss of revenue, coupled with a falling enrollment has placed the Child Care Center at risk of closure in the immediate future. University administration is considering options, with closure being at the top of the list. University priorities have changed since construction of the center, and institutional operating dollars can no longer be afforded. A decision will be made during the FY20 year.

All other restricted accounts ended the year as projected.



## Final Financial Report Narrative FY 2018-19

### Overview and Analysis of Campus Operations

LSU Eunice's unrestricted actual revenue for FY 2018-19 is \$15, 272,811 and represents a \$1.3M increase from the 2017-18 fiscal year due to an increase in FTE enrollment and student fees. LSUE serves a student population of over 3,232 (Fall 2018) and relies on self-generated revenue (67%) and state of Louisiana appropriations (33%) to operate. As compared to the 2017-18 fiscal year, LSUE realized a 3.08% increase in headcount and a 7.35% increase in semester credit hours. Total student headcount for AY 18-19 was 6,822 and is a 3.08% increase in total headcount of AY 17-18 (6618).

In FY 18-19 LSUE implemented programs that share resources with LSUA and LSU A&M. During the 2018-19 academic year, LSUE has completed the following projects through external grants, current funding and/or the sharing of LSU resources:

- In 17-18, LSUE partnered with LSU's IT division to hire a new director of information technology for LSUE with oversight from the LSU's Office of Information Technology. In 18-19, the director and staff made significant improvements in the campus WIFI infrastructure.
- Revised and expanded the LSUE Academy for high achieving students from four surrounding parishes with over 100 students to continue in the Fall of 2018. LSUE also continues its role with the U.S. Department of Education as an Experimental Site for federal Title IV funding for Louisiana high school students. LSUE is readying for a site visit in the Fall of 2019.
- Graduated the first class in Associate of Applied Science Degree in Diagnostic Medical Sonography in August 2019. (LA Rapid Response Grant)
- Graduated the first class of Associate of Applied Science Degree in Surgical Technology that began in May 2019. (LA Rapid Response Grant and funding from local hospitals)
- Completing the SACSCOC Fifth year report that will be sent in late August of 2019.
- Completed the construction of the new Soccer Complex to include two playing fields and lighting. The ribbon cutting is scheduled for August 28, 2019.
- Completed the renovation of the food services kitchen in the Acadian Center.
- Partnership with Opelousas General Hospital that opening a new Health Clinic on Campus that will serve students, faculty and the surrounding community. Ribbon cutting is set for September 5<sup>th</sup>, 2019.
- Launched the Associate of General Studies Degree with LSU Online.

### **Report on restricted operations:**

Auxiliary operations include athletics, bookstore, student media and union operations. Bookstore revenues are stable and provided a portion of funding to help offset the start-up costs of new academic programs and equipment. Restricted operations ended the year with a balance of \$1,061,905. While LSUE has increased its fees for student athletics and activities for the 18-19 academic year, it did not cover the total funding needed for the addition of three sports. LSUE's mission is to provide a quality education, student life experiences, and community service opportunities to educate the whole student. The student athlete program remains a vital part of the overall LSUE experience.

### **FY 2019-20 priorities:**

The immediate priority is to create a transparent budget for the campus that creates a common understanding of Eunice's assets and liabilities for the current academic year as well as to project for upcoming years.

The number one facilities priority that will have the greatest impact on increasing enrollment is the addition of student housing at the Eunice Campus. Almost 150 students were not able to be admitted due to the lack of housing. The second priority is to complete an accurate assessment of the Science Building in order to move forward with a request for the upcoming legislative session.

While LSUE improved its financial position through increases in enrollment and fees in the 18-19, enrollment for the Fall 2019 projects numbers that will be even or slightly down from Fall 2018.

The promise of additional self-generated revenue predicted for 18-19 was realized to some extent but not as projected in earlier reports and forecasts. Academic year 19-20 will be one of analysis and data gathering in order to implement a true enrollment management plan that provides for growth based on improved student success and meeting the needs of the local community. Both major hospital partners, Lafayette and Opelousas have expressed the need for a Medical Laboratory Technology program. LSUE will strive to increase course completions, program completions and graduate rates over the next academic year.

Other initiatives include increasing university-wide marketing and advertising, improving residential and student life, improving the diversity of LSUE employees to better reflect the student population, renovating critical facilities to improve the efficiency and the physical appearance of the campus and enhancing resources for campus safety and security. In addition, LSUE will continue to invest in its employees to provide a positive, friendly, and diverse working environment reflective of LSUE's mission and values.

**Appendix A**  
**Semi-Annual Revenues and Expenditures Executive Summary**

| <b>Unrestricted Operations</b>           |                           | Actual Amount for each semi-annual period in 2018-2019 |                   |                   |
|--|---------------------------|--|-------------------|-------------------|
|  | Adjusted Operating Budget | 1st & 2nd Quarter                                      | 3rd & 4th Quarter | Cumulative Total  |
| <b>Revenues</b>                          |                           |  |                   |                   |
| General Fund                             | 4,722,805                 | 2,754,969  | 1,967,836         | 4,722,805         |
| Statutory Dedications                    | 256,030                   | 93,085   | 149,298           | 242,384           |
| Interim Emergency Board                  | 0                         | 0  | 0                 | 0                 |
| Interagency Transfers                    | 0                         | 0  | 0                 | 0                 |
| Interagency Transfers - Federal Stimulus | 0                         | 0  | 0                 | 0                 |
| Self Generated Revenues                  | 10,328,383                | 9,783,559  | 524,063           | 10,307,622        |
| Federal Funds                            | 0                         | 0  | 0                 | 0                 |
| <b>Total Revenues</b>                    | <b>15,307,218</b>         | <b>12,631,614</b>                                      | <b>2,641,197</b>  | <b>15,272,811</b> |
| <b>Expenditures by Object:</b>           |                           |  |                   |                   |
| Salaries                                 |                           | 3,898,543  | 4,095,648         | 7,994,190         |
| Other Compensation                       |                           | 76,927   | 83,828            | 160,754           |
| Related Benefits                         |                           | 1,875,275  | 2,161,525         | 4,036,800         |
| Personal Services                        |                           | <b>5,850,744</b>                                       | <b>6,341,000</b>  | <b>12,191,745</b> |
| Travel                                   |                           | 39,054   | 51,011            | 90,065            |
| Operating Services                       |                           | 941,784  | 459,804           | 1,401,588         |
| Supplies                                 |                           | 406,841  | 191,372           | 598,213           |
| Operating Expenses                       |                           | <b>1,387,680</b>                                       | <b>702,187</b>    | <b>2,089,867</b>  |
| Professional Services                    |                           | 43,568   | 64,574            | 108,141           |
| Other Charges                            |                           | 648,074  | 182,931           | 831,005           |
| Debt Services                            |                           | 0  | 0                 | 0                 |
| Interagency Transfers                    |                           | 0  | 0                 | 0                 |
| Other Charges                            |                           | <b>691,642</b>   | <b>247,504</b>    | <b>939,146</b>    |
| General Acquisitions                     |                           | 24,360   | 27,694            | 52,053            |
| Library Acquisitions                     |                           | 0  | 0                 | 0                 |
| Major Repairs                            |                           | 0  | 0                 | 0                 |
| Acquisitions and Major Repairs           |                           | <b>24,360</b>  | <b>27,694</b>     | <b>52,053</b>     |
| <b>Total Expenditures</b>                |                           | <b>7,954,426</b>                                       | <b>7,318,385</b>  | <b>15,272,811</b> |
| <b>Expenditures by Function:</b>         |                           |  |                   |                   |
| Instruction                              |                           | 3,651,826  | 4,005,611         | 7,657,437         |
| Research                                 |                           | 0  | 0                 | 0                 |
| Public Service                           |                           | 0  | 0                 | 0                 |
| Academic Support (Includes Library)      |                           | 302,638  | 319,898           | 622,537           |
| Academic Expenditures                    |                           | <b>3,954,464</b>                                       | <b>4,325,509</b>  | <b>8,279,974</b>  |
| Student Services                         |                           | 618,430  | 703,861           | 1,322,291         |
| Institutional Support                    |                           | 1,483,074  | 1,127,703         | 2,610,777         |
| Scholarships/Fellowships                 |                           | 636,949  | 562,195           | 1,199,144         |
| Plant Operations/Maintenance             |                           | 1,261,509  | 599,117           | 1,860,625         |
| Hospital                                 |                           | 0  | 0                 | 0                 |
| Transfers out of agency                  |                           | 0  | 0                 | 0                 |
| Athletics                                |                           | 0  | 0                 | 0                 |
| Other                                    |                           | 0  | 0                 | 0                 |
| Non-Academic Expenditures                |                           | <b>3,999,961</b>                                       | <b>2,992,876</b>  | <b>6,992,837</b>  |
| <b>Total Expenditures</b>                |                           | <b>7,954,426</b>                                       | <b>7,318,385</b>  | <b>15,272,811</b> |

|  | <b>Beginning<br/>Acct/Fund<br/>Balance</b> | <b>1st &amp; 2nd Quarter<br/>Fund Balance</b> | <b>3rd &amp; 4th Quarter<br/>Fund Balance</b> |
|--|--|---|---|
| State Appropriations                         | 0  | 0   | 0   |
| Restricted Fees                              | 338,618                                    | 751,835                                       | 484,099                                       |
| Sales and Services of Educational Activities | 0  | (4,482)                                       | 0   |
| Auxiliaries                                  | 223,345                                    | 873,669                                       | 400,450                                       |
| Endowment Income                             | 109,550                                    | 109,235                                       | 110,611                                       |
| Grants and Contracts                         | 99,059                                     | 166,447                                       | 1,702   |
| Indirect Cost Recovered                      | 0  | 0   | 0   |
| Gifts  | (5,681)                                    | (27,970)                                      | 15,392  |
| Federal Funds                                | 0  | 0   | 0   |
| Hospitals                                    | 0  | 0   | 0   |
| All Other Sources                            | 28,088                                     | 34,988  | 49,650  |
| <b>TOTAL</b>                                 | <b>792,979</b>                             | <b>1,903,722</b>                              | <b>1,061,905</b>                              |

**Overview and Analysis of Campus Operations**

|  |
|--|
|  |
|--|



# Semi -Annual Overview of Restricted Operations

Campus: *LSU Eunice*

| Show Expenditures As Positive   | Actual Amount for each Semi-Annual Period in FY 2018-2019 |                   |                            |                  |                   |                            |                  |
|---------------------------------|---|-------------------|----------------------------|------------------|-------------------|----------------------------|------------------|
|                                 | Acct/Fund Balance   | 1st & 2nd Quarter |                            |                  | 3rd & 4th Quarter |                            |                  |
|                                 |   | Revenues          | Expenses, Transfers, & ICR | Fund Balance     | Revenues          | Expenses, Transfers, & ICR | Fund Balance     |
| <b>Revenues</b>                 |   |                   |                            |                  |                   |                            |                  |
| Restricted State Appropriations |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Restricted Fees                 | 338,618   | 848,160           | 434,944                    | 751,835          | (92,434)          | 175,302                    | 484,099          |
| Sales & Svcs of Educ. Activ's   |   | 430               | 4,912                      | (4,482)          | 14,165            | 9,683                      | 0                |
| Auxiliaries (List)              |   |                   |                            |                  |                   |                            | 0                |
| 1 Bookstore                     | 491,412   | 841,068           | 766,981                    | 565,498          | 664,106           | 898,059                    | 331,545          |
| 2 Union                         | 277,653   | 183,257           | 34,760                     | 426,150          | 55,757            | 148,198                    | 333,709          |
| 3 Athletics                     | (607,422)   | 903,483           | 480,265                    | (184,203)        | 58,654            | 542,526                    | (668,075)        |
| 4 Media                         | 61,702  | 7,833             | 3,312                      | 66,224           | 1,747             | 2,695                      | 65,276           |
| 5 Housing                       |   | 0                 |                            | 0                | 639,466           | 301,470                    | 337,996          |
| 6                               |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 7                               |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 8                               |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 9                               |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 10                              |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 11                              |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 12                              |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 13                              |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 14                              |   | 0                 |                            | 0                | 0                 |                            | 0                |
| 15                              |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Endowment Income                | 109,550   | 4,110             | 4,425                      | 109,235          | 23,305            | 21,929                     | 110,611          |
| Grants and Contracts            |   |                   |                            |                  |                   |                            |                  |
| Federal                         | (2,118)   | 3,063,528         | 3,061,328                  | 82               | 2,818,876         | 2,818,958                  | 0                |
| State and Local                 | 1,937   | 343,602           | 234,091                    | 111,447          | 50,423            | 161,864                    | 7                |
| Private                         | 99,240  | 1,000             | 45,322                     | 54,918           | 4,000             | 57,223                     | 1,696            |
| Indirect Cost Recovered         |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Gifts                           | (5,681)   | 134,690           | 156,979                    | (27,970)         | 454,233           | 410,871                    | 15,392           |
| Federal Funds                   |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Hospitals                       |   |                   |                            |                  |                   |                            |                  |
| Hospital - Commercial/Self-Pay  |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Physician Practice Plans        |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Medicare                        |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Medicaid                        |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Uncompensated Care Costs        |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Sponsored Grants and Contracts  |   | 0                 |                            | 0                | 0                 |                            | 0                |
| Sales and Services Other        |   | 0                 |                            | 0                | 0                 |                            | 0                |
| All Other Sources               | 28,088  | 6,900             |                            | 34,988           | 14,662            |                            | 49,650           |
| <b>TOTAL</b>                    | <b>792,979</b>  | <b>6,338,061</b>  | <b>5,227,318</b>           | <b>1,903,722</b> | <b>4,706,960</b>  | <b>5,548,777</b>           | <b>1,061,905</b> |

## Report on Restricted Operations



Office of Business Affairs  
318.797.5278 Phone  
318.798.4141 Fax

One University Place  
Shreveport, LA 71115-2399

August 8, 2019

Dr. F. King Alexander  
President  
Louisiana State University  
3810 West Lakeshore Drive  
Baton Rouge, La 70808

Subject: Fiscal Year 2018-19  
For Period Ended June 30, 2019

Dear Dr. Alexander:

We are pleased to share that LSUS continues to have record enrollment. Total enrollment for Spring '19 was slightly over 7,500. Once again, LSUS has generated a significant revenue increase over anticipated self-generated budget revenue. After a little over two years of working with Ruffalo Noel Levitz we are happy to say that our first time freshmen enrollment is trending upward and we are projecting an additional 100 students this Fall '19 over previous Fall '18. Small gains, but we are moving in the right direction.

LSUS continues to strategically utilize the additional one time monies due to the increased enrollment to accomplish upgrades across campus to address declining classrooms, technology, and student common areas. Professional development and research dollars for faculty and staff were identified for Spring '19 and presented through committee to well-deserving faculty and staff. Our Veterans Resource Center opened in January '19 and we have serviced over 350 Veterans in the short time it has been opened. We began construction on our Cyber Collaboratory in our Technology Building and expect construction to be complete by the end of August '19. We have renovated a large classroom to become our Design Thinking Center, patterned after Stanford University's model and will begin programming in the College of Arts & Sciences to utilize the space. Renovations continue in our Education Building to update and increase the size of our Psychology Lab and to provide additional office space for new faculty. Many other campus wide initiatives were undertaken to improve the overall efficiency and look of the campus. Although smaller initiatives, they were appreciated by faculty and staff alike.

In addition to utilizing the additional monies earned for projects, LSUS had to hire visiting faculty for Spring '18 to handle the significant growth of the MBA program. These hires were tactically thought about in relation to the growth of the program and the stability of that growth. Not only did LSUS intentionally hire as it relates to growth but, factors related to AACSB accreditation were considered. No pay raises were given during the entire academic year as administration did not want to lock in fixed costs. There is always uncertainty of future funding, as well as the need to be cautious over the continued growth of our on-line student population. The split of the College of Business, Education and Human Development into two colleges was achieved. The search for the new Dean of the College of Education and Human Development will soon come to a close so that we have someone in place for the upcoming academic year.

Negotiations to buy-out the remaining 14 years on the student housing were finally successful and this initiative will come before the Board of Supervisors this Fall '19. We continue to work with Patrick Martin, CSRS & B&D on planning for a successful transition from CLV to LSUS operating and handling the residence life.

Appreciation is extended to dedicated faculty and staff who made it possible to service the increased enrollment. In addition, we value the relationships that we continue to form with the various LSU campuses and the collaboration we have experienced.

Sincerely,

A handwritten signature in blue ink that reads "Barbie Cannon".

Barbie Cannon  
Vice Chancellor for Business Affairs

| Unrestricted Operations                  |                           | Actual Amount for each semi-annual period in 2018-2019 |                   |                   |
|--|---------------------------|--|-------------------|-------------------|
|  | Adjusted Operating Budget | 1st & 2nd Quarter                                      | 3rd & 4th Quarter | Cumulative Total  |
| <b>Revenues</b>                          |                           |  |                   |                   |
| General Fund                             | 8,060,119                 | 4,701,737  | 3,358,382         | 8,060,119         |
| Statutory Dedications                    | 647,443                   | 235,392  | 377,543           | 612,934           |
| Interim Emergency Board                  | 0                         | 0  | 0                 | 0                 |
| Interagency Transfers                    | 0                         | 0  | 0                 | 0                 |
| Interagency Transfers - Federal Stimulus | 0                         | 0  | 0                 | 0                 |
| Self Generated Revenues                  | 37,994,397                | 29,189,162   | 10,607,955        | 39,797,117        |
| Federal Funds                            | 0                         | 0  | 0                 | 0                 |
| <b>Total Revenues</b>                    | <b>46,701,959</b>         | <b>34,126,291</b>                                      | <b>14,343,879</b> | <b>48,470,170</b> |
| <b>Expenditures by Object:</b>           |                           |  |                   |                   |
| Salaries                                 |                           | 8,552,068  | 8,844,575         | 17,396,643        |
| Other Compensation                       |                           | 221,695  | 321,094           | 542,789           |
| Related Benefits                         |                           | 4,145,183  | 4,995,966         | 9,141,150         |
| Personal Services                        |                           | <b>12,918,946</b>                                      | <b>14,161,635</b> | <b>27,080,582</b> |
| Travel                                   |                           | 75,488   | 171,221           | 246,709           |
| Operating Services                       |                           | 1,995,357  | 2,080,833         | 4,076,190         |
| Supplies                                 |                           | 486,838  | 663,662           | 1,150,500         |
| Operating Expenses                       |                           | <b>2,557,683</b>                                       | <b>2,915,716</b>  | <b>5,473,399</b>  |
| Professional Services                    |                           | 3,649,962  | 9,509,825         | 13,159,787        |
| Other Charges                            |                           | 83,302   | 2,192,899         | 2,276,201         |
| Debt Services                            |                           | 0  | 0                 | 0                 |
| Interagency Transfers                    |                           | 0  | 0                 | 0                 |
| Other Charges                            |                           | <b>3,733,264</b>                                       | <b>11,702,724</b> | <b>15,435,988</b> |
| General Acquisitions                     |                           | 196,462  | 283,740           | 480,202           |
| Library Acquisitions                     |                           | 0  | 0                 | 0                 |
| Major Repairs                            |                           | 0  | 0                 | 0                 |
| Acquisitions and Major Repairs           |                           | <b>196,462</b>   | <b>283,740</b>    | <b>480,202</b>    |
| <b>Total Expenditures</b>                |                           | <b>19,406,356</b>                                      | <b>29,063,815</b> | <b>48,470,170</b> |
| <b>Expenditures by Function:</b>         |                           |  |                   |                   |
| Instruction                              |                           | 8,956,451  | 12,017,935        | 20,974,385        |
| Research                                 |                           | 3,250  | 76,232            | 79,482            |
| Public Service                           |                           | 0  | 0                 | 0                 |
| Academic Support (Includes Library)      |                           | 1,304,183  | 1,323,688         | 2,627,871         |
| Academic Expenditures                    |                           | <b>10,263,883</b>                                      | <b>13,417,855</b> | <b>23,681,738</b> |
| Student Services                         |                           | 1,013,325  | 925,389           | 1,938,713         |
| Institutional Support                    |                           | 6,428,438  | 11,295,723        | 17,724,161        |
| Scholarships/Fellowships                 |                           | 10,654   | 1,464,176         | 1,474,830         |
| Plant Operations/Maintenance             |                           | 1,690,055  | 1,960,672         | 3,650,727         |
| Hospital                                 |                           | 0  | 0                 | 0                 |
| Transfers out of agency                  |                           |  | 0                 | 0                 |
| Athletics                                |                           | 0  | 0                 | 0                 |
| Other                                    |                           |  | 0                 | 0                 |
| Non-Academic Expenditures                |                           | <b>9,142,472</b>                                       | <b>15,645,960</b> | <b>24,788,432</b> |
| <b>Total Expenditures</b>                |                           | <b>19,406,356</b>                                      | <b>29,063,815</b> | <b>48,470,170</b> |

|  | <b>Beginning<br/>Acct/Fund<br/>Balance</b> | <b>1st &amp; 2nd Quarter<br/>Fund Balance</b> | <b>3rd &amp; 4th Quarter<br/>Fund Balance</b> |
|--|--|---|---|
| State Appropriations                         | 0  | 0   | 0   |
| Restricted Fees                              | 8,433,586                                  | 9,612,247                                     | 10,677,162                                    |
| Sales and Services of Educational Activities | 106,107                                    | 84,429  | 100,722                                       |
| Auxiliaries                                  | 147,398                                    | 742,609                                       | 57,291  |
| Endowment Income                             | 0  | 0   | 0   |
| Grants and Contracts                         | (211,298)                                  | 1,859,619                                     | (279,042)                                     |
| Indirect Cost Recovered                      | 385,359                                    | 599,580                                       | 704,150                                       |
| Gifts  | 660,637                                    | 563,181                                       | 678,405                                       |
| Federal Funds                                | 0  | 0   | 0   |
| Hospitals                                    | 0  | 0   | 0   |
| All Other Sources                            | 865,023                                    | 481,024                                       | 620,054                                       |
| <b>TOTAL</b>                                 | <b>10,386,812</b>                          | <b>13,942,689</b>                             | <b>12,558,742</b>                             |

**Overview and Analysis of Campus Operations**

|  |
|--|
|  |
|--|

**Semi -Annual Overview of Restricted Operations**

Campus: *Louisiana State University - Shreveport*

| Show Expenditures As Positive      | Actual Amount for each Semi-Annual Period in FY 2018-2019 |                   |                            |                   |                   |                            |                   |
|------------------------------------|---|-------------------|----------------------------|-------------------|-------------------|----------------------------|-------------------|
|                                    | Acct/Fund Balance   | 1st & 2nd Quarter |                            |                   | 3rd & 4th Quarter |                            |                   |
|                                    |   | Revenues          | Expenses, Transfers, & ICR | Fund Balance      | Revenues          | Expenses, Transfers, & ICR | Fund Balance      |
| <b>Revenues</b>                    |   |                   |                            |                   |                   |                            |                   |
| Restricted State Appropriations    |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Restricted Fees                    | 8,433,586   | 11,150,302        | 9,971,641                  | 9,612,247         | 2,692,902         | 1,627,987                  | 10,677,162        |
| Sales & Svcs of Educ. Activ's      | 106,107   | 5,775             | 27,453                     | 84,429            | 17,783            | 1,490                      | 100,722           |
| Auxiliaries (List)                 |   |                   |                            |                   |                   |                            | 0                 |
| 1 - University Center              | (4,941)   | 295,010           | 334,403                    | (44,334)          | 107,798           | 153,905                    | (90,441)          |
| 2 - Food service                   | (58,546)  | 99,766            | 119,805                    | (78,585)          | 124,106           | 132,852                    | (87,331)          |
| 3 - Bookstore                      | (352,402)   | 224,097           | 253,286                    | (381,591)         | 4,779             | (13,931)                   | (362,881)         |
| 4 - University Court Apts - Leases | 9,541   | 0                 |                            | 9,541             | 1,000             | 0                          | 10,541            |
| 5 - Athletics                      | 553,747   | 2,443,334         | 1,759,504                  | 1,237,578         | 424,119           | 1,074,294                  | 587,403           |
| 6                                  |   | 0                 |                            | 0                 | 0                 | 0                          | 0                 |
| 7                                  |   | 0                 |                            | 0                 | 0                 | 0                          | 0                 |
| 8                                  |   | 0                 |                            | 0                 | 0                 | 0                          | 0                 |
| 9                                  |   | 0                 |                            | 0                 | 0                 | 0                          | 0                 |
| 10                                 |   | 0                 |                            | 0                 | 0                 | 0                          | 0                 |
| 11                                 |   | 0                 |                            | 0                 | 0                 | 0                          | 0                 |
| 12                                 |   | 0                 |                            | 0                 | 0                 | 0                          | 0                 |
| 13                                 |   | 0                 |                            | 0                 | 0                 | 0                          | 0                 |
| 14                                 |   | 0                 |                            | 0                 | 0                 | 0                          | 0                 |
| 15                                 |   | 0                 |                            | 0                 | 0                 | 0                          | 0                 |
| Endowment Income                   |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Grants and Contracts               |   |                   |                            |                   |                   |                            |                   |
| Federal                            | (271,621)   | 2,568,566         | 1,113,309                  | 1,183,635         | 3,375,613         | 4,948,656                  | (389,408)         |
| State and Local                    | (15,671)  | 1,269,253         | 682,545                    | 571,037           | (275,379)         | 291,457                    | 4,201             |
| Private                            | 75,995  | 48,313            | 19,361                     | 104,947           | 7,109             | 5,891                      | 106,165           |
| Indirect Cost Recovered            | 385,359   | 222,266           | 8,045                      | 599,580           | 150,202           | 45,632                     | 704,150           |
| Gifts                              | 660,637   | 297,368           | 394,824                    | 563,181           | 1,013,304         | 898,080                    | 678,405           |
| Federal Funds                      |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Hospitals                          |   |                   |                            |                   |                   |                            |                   |
| Hospital - Commercial/Self-Pay     |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Physician Practice Plans           |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Medicare                           |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Medicaid                           |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Uncompensated Care Costs           |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Sponsored Grants and Contracts     |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Sales and Services Other           |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| All Other Sources                  | 865,023   | 272,021           | 656,020                    | 481,024           | 506,249           | 367,219                    | 620,054           |
| <b>TOTAL</b>                       | <b>10,386,812</b>   | <b>18,896,073</b> | <b>15,340,196</b>          | <b>13,942,689</b> | <b>8,149,585</b>  | <b>9,533,532</b>           | <b>12,558,742</b> |

**Report on Restricted Operations**

|  |
|--|
|  |
|--|



**Executive Summary**  
**FY 2018-19 Semi-Annual Report on the Budget**  
**July 1, 2018 – June 30, 2019**

The Fiscal Year 2018-2019 appropriation for LSU Health Sciences Center in New Orleans is \$144,405,560, which includes a mid-year revision of \$3,445,202. The revision included \$2,187,129 in general funds, \$118,073 in statutory dedications and \$1,140,000 in self-generated revenue.

**Threats**

- Continued increase in employer contributions to health insurance and unfunded actuarial liability portion of retirement costs.
- Inconsistent level of state support for higher education and hospital partnerships.
- Inability to significantly increase revenue from tuition.

**Mechanisms for Coping with Threats**

- Revenue Generation
  - LSUHSC-NO continues to seek new and/or expanded sources of funding by enhancing relationships with private and not-for-profit health care entities.
  - LSUHSC-NO continues to leverage investments we are making in cardiovascular and genomic research.
- Cost Containment
  - Salary increases, with faculty promotions in rank being the notable exception, were not generally granted for an extended period before this fiscal year.
  - LSUHSC at New Orleans tries to limit new hires to critical needs mainly in the areas of direct patient care and sponsored research, where external funding from grants and contracts are available.
  - Management is evaluating and controlling expenditures for travel, professional services, and acquisitions as much as possible.

**Unrestricted Operations**

- Revenues
  - General Fund Appropriations have been drawn down completely.
  - Statutory Dedication Revenue are derived from the SELF fund for past faculty pay plans. 95% of these funds were collected.

- Self-Generated Revenue: There are three major components to this means of financing: student tuition and fees; sales and services of educational departments (primarily the Dental Student and Resident Clinics); and other sources.
- Expenditures
  - Spending was within the parameters of our overall budget.
  - Personal Services, which includes salaries, other compensation and related benefits, increased 1% since 2018 mostly due to the increase in other compensation.
  - Operating Expenses, which includes travel, operating services and supplies, increased 1% with most of the change within travel and supplies.
  - Other Charges, consisting of professional services, other charges, debt services and interagency transfers, increased by 5% with a significant increase in professional services while debt services were reduced.
  - Acquisitions and Major Repairs decreased by 4% with the majority of the decrease in major repairs.

### **Restricted Operations**

- The Account/Fund Balance was adjusted to reflect reclassification of revenue groups as follows:
  - From Physician Practice Plan to Sales & Service of Education - \$695,919
  - From Physician Practice Plan to Indirect Cost Recovered - \$479,693
  - From Physician Practice Plan to All Other Sources - \$354,445
  - Physician Practice Plan fund change - \$15,564
  - Dental School flood expenses were excluded as it is FEMA flow-through funds. This was not previously excluded, therefore, changes the total Account/Fund Balance from \$185,228,240 to \$185,382,023...a difference of \$153,783.
- The report excludes projects we maintain on behalf of the Health Care Services Division (HCSD) and FEMA/ORM related activity for project worksheets and contents replacement.
- Private grants and contract revenue increased by 5% which validates our emphasis on increasing contracts for graduate medical education and clinical care.
- Federal grants and contract revenue is up 17% along with state grants and contract revenue up 16%.
- Overall grant and contract fund balance between federal, state, local and private grants and contracts decreased 5% from \$123 million at the end of FY2018 to \$117 million at the end of FY2019.
- Auxiliaries operations have maintained a positive fund balance overall. We continue to examine corrective actions to limit losses in the cafeteria and bookstore in the future. Corrective actions to limit losses include implementing a consistent approach to control operating performance, some cost cutting measures such as reducing inventory costs along with anticipated increases in revenues as a result of selective price increases.

| Unrestricted Operations                  |                           | Actual Amount for each semi-annual period in 2018-2019 |                   |                    |
|--|---------------------------|--|-------------------|--------------------|
|  | Adjusted Operating Budget | 1st & 2nd Quarter                                      | 3rd & 4th Quarter | Cumulative Total   |
| <b>Revenues</b>                          |                           |  |                   |                    |
| General Fund                             | 78,035,113                | 37,923,991   | 40,111,122        | 78,035,113         |
| Statutory Dedications                    | 4,234,423                 | 1,539,513  | 2,469,213         | 4,008,726          |
| Interim Emergency Board                  | 0                         | 0  | 0                 | 0                  |
| Interagency Transfers                    | 0                         | 0  | 0                 | 0                  |
| Interagency Transfers - Federal Stimulus | 0                         | 0  | 0                 | 0                  |
| Self Generated Revenues                  | 62,136,024                | 59,008,159   | 2,640,215         | 61,648,374         |
| Federal Funds                            | 0                         | 0  | 0                 | 0                  |
| <b>Total Revenues</b>                    | <b>144,405,560</b>        | <b>98,471,663</b>                                      | <b>45,220,550</b> | <b>143,692,213</b> |
| <b>Expenditures by Object:</b>           |                           |  |                   |                    |
| Salaries                                 |                           | 33,759,290   | 32,226,715        | 65,986,005         |
| Other Compensation                       |                           | 776,572  | 742,514           | 1,519,085          |
| Related Benefits                         |                           | 14,120,753   | 10,661,944        | 24,782,697         |
| Personal Services                        |                           | <b>48,656,614</b>                                      | <b>43,631,173</b> | <b>92,287,787</b>  |
| Travel                                   |                           | 104,139  | 312,483           | 416,622            |
| Operating Services                       |                           | 9,629,939  | 13,585,632        | 23,215,572         |
| Supplies                                 |                           | 3,075,147  | 4,415,713         | 7,490,859          |
| Operating Expenses                       |                           | <b>12,809,225</b>                                      | <b>18,313,829</b> | <b>31,123,054</b>  |
| Professional Services                    |                           | 628,376  | 1,362,450         | 1,990,826          |
| Other Charges                            |                           | 3,135,426  | 2,541,296         | 5,676,722          |
| Debt Services                            |                           | 55,230   | 208,950           | 264,179            |
| Interagency Transfers                    |                           | 8,418,887  | 65,541            | 8,484,428          |
| Other Charges                            |                           | <b>12,237,919</b>                                      | <b>4,178,236</b>  | <b>16,416,155</b>  |
| General Acquisitions                     |                           | 200,919  | 2,824,633         | 3,025,552          |
| Library Acquisitions                     |                           | 3,158  | 5,882             | 9,040              |
| Major Repairs                            |                           | 234,554  | 596,071           | 830,625            |
| Acquisitions and Major Repairs           |                           | <b>438,630</b>   | <b>3,426,587</b>  | <b>3,865,217</b>   |
| <b>Total Expenditures</b>                |                           | <b>74,142,388</b>                                      | <b>69,549,825</b> | <b>143,692,213</b> |
| <b>Expenditures by Function:</b>         |                           |  |                   |                    |
| Instruction                              |                           | 30,111,719   | 28,809,538        | 58,921,257         |
| Research                                 |                           | 1,931,174  | 4,284,456         | 6,215,630          |
| Public Service                           |                           | 307,697  | 534,936           | 842,633            |
| Academic Support (Includes Library)      |                           | 8,453,129  | 9,124,874         | 17,578,003         |
| Academic Expenditures                    |                           | <b>40,803,719</b>                                      | <b>42,753,804</b> | <b>83,557,523</b>  |
| Student Services                         |                           | 1,917,738  | 2,007,163         | 3,924,901          |
| Institutional Support                    |                           | 15,092,673   | 5,968,473         | 21,061,146         |
| Scholarships/Fellowships                 |                           | 2,135,521  | 2,015,147         | 4,150,668          |
| Plant Operations/Maintenance             |                           | 14,262,048   | 16,596,288        | 30,858,336         |
| Hospital                                 |                           | 0  | 0                 | 0                  |
| Transfers out of agency                  |                           | (69,309)   | 208,950           | 139,640            |
| Athletics                                |                           | 0  | 0                 | 0                  |
| Other                                    |                           | 0  | 0                 | 0                  |
| Non-Academic Expenditures                |                           | <b>33,338,670</b>                                      | <b>26,796,020</b> | <b>60,134,690</b>  |
| <b>Total Expenditures</b>                |                           | <b>74,142,388</b>                                      | <b>69,549,825</b> | <b>143,692,213</b> |



|  | <b>Beginning<br/>Acct/Fund<br/>Balance</b> | <b>1st &amp; 2nd Quarter<br/>Fund Balance</b> | <b>3rd &amp; 4th Quarter<br/>Fund Balance</b> |
|--|--|---|---|
| State Appropriations                         | 0  | 0   | 0   |
| Restricted Fees                              | 3,571,225                                  | 4,544,489                                     | 4,037,843                                     |
| Sales and Services of Educational Activities | (12,447,969)                               | (15,479,291)                                  | (13,485,162)                                  |
| Auxiliaries                                  | 4,223,204                                  | 5,265,434                                     | 4,510,029                                     |
| Endowment Income                             | 1,107,715                                  | 581,689                                       | 1,172,068                                     |
| Grants and Contracts                         | 123,306,308                                | 88,708,934                                    | 117,427,732                                   |
| Indirect Cost Recovered                      | 35,428,598                                 | 31,903,766                                    | 51,590,228                                    |
| Gifts  | 258,523                                    | 194,239                                       | 301,305                                       |
| Federal Funds                                | 0  | 0   | 0   |
| Hospitals                                    | 26,164,079                                 | 28,110,526                                    | 34,263,321                                    |
| All Other Sources                            | 3,770,340                                  | 3,600,421                                     | 6,449,026                                     |
| <b>TOTAL</b>                                 | <b>185,382,023</b>                         | <b>147,430,207</b>                            | <b>206,266,390</b>                            |

**Overview and Analysis of Campus Operations**

Budget was revised mid-year adding \$3,445,202 total revenues. The General Fund increased by \$2,187,129, statutory dedications increased by \$118,073, and self-generated revenue increased by \$1,140,000.

# Semi -Annual Overview of Restricted Operations

Campus: **LSU Health Sciences Center - New Orleans**

| Show Expenditures As Positive   | Actual Amount for each Semi-Annual Period in FY 2018-2019 |                    |                            |                    |                    |                            |                    |
|---------------------------------|---|--------------------|----------------------------|--------------------|--------------------|----------------------------|--------------------|
|                                 | Acct/Fund Balance   | 1st & 2nd Quarter  |                            |                    | 3rd & 4th Quarter  |                            |                    |
|                                 |   | Revenues           | Expenses, Transfers, & ICR | Fund Balance       | Revenues           | Expenses, Transfers, & ICR | Fund Balance       |
| <b>Revenues</b>                 |   |                    |                            |                    |                    |                            |                    |
| Restricted State Appropriations | 0   | 0                  |                            | 0                  |                    |                            | 0                  |
| Restricted Fees                 | 3,571,225   | 1,771,601          | 798,337                    | 4,544,489          | 84,421             | 591,067                    | 4,037,843          |
| Sales & Svcs of Educ. Activ's   | (12,447,969)  | 766,476            | 3,797,798                  | (15,479,291)       | 4,311,733          | 2,317,604                  | (13,485,162)       |
| Auxiliaries (List)              | 0   |                    |                            |                    |                    |                            | 0                  |
| 1 Bookstore                     | (1,328,613)   | 3,347,908          | 2,918,535                  | (899,240)          | 2,398,946          | 2,535,222                  | (1,035,516)        |
| 2 Cafeteria                     | (1,447,283)   | 583,608            | 783,393                    | (1,647,068)        | 452,014            | 912,229                    | (2,107,283)        |
| 3 Student Housing               | 1,878,174   | 1,802,585          | 1,510,345                  | 2,170,414          | 451,801            | 333,981                    | 2,288,234          |
| 4 Parking                       | 4,539,771   | 866,078            | 665,292                    | 4,740,557          | 871,718            | 590,713                    | 5,021,562          |
| 5 HSC Stores                    | 581,155   | 1,040,921          | 721,305                    | 900,771            | 1,663,872          | 2,221,611                  | 343,032            |
| 6                               | 0   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| 7                               | 0   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| 8                               | 0   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| 9                               | 0   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| 10                              | 0   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| 11                              | 0   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| 12                              | 0   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| 13                              | 0   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| 14                              | 0   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| 15                              | 0   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| Endowment Income                | 1,107,715   | 371,446            | 897,473                    | 581,689            | 1,832,667          | 1,242,287                  | 1,172,068          |
| Grants and Contracts            |   |                    |                            |                    |                    |                            |                    |
| Federal                         | (44,075)  | 15,639,347         | 18,797,135                 | (3,201,863)        | 27,471,734         | 24,125,555                 | 144,316            |
| State and Local                 | 11,130,493  | 3,833,317          | 6,060,683                  | 8,903,127          | 9,574,179          | 7,181,478                  | 11,295,828         |
| Private                         | 112,219,891   | 107,559,434        | 136,771,655                | 83,007,670         | 257,631,549        | 234,651,630                | 105,987,589        |
| Indirect Cost Recovered         | 35,428,598  | 8,604,994          | 12,129,825                 | 31,903,766         | 31,068,039         | 11,381,578                 | 51,590,228         |
| Gifts                           | 258,523   | 855,231            | 919,515                    | 194,239            | 951,741            | 844,675                    | 301,305            |
| Federal Funds                   | 0   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| Hospitals                       |   |                    |                            |                    |                    |                            |                    |
| Hospital - Commercial/Self-Pay  | 0   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| Physician Practice Plans        | 26,164,079  | 3,952,959          | 2,006,513                  | 28,110,526         | 8,404,302          | 2,251,506                  | 34,263,321         |
| Medicare                        | 0   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| Medicaid                        | 0   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| Uncompensated Care Costs        | 0   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| Sponsored Grants and Contracts  | 0   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| Sales and Services Other        | 0   | 0                  |                            | 0                  | 0                  |                            | 0                  |
| All Other Sources               | 3,770,340   | 249,059            | 418,979                    | 3,600,421          | 3,479,720          | 631,114                    | 6,449,026          |
| <b>TOTAL</b>                    | <b>185,382,023</b>  | <b>151,244,966</b> | <b>189,196,782</b>         | <b>147,430,207</b> | <b>350,648,435</b> | <b>291,812,251</b>         | <b>206,266,390</b> |

## Report on Restricted Operations

The Account/Fund Balance for the following items were adjusted from FY2019 Q2 report:

From Physician Practice Plan to Sales & Service of Education - \$695,919

From Physician Practice Plan to Indirect Cost Recovered - \$479,693

From Physician Practice Plan to All Other Sources - \$354,445

Physician Practice Plan total change - \$15,563.70

Additionally, Dental School Flood Expenses were excluded as it's FEMA flow-through funds. This was not previously excluded, therefore, changes the total Account/Fund Balance from \$185,228,240 to \$185,382,023...a difference of \$153,783.

**LSU Health Sciences Center - Shreveport  
Bi-Annual Financial Reporting Narrative  
FY 2018-2019 as of June 30, 2019**

**Appropriation: Unrestricted Revenues and Expenditures**

Operating Budget revenue includes state general funds direct, statutory dedications (tobacco tax and self-fund), and self-generated (tuition and fees) funding. The Operating Budget expenditures include costs associated with the operation of three schools (Medicine, Allied Health, and Graduate Studies), as well as legacy costs associated with the transition of three hospitals from state management to public-private partnerships.

The original academic FY 2018-2019 operating budget appropriation of \$86,821,366 increased by \$993,690 to \$87,815,056 under BA-7 #1. The revised spending authority is as follows:

|                            |                     |
|----------------------------|---------------------|
| State General Funds Direct | 59,119,603          |
| Statutory Dedications      | 7,286,374           |
| University Tuition & Fees  | 21,409,079          |
| <b>TOTAL</b>               | <b>\$87,815,056</b> |

The State General Funds Direct appropriation of \$59 million includes \$18 million dedicated to support the hospitals' (SHV Hospital, EACMC, and HPLMC) legacy costs containing risk management premiums, retiree health and life premiums, and residual HPLMC property maintenance. In addition, the actual appropriation received was \$287,047 less than the revised budget of \$87,815,056. This shortfall included statutory dedication self-fund of \$146,779 and self-generated funds of \$140,268.

## **Public-Private Hospital Partnerships**

The LSU Shreveport Hospital and E.A. Conway Medical Center originally transferred from state to private management effective October 1, 2013. Huey P. Long Medical Center in Pineville discontinued patient care services on June 30, 2014.

Effective October 1, 2018, the management of the LSU Shreveport Hospital and E.A. Conway Medical Center changed from BRFHH to the Ochsner LSU Health System of North Louisiana (OLHS-NL).

In accordance with R.S. 39:366.11, the Board of Supervisors and Joint Legislative Committee on Budget approved the Cooperative Endeavor Agreement (CEA) by and among the State of Louisiana (State), acting by and through the Louisiana Division of Administration (DOA), Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (LSU), and Ochsner LSU Health System of North Louisiana (OLHS-NL), a private Louisiana nonprofit corporation. The CEA and service agreements cover the hospital and clinic facilities in Shreveport and Monroe. The Joint Venture CEA, effective October 1, 2018, for an initial term of ten (10) years, replaces the BRFHH Public-Private Partnership CEA. Also effective October 1, 2018, Ochsner LSU Health System of North Louisiana (OLHS-NL) is the sole member of "Ochsner LSU Physician Group" or "OLPG" which means LSU Health Sciences Center-Shreveport Faculty Group Practice d/b/a Ochsner LSU Physician Group, a Louisiana nonprofit corporation, which operates the clinical practices of HSC-S Physicians and HSC-S Practitioners. OLPG is a nonprofit corporation that, prior to the Commencement Date, operated as the practice plan of the Medical School faculty under a Memorandum of Understanding through which the FGP contracted with HSC-S for clinical and other services of HSC-S Physicians and HSC-S Practitioners.

**Appendix A**  
**Semi-Annual Revenues and Expenditures Executive Summary**

| <b>Unrestricted Operations</b>           |                           | Actual Amount for each semi-annual period in 2018-2019 |                   |                   |
|--|---------------------------|--|-------------------|-------------------|
|  | Adjusted Operating Budget | 1st & 2nd Quarter                                      | 3rd & 4th Quarter | Cumulative Total  |
| <b>Revenues</b>                          |                           |  |                   |                   |
| General Fund                             | 59,119,603                | 29,101,350   | 30,018,253        | 59,119,603        |
| Statutory Dedications                    | 7,286,374                 | 2,690,359  | 4,449,236         | 7,139,595         |
| Interim Emergency Board                  | 0                         | 0  | 0                 | 0                 |
| Interagency Transfers                    | 0                         | 0  | 0                 | 0                 |
| Interagency Transfers - Federal Stimulus | 0                         | 0  | 0                 | 0                 |
| Self Generated Revenues                  | 21,409,079                | 20,518,134   | 750,677           | 21,268,811        |
| Federal Funds                            | 0                         | 0  | 0                 | 0                 |
| <b>Total Revenues</b>                    | <b>87,815,056</b>         | <b>52,309,843</b>                                      | <b>35,218,166</b> | <b>87,528,009</b> |
| <b>Expenditures by Object:</b>           |                           |  |                   |                   |
| Salaries                                 |                           | 11,862,704   | 17,250,531        | 29,113,235        |
| Other Compensation                       |                           | 5,480,673  | (4,327,926)       | 1,152,747         |
| Related Benefits                         |                           | 11,461,760   | 12,446,840        | 23,908,600        |
| Personal Services                        |                           | <b>28,805,137</b>                                      | <b>25,369,445</b> | <b>54,174,582</b> |
| Travel                                   |                           | 52,013   | 92,291            | 144,304           |
| Operating Services                       |                           | 10,119,910   | 8,878,774         | 18,998,684        |
| Supplies                                 |                           | 273,271  | 653,382           | 926,653           |
| Operating Expenses                       |                           | <b>10,445,194</b>                                      | <b>9,624,447</b>  | <b>20,069,641</b> |
| Professional Services                    |                           | 1,014,505  | 1,720,251         | 2,734,756         |
| Other Charges                            |                           | 1,629,367  | 1,560,464         | 3,189,831         |
| Debt Services                            |                           | 0  | 0                 | 0                 |
| Interagency Transfers                    |                           | 3,059,969  | 2,822,468         | 5,882,437         |
| Other Charges                            |                           | <b>5,703,841</b>                                       | <b>6,103,183</b>  | <b>11,807,024</b> |
| General Acquisitions                     |                           | 94,766   | 1,381,844         | 1,476,610         |
| Library Acquisitions                     |                           | 0  | 152               | 152               |
| Major Repairs                            |                           | 0  | 0                 | 0                 |
| Acquisitions and Major Repairs           |                           | <b>94,766</b>  | <b>1,381,996</b>  | <b>1,476,762</b>  |
| <b>Total Expenditures</b>                |                           | <b>45,048,938</b>                                      | <b>42,479,071</b> | <b>87,528,009</b> |
| <b>Expenditures by Function:</b>         |                           |  |                   |                   |
| Instruction                              |                           | 12,809,819   | 3,019,723         | 15,829,542        |
| Research                                 |                           | 9,045,082  | 11,218,770        | 20,263,852        |
| Public Service                           |                           | 552,816  | 632,237           | 1,185,053         |
| Academic Support (Includes Library)      |                           | 3,312,762  | 4,343,065         | 7,655,827         |
| Academic Expenditures                    |                           | <b>25,720,479</b>                                      | <b>19,213,795</b> | <b>44,934,274</b> |
| Student Services                         |                           | 606,733  | 977,601           | 1,584,334         |
| Institutional Support                    |                           | 11,727,100   | 16,706,338        | 28,433,438        |
| Scholarships/Fellowships                 |                           | 1,306,630  | 1,206,769         | 2,513,399         |
| Plant Operations/Maintenance             |                           | 3,440,927  | 1,356,578         | 4,797,505         |
| Hospital                                 |                           | 2,247,319  | 3,015,490         | 5,262,809         |
| Transfers out of agency                  |                           | 0  | 0                 | 0                 |
| Athletics                                |                           | 0  | 0                 | 0                 |
| Other                                    |                           | (250)  | 2,500             | 2,250             |
| Non-Academic Expenditures                |                           | <b>19,328,459</b>                                      | <b>23,265,276</b> | <b>42,593,735</b> |
| <b>Total Expenditures</b>                |                           | <b>45,048,938</b>                                      | <b>42,479,071</b> | <b>87,528,009</b> |

|  | <b>Beginning<br/>Acct/Fund<br/>Balance</b> | <b>1st &amp; 2nd Quarter<br/>Fund Balance</b> | <b>3rd &amp; 4th Quarter<br/>Fund Balance</b> |
|--|--|---|---|
| State Appropriations                         | 0  | 0   | 0   |
| Restricted Fees                              | 1,238,218                                  | 1,304,304                                     | 1,165,741                                     |
| Sales and Services of Educational Activities | 16,421,439                                 | (18,512,299)                                  | 24,190,894                                    |
| Auxiliaries                                  | 13,201,733                                 | 13,607,030                                    | 13,711,663                                    |
| Endowment Income                             | 12,534,537                                 | 12,817,826                                    | 12,475,652                                    |
| Grants and Contracts                         | 78,338,719                                 | 85,212,855                                    | 95,681,855                                    |
| Indirect Cost Recovered                      | (1,370,261)                                | (2,723,288)                                   | (2,824,341)                                   |
| Gifts  | (12,025)                                   | (12,025)                                      | (12,025)                                      |
| Federal Funds                                | 0  | 0   | 0   |
| Hospitals                                    | (37,694,229)                               | (38,151,080)                                  | (37,628,778)                                  |
| All Other Sources                            | 980,069                                    | 993,074                                       | 1,068,663                                     |
| <b>TOTAL</b>                                 | <b>83,638,200</b>                          | <b>54,536,397</b>                             | <b>107,829,324</b>                            |

**Overview and Analysis of Campus Operations**

In accordance with R.S. 39:366.11, the Board of Supervisors and Joint Legislative Committee on Budget approved the Cooperative Endeavor Agreement (CEA) by and among the State of Louisiana (State), acting by and through the Louisiana Division of Administration (DOA), Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (LSU), and Ochsner LSU Health System of North Louisiana (OLHS-NL), a private Louisiana nonprofit corporation. The CEA and service agreements cover the hospital and clinic facilities in Shreveport and Monroe. The Joint Venture CEA, effective October 1, 2018, for an initial term of ten (10) years, replaces the BRFH Public-Private Partnership CEA. Also effective October 1, 2018, Ochsner LSU Health System of North Louisiana (OLHS-NL) is the sole member of "Ochsner LSU Physician Group" or "OLPG" which means LSU Health Sciences Center-Shreveport Faculty Group Practice d/b/a Ochsner LSU Physician Group, a Louisiana nonprofit corporation operates the clinical practices of HSC-S Physicians and HSC-S Practitioners. OLPG is a nonprofit corporation that, prior to the Commencement Date, operated as the practice plan of the Medical School faculty under a Memorandum of Understanding through which the FGP contracted with HSC-S for clinical and other services of HSC-S Physicians and HSC-S Practitioners.

With the changes indicated above, FY 2018-2019 (as of June 2019) data reflects three months (July, August, September 2018) under the BRFH Public-Private Partnership CEA and nine months (October 2018 through June 2019) under the Joint Venture CEA. With the implementation of the new Joint Venture CEA contracts and agreements, various financial processes are currently in review. Therefore, revenue and expenditure transactions/transfers among unrestricted and multiple restricted operations will be completed by the **official fiscal year end close. The FY2019 Comprehensive Annual Financial Report (CAFR) is due August 30, 2019.**

# Semi -Annual Overview of Restricted Operations

Campus: **LSU Health Sciences Center - Shreveport**

| Actual Amount for each Semi-Annual Period in FY 2018-2019 |                   |                   |                            |                   |                    |                            |                    |
|---|-------------------|-------------------|----------------------------|-------------------|--------------------|----------------------------|--------------------|
| Show Expenditures As Positive                             | Acct/Fund Balance | 1st & 2nd Quarter |                            |                   | 3rd & 4th Quarter  |                            |                    |
|   |                   | Revenues          | Expenses, Transfers, & ICR | Fund Balance      | Revenues           | Expenses, Transfers, & ICR | Fund Balance       |
| <b>Revenues</b>   |                   |                   |                            |                   |                    |                            |                    |
| Restricted State Appropriations                           | 0                 | 0                 | 0                          | 0                 | 0                  | 0                          | 0                  |
| Restricted Fees   | 1,238,218         | 281,929           | 215,843                    | 1,304,304         | 105,929            | 244,492                    | 1,165,741          |
| Sales & Svcs of Educ. Activ's                             | 16,421,439        | 1,003,541         | 35,937,279                 | (18,512,299)      | 35,629,284         | (7,073,909)                | 24,190,894         |
| Auxiliaries   |                   |                   |                            |                   |                    |                            | 0                  |
| Bookstores  | 2,384,091         | 362,717           | 390,792                    | 2,356,016         | 433,508            | 446,666                    | 2,342,858          |
| Cafeterias  | 3,841,147         | 38,343            | 0                          | 3,879,490         | 71,225             | 0                          | 3,950,715          |
| Computer Networking                                       | 741,438           | 71,945            | 16,939                     | 796,444           | 15,567             | 7,995                      | 804,016            |
| General Service Store                                     | (594,497)         | 450,461           | 404,160                    | (548,196)         | 689,310            | 728,670                    | (587,556)          |
| Gift Shop   | 23,130            | 202               | 0                          | 23,332            | 371                | 0                          | 23,703             |
| Linwood Properties  | 1,021,889         | 7,600             | 0                          | 1,029,489         | 16,409             | 0                          | 1,045,898          |
| Microsystems  | (241,885)         | 345,353           | 295,519                    | (192,051)         | 237,642            | 192,666                    | (147,075)          |
| Parking   | (186,154)         | 176,693           | 213,594                    | (223,055)         | 125,860            | 261,452                    | (358,647)          |
| Printing  | 1,107,039         | 133,244           | 104,875                    | 1,135,408         | 202,312            | 136,703                    | 1,201,017          |
| Rental Property   | 986,663           | 114,604           | 15,625                     | 1,085,642         | 61,598             | 17,840                     | 1,129,400          |
| Student Union   | 902,105           | 97,569            | 4,889                      | 994,785           | 22,914             | 20,975                     | 996,724            |
| Telecommunications  | 3,216,767         | 583,211           | 530,252                    | 3,269,726         | 639,556            | 598,672                    | 3,310,610          |
| Endowment Income  | 12,534,537        | 1,581,326         | 1,298,037                  | 12,817,826        | 1,068,731          | 1,410,905                  | 12,475,652         |
| Grants and Contracts                                      |                   |                   |                            |                   |                    |                            |                    |
| Federal   | (915,734)         | 5,237,477         | 7,214,259                  | (2,892,516)       | 10,678,408         | 8,655,324                  | (869,432)          |
| State and Local   | 11,266,133        | 1,790,760         | 2,251,176                  | 10,805,717        | 2,794,181          | 12,407,197                 | 1,192,701          |
| Private   | 67,988,320        | 63,627,858        | 54,316,524                 | 77,299,654        | 141,654,773        | 123,595,841                | 95,358,586         |
| Indirect Cost Recovered                                   | (1,370,261)       | 1,143,483         | 2,496,510                  | (2,723,288)       | 978,992            | 1,080,045                  | (2,824,341)        |
| Gifts   | (12,025)          | 0                 | 0                          | (12,025)          | 0                  | 0                          | (12,025)           |
| Federal Funds   | 0                 | 0                 | 0                          | 0                 | 0                  | 0                          | 0                  |
| Hospitals   |                   |                   |                            |                   |                    |                            |                    |
| Hospital - Commercial/Self-Pay                            | 0                 | 0                 | 0                          | 0                 | 0                  | 0                          | 0                  |
| Physician Practice Plans                                  | 0                 | 0                 | 0                          | 0                 | 0                  | 0                          | 0                  |
| Medicare  | 0                 | 0                 | 0                          | 0                 | 0                  | 0                          | 0                  |
| Medicaid  | 0                 | 0                 | 0                          | 0                 | 0                  | 0                          | 0                  |
| Uncompensated Care Costs                                  | 0                 | 0                 | 0                          | 0                 | 0                  | 0                          | 0                  |
| Sponsored Grants and Contracts                            | 0                 | 0                 | 0                          | 0                 | 0                  | 0                          | 0                  |
| Sales and Services Other - HSC-S                          | (27,246,303)      | 47,028            | 503,879                    | (27,703,154)      | 12,268,497         | 11,746,195                 | (27,180,852)       |
| Sales and Services Other - EAC                            | (6,991,465)       | 0                 | 0                          | (6,991,465)       | 0                  | 0                          | (6,991,465)        |
| Sales and Services Other - HPL                            | (3,456,461)       | 0                 | 0                          | (3,456,461)       | 0                  | 0                          | (3,456,461)        |
| All Other Sources   | 980,069           | 37,376            | 24,371                     | 993,074           | 80,589             | 5,000                      | 1,068,663          |
| <b>TOTAL</b>  | <b>83,638,200</b> | <b>77,132,720</b> | <b>106,234,523</b>         | <b>54,536,397</b> | <b>207,775,656</b> | <b>154,482,729</b>         | <b>107,829,324</b> |

## Report on Restricted Operations

In accordance with R.S. 39:366.11, the Board of Supervisors and Joint Legislative Committee on Budget approved the Cooperative Endeavor Agreement (CEA) by and among the State of Louisiana (State), acting by and through the Louisiana Division of Administration (DOA), Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (LSU), and Ochsner LSU Health System of North Louisiana (OLHS-NL), a private Louisiana nonprofit corporation. The CEA and service agreements cover the hospital and clinic facilities in Shreveport and Monroe. The Joint Venture CEA, effective October 1, 2018, for an initial term of ten (10) years, replaces the BRFHH Public-Private Partnership CEA. Also effective October 1, 2018, Ochsner LSU Health System of North Louisiana (OLHS-NL) is the sole member of "Ochsner LSU Physician Group" or "OLPG" which means LSU Health Sciences Center-Shreveport Faculty Group Practice d/b/a Ochsner LSU Physician Group, a Louisiana nonprofit corporation operates the clinical practices of HSC-S Physicians and HSC-S Practitioners. OLPG is a nonprofit corporation that, prior to the Commencement Date, operated as the practice plan of the Medical School faculty under a Memorandum of Understanding through which the FGP contracted with HSC-S for clinical and other services of HSC-S Physicians and HSC-S Practitioners.

With the changes indicated above, FY 2018-2019 (as of June 2019) data reflects three months (July, August, September 2018) under the BRFHH Public-Private Partnership CEA and nine months (October 2018 through June 2019) under the Joint Venture CEA. With the implementation of the new Joint Venture CEA contracts and agreements, various financial processes are currently in review. Therefore, additional revenue and expenditure transactions/transfers among unrestricted and multiple restricted operations will be completed by the official fiscal year end close. **The FY2019 Comprehensive Annual Financial Report (CAFR) is due August 30, 2019.**

### Ending Preliminary (June 30, 2019) Fund Balances:

- 1) **Sales and Services of Educational Activities** fund balance include additional operational expenditures that will be transferred to **Grants & Contracts-Private** category which reflects revenue from the hospital and professional practice partnership agreements
- 2) **Hospitals Sales and Services Other** net fund balance for the three hospitals is due to the pre and post financial support transactions associated with the state initiated hospital transitions.



• BOGALUSA MEDICAL CENTER - INDEPENDENCE  
• EARL K. LONG MEDICAL CENTER - BATON ROUGE  
• LALLIE KEMP REGIONAL MEDICAL CENTER - INDEPENDENCE  
• LEONARD J. CHABERT MEDICAL CENTER - HOUMA  
• MEDICAL CENTER OF LOUISIANA - NEW ORLEANS  
• UNIVERSITY MEDICAL CENTER - LAFAYETTE  
• W.O. MOSS REGIONAL MEDICAL CENTER - LAKE CHARLES

WWW.LSUHOSPITALS.ORG

TO: Jim Buras  
AVP Finance & Administration  
LSU System

FROM: Lisa Augustus  
Budget  
LSU Health Care Services Division

DATE: August 16, 2019

RE: Semi-Annual Financial Report  
For Period Ended June 30, 2019

We have compiled the Semi-Annual Financial Report for period ended June 30, 2019 for the LSU Health Care Services Division.

Major developments during this year included:

Actual:

Unrestricted Operations

- In FY19, HCSD was appropriated \$20.3M in general fund to cover legacy costs associated with partnered hospitals. The FY2018 general fund appropriation for legacy operations was \$20.3M.
- House Bill No. 392 payable out of the State General Fund (Direct) to the Lallie Kemp Regional Medical Center for operating expenses in the amount of \$2,825,157 and to adjust means of finance as contained in Act No 2 of the 2018 Second Extraordinary Session of the Legislature, by reducing the appropriation out of the State General Fund (Interagency Transfers) in the amount of (\$2,825,157). House Bill No. 392 payable out of the State General Fund (Direct) to the Lallie Kemp Regional Medical Center for acquisitions in the amount of \$3,225,350.
- LSU HCSD Operating Budget increase from \$62,243,427 to \$65,468,777 and State General Fund (Direct) increased from \$24,427,906 to \$30,478,413.

Restricted Operations -

- Central Office expenses are off budget this fiscal year. Therefore, Central Office expenses and revenues are being reported in restricted operations.
- \$89.3M in lease payment received at end of June 30, 2019.
- \$19.1M was received from partners for contracted services performed by HCSD ending June 30, 2019.
- \$799K was received in FEMA revenue for period ending June 30, 2019. HCSD has \$222K in FEMA expenses at end of June 30, 2019

cc:

Dr. Wayne Wilbright  
Lanette Buie

LSU HEALTH CARE SERVICES DIVISION • P. O. BOX 91308 • BATON ROUGE, LOUISIANA 70821-1308  
PHONE: 225.922.0488 • FAX: 225.922.2259



**Appendix A**  
**Semi-Annual Revenues and Expenditures Executive Summary**

| <b>Unrestricted Operations</b>           |                                  | <b>Actual Amount for each semi-annual period in 2018-2019</b> |                              |                         |
|--|----------------------------------|---|------------------------------|-------------------------|
|  | <b>Adjusted Operating Budget</b> | <b>1st &amp; 2nd Quarter</b>                                  | <b>3rd &amp; 4th Quarter</b> | <b>Cumulative Total</b> |
| <b>Revenues</b>                          |                                  |   |                              |                         |
| General Fund                             | 30,478,413                       | 12,213,954  | 18,264,459                   | 30,478,413              |
| Statutory Dedications                    | 0                                | 0   | 0                            | 0                       |
| Interim Emergency Board                  | 0                                | 0   | 0                            | 0                       |
| Interagency Transfers                    | 14,717,370                       | 12,270,720  | 2,446,650                    | 14,717,370              |
| Interagency Transfers - Federal Stimulus | 0                                | 0   | 0                            | 0                       |
| Self Generated Revenues                  | 15,472,658                       | 8,815,177   | 4,570,258                    | 13,385,435              |
| Federal Funds                            | 4,800,336                        | 2,452,546   | 2,347,790                    | 4,800,336               |
| <b>Total Revenues</b>                    | <b>65,468,777</b>                | <b>35,752,397</b>   | <b>27,629,158</b>            | <b>63,381,554</b>       |
| <b>Expenditures by Object:</b>           |                                  |   |                              |                         |
| Salaries                                 |                                  | 8,216,133   | 9,321,861                    | 17,537,994              |
| Other Compensation                       |                                  | 556,649   | 644,684                      | 1,201,333               |
| Related Benefits                         |                                  | 12,991,867  | 13,448,841                   | 26,440,708              |
| Personal Services                        |                                  | <b>21,764,649</b>   | <b>23,415,386</b>            | <b>45,180,035</b>       |
| Travel                                   |                                  | 372   | 381                          | 754                     |
| Operating Services                       |                                  | 2,253,581   | 4,677,034                    | 6,930,615               |
| Supplies                                 |                                  | 4,233,015   | 4,473,473                    | 8,706,488               |
| Operating Expenses                       |                                  | <b>6,486,969</b>  | <b>9,150,888</b>             | <b>15,637,856</b>       |
| Professional Services                    |                                  | 372,740   | 609,080                      | 981,820                 |
| Other Charges                            |                                  | 1,930   | 14,054                       | 15,984                  |
| Debt Services                            |                                  | 0   | 0                            | 0                       |
| Interagency Transfers                    |                                  | 580,470   | 828,303                      | 1,408,773               |
| Other Charges                            |                                  | <b>955,140</b>  | <b>1,451,438</b>             | <b>2,406,578</b>        |
| General Acquisitions                     |                                  | 54,370  | 102,715                      | 157,085                 |
| Library Acquisitions                     |                                  | 0   | 0                            | 0                       |
| Major Repairs                            |                                  | 0   | 0                            | 0                       |
| Acquisitions and Major Repairs           |                                  | <b>54,370</b>   | <b>102,715</b>               | <b>157,085</b>          |
| <b>Total Expenditures</b>                |                                  | <b>29,261,128</b>   | <b>34,120,427</b>            | <b>63,381,554</b>       |
| <b>Expenditures by Function:</b>         |                                  |   |                              |                         |
| Instruction                              |                                  | 0   | 0                            | 0                       |
| Research                                 |                                  | 0   | 0                            | 0                       |
| Public Service                           |                                  | 0   | 0                            | 0                       |
| Academic Support (Includes Library)      |                                  | 0   | 0                            | 0                       |
| Academic Expenditures                    |                                  | <b>0</b>  | <b>0</b>                     | <b>0</b>                |
| Student Services                         |                                  | 0   | 0                            | 0                       |
| Institutional Support                    |                                  | 0   | 0                            | 0                       |
| Scholarships/Fellowships                 |                                  | 0   | 0                            | 0                       |
| Plant Operations/Maintenance             |                                  | 0   | 0                            | 0                       |
| Hospital                                 |                                  | 29,261,128  | 34,120,427                   | 63,381,554              |
| Transfers out of agency                  |                                  | 0   | 0                            | 0                       |
| Athletics                                |                                  | 0   | 0                            | 0                       |
| Other                                    |                                  | 0   | 0                            | 0                       |
| Non-Academic Expenditures                |                                  | <b>29,261,128</b>   | <b>34,120,427</b>            | <b>63,381,554</b>       |
| <b>Total Expenditures</b>                |                                  | <b>29,261,128</b>   | <b>34,120,427</b>            | <b>63,381,554</b>       |

|  | <b>Beginning<br/>Acct/Fund<br/>Balance</b> | <b>1st &amp; 2nd Quarter<br/>Fund Balance</b> | <b>3rd &amp; 4th Quarter<br/>Fund Balance</b> |
|--|--|---|---|
| State Appropriations                         | 0  | 0   | 0   |
| Restricted Fees                              | 0  | 0   | 0   |
| Sales and Services of Educational Activities | 0  | 0   | 0   |
| Auxiliaries                                  | 0  | 0   | 0   |
| Endowment Income                             | 0  | 0   | 0   |
| Grants and Contracts                         | 0  | 0   | 0   |
| Indirect Cost Recovered                      | 0  | 0   | 0   |
| Gifts  | 0  | 0   | 0   |
| Federal Funds                                | 0  | 0   | 0   |
| Hospitals                                    | 0  | 0   | 0   |
| All Other Sources                            | 64,790,760                                 | 88,609,543                                    | 68,306,882                                    |
| <b>TOTAL</b>                                 | <b>64,790,760</b>                          | <b>88,609,543</b>                             | <b>68,306,882</b>                             |

**Overview and Analysis of Campus Operations**

**Semi -Annual Overview of Restricted Operations**

Campus: *LSU Health Care Services Division*

| Show Expenditures As Positive   | Actual Amount for each Semi-Annual Period in FY 2018-2019 |                   |                            |                   |                   |                            |                   |
|---------------------------------|---|-------------------|----------------------------|-------------------|-------------------|----------------------------|-------------------|
|                                 | Acct/Fund Balance   | 1st & 2nd Quarter |                            |                   | 3rd & 4th Quarter |                            |                   |
|                                 |   | Revenues          | Expenses, Transfers, & ICR | Fund Balance      | Revenues          | Expenses, Transfers, & ICR | Fund Balance      |
| <b>Revenues</b>                 |   |                   |                            |                   |                   |                            |                   |
| Restricted State Appropriations |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Restricted Fees                 |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Sales & Svcs of Educ. Activ's   |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Auxiliaries (List)              |   |                   |                            |                   |                   |                            | 0                 |
| 1                               |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 2                               |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 3                               |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 4                               |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 5                               |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 6                               |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 7                               |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 8                               |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 9                               |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 10                              |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 11                              |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 12                              |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 13                              |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 14                              |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| 15                              |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Endowment Income                |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Grants and Contracts            |   |                   |                            |                   |                   |                            |                   |
| Federal                         |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| State and Local                 |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Private                         |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Indirect Cost Recovered         |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Gifts                           |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Federal Funds                   |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Hospitals                       |   |                   |                            |                   |                   |                            |                   |
| Hospital - Commercial/Self-Pay  |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Physician Practice Plans        |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Medicare                        |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Medicaid                        |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Uncompensated Care Costs        |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Sponsored Grants and Contracts  |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| Sales and Services Other        |   | 0                 |                            | 0                 | 0                 |                            | 0                 |
| All Other Sources               | 64,790,760  | 65,802,978        | 41,984,195                 | 88,609,543        | 62,275,307        | 82,577,968                 | 68,306,882        |
| <b>TOTAL</b>                    | <b>64,790,760</b>   | <b>65,802,978</b> | <b>41,984,195</b>          | <b>88,609,543</b> | <b>62,275,307</b> | <b>82,577,968</b>          | <b>68,306,882</b> |

**Report on Restricted Operations**



## Board of Supervisors

### LSU BOARD OF SUPERVISORS 2019 - 2020 MEETING SCHEDULE

| MEETING DATE                                       | LOCATION  | MEETING TIME  | AGENDA ITEM SUBMISSION DEADLINE             |
|--|---|---------------|---|
| <b>September 13, 2019</b>                          | LSU University Administration Building<br>Baton Rouge | 10:00 a.m. CT | August 13, 2019                             |
| <b>October 25, 2019</b>                            | LSU University Administration Building<br>Baton Rouge | 10:00 a.m. CT | September 25, 2019                          |
| <b>December 6, 2019</b>                            | LSU University Administration Building<br>Baton Rouge | 10:00 a.m. CT | November 6, 2019                            |
| <b>January 10, 2020</b>                            | LSU at Alexandria                                     | 10:00 a.m. CT | December 10, 2019                           |
| <b>March 6, 2020</b>                               | LSU University Administration Building<br>Baton Rouge | 10:00 a.m. CT | February 6, 2020                            |
| <del>April 24, 2020</del><br><b>April 23, 2020</b> | LSU University Administration Building<br>Baton Rouge | 10:00 a.m. CT | <del>March 24, 2020</del><br>March 23, 2020 |
| <b>May 22, 2020</b>                                | LSU University Administration Building<br>Baton Rouge | 10:00 a.m. CT | April 22, 2020                              |
| <b>June 19, 2020</b>                               | LSU University Administration Building<br>Baton Rouge | 10:00 a.m. CT | May 19, 2020                                |
| <b>August 14, 2020</b>                             | LSU University Administration Building<br>Baton Rouge | 10:00 a.m. CT | July 14, 2020                               |
| <b>September 11, 2020</b>                          | LSU University Administration Building<br>Baton Rouge | 10:00 a.m. CT | August 11, 2020                             |
| <b>October 23, 2020</b>                            | LSU University Administration Building<br>Baton Rouge | 10:00 a.m. CT | September 23, 2020                          |
| <b>December 4, 2020</b>                            | LSU University Administration Building<br>Baton Rouge | 10:00 a.m. CT | November 4, 2020                            |