

# **FINANCE AND AUDIT COMMITTEE**

**(Following the Academic Affairs Committee)**

Board of Supervisors' Meeting Room

Friday, April 29, 2011

2<sup>nd</sup> Floor, J.S. Clark Administration Building

Southern University and A & M College

Baton Rouge, Louisiana

## **AGENDA**

1. Call to Order
2. Roll Call
3. Adoption of the Agenda
4. Public Comments
5. Action Items
  - A. Proposed Increase in Resident Tuition, SULC
  - B. Cooperative Endeavor Agreement for the Bayou Classic
  - C. Resolution for Notarial Act of Correction for Cooperative Endeavor and Lease Agreement between SUBR and Millennium Housing, LLC
6. Informational Items
  - A. Interim Financial Reports, as of March 31, 2011
    - 1.) Board and System Administration
    - 2.) Southern University and A & M College
    - 3.) Southern University at New Orleans
    - 4.) Southern University – Shreveport
    - 5.) Southern University Law Center
    - 6.) Southern University Agricultural Research and Extension Center
  - B. Summary of Federal Audit Findings, FY 2008-2009 and FY 2009-2010, by Campus
7. Other Business
8. Adjournment

### **Members**

Mr. Myron K. Lawson – Chair; Atty. Warren A. Forstall - Vice Chair;  
Atty. Walter C. Dumas, Atty. Patrick O. Jefferson, Mrs. Lea P. Montgomery, Mr. Randale Scott  
Mr. Darren G. Mire - Ex Officio



## SOUTHERN UNIVERSITY LAW CENTER

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April 12, 2011

**VIA EMAIL AND HAND DELIVERY**

Dr. Ronald Mason  
 President  
 Southern University System  
 J.S. Clark Administration Bldg., 4<sup>th</sup> Floor  
 Southern University  
 Baton Rouge, LA 70813

Re: Request to Increase Resident Tuition

Dear Dr. Mason:

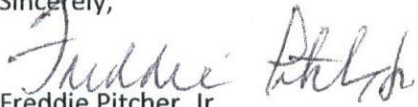
After reviewing the projected Law Center's Budget as set out by the Louisiana Board of Regents, it is apparent that the Law Center must increase its resident tuition by at least ten (10%) percent in order to maintain its program of legal education at the current level. The projected budget numbers show a decrease in state funding with the loss of ARRA funds of approximately 21% or \$1,284,000.00. In order to reach ten (10%) percent we will need approval of an increase of 5% under the Grad Act (R.S. 17:3139(F)(2) Grad Act, and 5% pursuant to the inherent authority of the Board of Supervisors under R.S. 17:3351(A)(5)(e).

The above five percent combinations will increase tuition on a per student basis by roughly \$750.00 per year or \$375.00 per semester. Even with this increase we will still be approximately \$400,000 short of the projected numbers set out in the proposed 2011 - 2012 Executive Budget. Some of this shortfall will be made up through the previously approved increase in mandatory non-resident fees under the Grad Act.

We are therefore requesting your support of this tuition increase and ask that you recommend approval by the Southern University System Board of Supervisors.

Your assistance and support is greatly appreciated.

Sincerely,

  
 Freddie Pitcher, Jr.  
 Chancellor – SULC

Approved:   
 Dr. Ronald Mason

BY REPRESENTATIVES TUCKER, ARNOLD, AUSTIN BADON, HENRY BURNS, TIM BURNS, CARMODY, CARTER, CHAMPAGNE, CONNICK, DOVE, GISCLAIR, HARDY, HINES, HOFFMANN, KATZ, LABRUZZO, LIGI, ROBIDEAUX, SIMON, SMILEY, WILLIAMS, AND WOOTON AND SENATORS APPEL, DONAHUE, DUPLESSIS, MARTINY, AND QUINN

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AN ACT

To amend and reenact R.S. 17:3386(A) and (D) and to enact R.S. 17:3139 and 3386(E), relative to public postsecondary education; to provide for the Louisiana Granting Resources and Autonomy for Diplomas Act; to provide for performance agreements between the Board of Regents and public postsecondary education institutions; to provide for the effectiveness, review, revocation, and renewal of such agreements; to provide for autonomies granted to institutions that enter into such agreements; to require specified performance objectives to be met as part of such agreements; to provide for monitoring and reporting by the Board of Regents; to exempt certain institutions from requirements relative to the use of surplus funds and the carrying forward of certain state general funds; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 17:3386(A) and (D) are hereby amended and reenacted and R.S. 17:3139 and 3386(E) are hereby enacted to read as follows:

~~§3139. Louisiana Granting Resources and Autonomy for Diplomas Act. purpose:~~

~~agreements; monitoring and renewal; reporting~~

A. Title. This Act shall be known and may be cited as the "Louisiana Granting Resources and Autonomy for Diplomas Act".

B. Purpose. The purpose of this Section is to support the state's public postsecondary education institutions in remaining competitive and increasing their overall effectiveness and efficiency by providing that the institutions achieve specific, measurable performance objectives aimed at improving college completion

1 and at meeting the state's current and future workforce and economic development  
2 needs and by granting the institutions limited operational autonomy and flexibility  
3 in exchange for achieving such objectives.

4 C. Performance agreements: objectives. Effective beginning with the 2011  
5 Fiscal Year, any public postsecondary education institution, including professional  
6 schools, may enter into an initial performance agreement with the Board of Regents  
7 in order to be granted limited operational autonomy and flexibility as provided in  
8 Subsection F of this Section in exchange for committing to meet established targets  
9 for the following performance objectives as applicable to the institution as  
10 determined by the Board of Regents:

11 (1) Student success. (a) Implement policies established by the institution's  
12 management board to achieve cohort graduation rate and graduation productivity  
13 goals that are consistent with institutional peers. For purposes of this Section, peer  
14 institutions shall mean those institutions as defined by the Board of Regents in  
15 accordance with R.S. 17:3351(A)(5)(e)(i).

16 (b) Increase the percentage of program completers at all levels each year.

17 (c) Develop partnerships with high schools to prepare students for  
18 postsecondary education.

19 (d) Increase passage rates on licensure and certification exams and  
20 workforce foundational skills.

21 (2) Articulation and transfer. (a) Phase in increased admission standards  
22 and other necessary policies by the end of the 2012 Fiscal Year in order to increase  
23 student retention and graduation rates.

24 (b) Provide feedback to community colleges and technical college campuses  
25 on the performance of associate degree recipients enrolled at the institution.

26 (c) Develop referral agreements with community colleges and technical  
27 college campuses to redirect students who fail to qualify for admission into the  
28 institution.

29 (d) Demonstrate collaboration in implementing the articulation and transfer  
30 requirements as provided in R.S. 17:3161 through 3169.

1           ~~(3) Workforce and economic development. (a) Eliminate academic program~~  
2           ~~offerings that have low student completion rates as identified by the Board of~~  
3           ~~Regents or are not aligned with current or strategic workforce needs of the state,~~  
4           ~~region, or both as identified by the Louisiana Workforce Commission.~~

5           ~~(b) Increase the use of technology for distance learning to expand~~  
6           ~~educational offerings.~~

7           ~~(c) Increase research productivity especially in key economic development~~  
8           ~~industries and technology transfer at institutions to levels consistent with the~~  
9           ~~institution's peers.~~

10           ~~(d) To the extent that information can be obtained, demonstrate progress in~~  
11           ~~increasing the number of students placed in jobs and in increasing the performance~~  
12           ~~of associate degree recipients who transfer to institutions that offer academic~~  
13           ~~undergraduate degrees at the baccalaureate level or higher.~~

14           ~~(4) Institutional efficiency and accountability. (a) Eliminate remedial~~  
15           ~~education course offerings and developmental study programs unless such courses~~  
16           ~~or programs cannot be offered at a community college in the same geographic area.~~

17           ~~(b) Eliminate associate degree program offerings unless such programs~~  
18           ~~cannot be offered at a community college in the same geographic area or when the~~  
19           ~~Board of Regents has certified educational or workforce needs.~~

20           ~~(c) Upon entering the initial performance agreement, adhere to a schedule~~  
21           ~~established by the institution's management board to increase nonresident tuition~~  
22           ~~amounts that are not less than the average tuition amount charged to Louisiana~~  
23           ~~residents attending peer institutions in other Southern Regional Education Board~~  
24           ~~states and monitor the impact of such increases on the institution. However, for each~~  
25           ~~public historically black college or university, the nonresident tuition amounts shall~~  
26           ~~not be less than the average tuition amount charged to Louisiana residents attending~~  
27           ~~public historically black colleges and universities in other Southern Regional~~  
28           ~~Education Board states.~~

1           ~~(d) Designate centers of excellence as defined by the Board of Regents~~  
2           ~~which have received a favorable academic assessment from the Board of Regents~~  
3           ~~and have demonstrated substantial progress toward meeting the following goals:~~

4           ~~(i) Offering a specialized program that involves partnerships between the~~  
5           ~~institution and business and industry, national laboratories, research centers, and~~  
6           ~~other institutions.~~

7           ~~(ii) Aligning with current and strategic statewide and regional workforce~~  
8           ~~needs as identified by the Louisiana Workforce Commission and Louisiana~~  
9           ~~Economic Development.~~

10           ~~(iii) Having a high percentage of graduates or completers each year as~~  
11           ~~compared to the state average percentage of graduates and that of the institution's~~  
12           ~~peers.~~

13           ~~(iv) Having a high number of graduates or completers who enter productive~~  
14           ~~careers or continue their education in advanced degree programs, whether at the~~  
15           ~~same or another institution.~~

16           ~~(v) Having a high level of research productivity and technology transfer.~~

17           ~~(5) Submit a report to the Board of Regents, the legislative auditor, and the~~  
18           ~~legislature containing certain organizational data, including but not limited to the~~  
19           ~~following:~~

20           ~~(a) Number of students by classification.~~

21           ~~(b) Number of instructional staff members.~~

22           ~~(c) Average class student-to-instructor ratio.~~

23           ~~(d) Average number of students per instructor.~~

24           ~~(e) Number of non-instructional staff members in academic colleges and~~  
25           ~~departments.~~

26           ~~(f) Number of staff in administrative areas.~~

27           ~~(g) The institution's organization chart containing all departments and~~  
28           ~~personnel in the institution down to the second level of the organization below the~~  
29           ~~president, chancellor, or equivalent position.~~

1           ~~(h) Salaries of all personnel identified in Subparagraph (g) of this Paragraph~~  
2           ~~and the date, amount, and type of all increases in salary received since June 30, 2008.~~

3           ~~(i) Any additional data requested by the speaker of the House of~~  
4           ~~Representatives or the president of the Senate.~~

5           ~~(6) Any additional performance objectives as determined by the Board of~~  
6           ~~Regents.~~

7           ~~(7) Any performance objectives defined in the formula funding performance~~  
8           ~~model adopted by the Board of Regents for Fiscal Year 2010-2011 shall be aligned~~  
9           ~~with performance objectives defined in Subsection C of this Section.~~

10           ~~D. Annual review; revocation; modifications. (1) The initial performance~~  
11           ~~agreement and each subsequent agreement shall be a six-year agreement and shall~~  
12           ~~be reviewed annually by the Board of Regents. The Board of Regents may revoke~~  
13           ~~an agreement at any time if it determines that an institution has failed to abide by the~~  
14           ~~terms of the agreement.~~

15           ~~(2) The Board of Regents may modify the established targets for~~  
16           ~~performance objectives contained in an institution's performance agreement in the~~  
17           ~~event extraordinary circumstances prevent the institution from meeting such targets.~~  
18           ~~Such modifications shall be subject to approval by the Joint Legislative Committee~~  
19           ~~on the Budget.~~

20           ~~E. Legislative auditor; performance analysis. Within six months after~~  
21           ~~entering into a performance agreement pursuant to this Section, an institution shall~~  
22           ~~provide to the legislative auditor all information that the auditor requests to conduct~~  
23           ~~a detailed study of the performance of postsecondary education in Louisiana. The~~  
24           ~~institutions shall provide information that will allow the auditor to analyze how well~~  
25           ~~goals and objectives of postsecondary education are being met and to perform an~~  
26           ~~economy and efficiency study. Such information shall include but shall not be~~  
27           ~~limited to information relative to staffing levels, hiring and compensation practices,~~  
28           ~~employee productivity and discipline, and performance management. This~~  
29           ~~Subsection shall only be effective in the event that funds are appropriated to effect~~  
30           ~~these provisions.~~

1 F. Autonomies granted. Each institution that enters into a performance  
2 agreement as provided in this Section shall be granted the following:

3 (1) For the 2010-2011 Fiscal Year, pursuant to policies adopted by the  
4 institution's management board and in addition to the authority provided in R.S.  
5 17:3351(A)(5)(e), the authority to increase tuition and mandatory fee amounts by up  
6 to five percent annually.

5%

7 (2) For the 2011-2012 Fiscal Year, if the Board of Regents has determined  
8 that the institution has met the short-term targets established in the performance  
9 agreement in addition to the authority provided in R.S. 17:3351(A)(5)(e), the  
10 authority to increase tuition and mandatory fee amounts by up to five percent  
11 annually.

5%

~~5%~~

12 (3) Beginning with the 2012-2013 Fiscal Year and thereafter, if the Board  
13 of Regents has determined that the institution has met the short-term targets  
14 established in the performance agreement and demonstrated progress on long-term  
15 targets, the institution shall be authorized to:

16 (a) Increase tuition and fee amounts by up to ten percent annually, without  
17 legislative approval, until the institution reaches the average tuition and fee amounts  
18 of its peer institutions. The incremental tuition and fee amount increase shall be  
19 weighted in such a manner that the median household income in Southern Regional  
20 Education Board states in which respective peer institutions are located is compared  
21 with the median household income in Louisiana, and any differences between the  
22 average of the states be factored into the allowable tuition and fee amount increase.

10%

23 (b) Upon reaching the average tuition and fee amounts as specified in  
24 Subparagraph (a) of this Paragraph, increase tuition and fee amounts as necessary to  
25 maintain tuition and fee amounts as close to that average as practical.

26 (4) A base level of operational autonomy as determined by the Board of  
27 Regents subject to the approval by the division of administration which, at a  
28 minimum, shall include greater flexibility in:

29 (a) Carrying forward unexpended and unobligated funds from one fiscal year  
30 to the next.



- 1                   ~~(b) Procuring information technology products and services.~~
- 2                   ~~(c) Adhering to state travel regulations.~~
- 3                   ~~(5) The Board of Regents, in collaboration with the division of~~  
4                   ~~administration, shall identify additional operational autonomies, including but not~~  
5                   ~~limited to exceptions from procurement and construction regulations. However, no~~  
6                   ~~exception from any provision of the Louisiana Procurement Code or from Chapter~~  
7                   ~~10 of Title 38 of the Louisiana Revised Statutes of 1950 shall be granted, and, unless~~  
8                   ~~specifically authorized by the legislature, no design-build contract shall be~~  
9                   ~~authorized pursuant to this Paragraph. The Board of Regents may grant such~~  
10                  ~~autonomies to an institution during the initial agreement period if all of the following~~  
11                  ~~are met:~~
- 12                  ~~(a) After three years, the institution has achieved a sufficient number of the~~  
13                  ~~performance objectives provided in Subsection C of this Section as determined by~~  
14                  ~~the Board of Regents.~~
- 15                  ~~(b) The institution has demonstrated the ability to successfully operate with~~  
16                  ~~the base levels of autonomies granted by this Section as determined by the Board of~~  
17                  ~~Regents.~~
- 18                  ~~(6) Each postsecondary education management board shall establish criteria~~  
19                  ~~for waiving any tuition or mandatory fee increase as authorized in this Subsection~~  
20                  ~~in cases of financial hardship. Information relative to such waivers and the criteria~~  
21                  ~~and procedures for obtaining a waiver shall be made available to all prospective~~  
22                  ~~students in a timely manner such that each student is informed of the availability of~~  
23                  ~~a waiver prior to the student making a final decision concerning attendance at any~~  
24                  ~~public institution of postsecondary education.~~
- 25                  ~~G. Monitoring; reporting; renewal. (1) The Board of Regents annually shall~~  
26                  ~~monitor and report to the legislature and the governor on each participating~~  
27                  ~~institution's progress in meeting the established targets for performance objectives~~  
28                  ~~as specified in Subsection C of this Section. At the end of the initial agreement~~  
29                  ~~period and each subsequent agreement period, the Board of Regents shall determine~~  
30                  ~~whether to recommend renewal of an institution's performance agreement subject to~~

1 the approval of the Joint Legislative Committee on the Budget. Such determination  
2 shall be based on the recommendations of a review panel established by the Board  
3 of Regents to conduct a comprehensive review and evaluation of the institution's  
4 progress in meeting the performance objectives. The composition of the review  
5 panel shall be the same as is provided in R.S. 17:3138(C) with the addition of two  
6 representatives from the business community, who each possess a postsecondary  
7 degree, one recommended by the speaker of the House of Representatives and one  
8 recommended by the president of the Senate.

9 (2) If an institution's initial performance agreement is renewed for a second  
10 six-year period, the institution in exchange shall:

11 (a) Further increase cohort graduation rate goals as specified in  
12 Subparagraph (C)(1)(a) of this Section including the following, as applicable:

13 (i) A graduation rate of at least seventy-five percent for any institution  
14 classified as a "Four-Year 1" institution by the Southern Regional Education Board.

15 (ii) A graduation rate of at least sixty percent for any institution classified  
16 as a "Four-Year 2" institution by the Southern Regional Education Board.

17 (iii) A graduation rate of at least fifty percent for any institution classified  
18 as a "Four-Year 3", "Four-Year 4", or "Four-Year 5" institution by the Southern  
19 Regional Education Board.

20 (iv) For any community college and technical college campus, a graduation  
21 rate that is at least equal to the Southern Regional Education Board average for peer  
22 institutions.

23 (b) Continue to make progress in meeting all other performance objectives  
24 as contained in the initial agreement.

25 (c) Meet any additional performance objectives as determined by the Board  
26 of Regents.

27 (3) If an institution's performance agreement is renewed for subsequent  
28 periods following the first renewal period, the institution in exchange shall:

29 (a) Maintain the same graduation rates as specified in Paragraph (2) of this  
30 Subsection.

1 (b) Continue to make progress in meeting all other performance objectives  
2 as contained in the initial agreement.

3 (c) Meet any additional performance objectives as determined by the Board  
4 of Regents.

5 H. Certification of agreement by management board. Any agreements  
6 between the Board of Regents and public postsecondary education institutions  
7 authorized by the Louisiana Granting Resources and Autonomy for Diplomas Act  
8 shall be certified by the respective management boards of those institutions.

9 \* \* \*  
10 §3386. Surplus funds; retention; use; exceptions

11 A. ~~Any~~ Except as otherwise provided by this Section, any public college or  
12 university or any consortium of colleges and universities which adopts a building and  
13 facility preventative maintenance program approved by the Board of Regents may  
14 retain any funds appropriated or allocated to such college, university, or consortium  
15 thereof from the state general fund which remain unexpended and unobligated at the  
16 end of the fiscal year, provided that not less than fifty percent of such retained funds  
17 shall be maintained by the college, university, or consortium thereof in a  
18 preventative maintenance reserve fund. ~~Moneys fund, and the monies~~ from such  
19 reserve fund shall be used solely for preventative maintenance purposes in  
20 accordance with the approved plan. Retained funds shall ~~only be spent~~ be spent only  
21 on nonrecurring projects and such expenditures are subject to approval by the  
22 appropriate higher postsecondary education management board, the Board of  
23 Regents, and the Joint Legislative Committee on the Budget. Such expenditures  
24 shall be contained in a report submitted to the Board of Regents no later than  
25 September fifteenth.

26 \* \* \*  
27 D. ~~No~~ Except as otherwise provided by this Section, no public higher  
28 postsecondary education institution as provided in Subsection A of this Section may  
29 carry forward more than two percent of its prior fiscal year's state general fund

1 appropriation or allocation under the provisions of Subsections A and B of this  
2 Section.

3 B. The provisions of this Section requiring at least fifty percent of retained  
4 funds to be maintained in a reserve fund and used only for preventative maintenance  
5 purposes and prohibiting more than two percent of certain state general fund  
6 appropriations or allocations from being carried forward shall not apply to any public  
7 postsecondary education institution entering into a performance agreement pursuant  
8 to R.S. 17:3139 if the agreement so provides.

9 Section 2. This Act shall become effective upon signature by the governor or, if not  
10 signed by the governor, upon expiration of the time for bills to become law without signature  
11 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
12 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
13 effective on the day following such approval.

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_

Regular Session, 2008

HOUSE BILL NO. 734

BY REPRESENTATIVE TRAHAN

**STUDENT/TUITION:** Authorizes the public postsecondary education management boards to establish tuition and mandatory fee amounts for resident students

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AN ACT

To enact R.S. 17:3351(A)(5)(e), relative to tuition and mandatory attendance fees; to authorize each public postsecondary education management board to establish tuition and mandatory fee amounts for resident students; to provide for adjustments to such amounts; to provide relative to certain guidelines established by the Board of Regents; to provide for waivers; to provide for effectiveness; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 17:3351(A)(5)(e) is hereby enacted to read as follows:

§3351. General powers, duties, and functions of college and university boards

A. Subject only to the powers of the Board of Regents specifically enumerated in Article VIII, Section 5 of the Constitution of Louisiana, and as otherwise provided by law, each postsecondary system management board as a body corporate shall have authority to exercise power necessary to supervise and manage the institutions of postsecondary education under its control, including but not limited to the following:

\* \* \*

(5)

\* \* \*

1           (e)(i) In accordance with Article VII, Section 2.1(A) of the Constitution of  
2           Louisiana and in addition to any other authority provided by this Paragraph, each  
3           management board may establish tuition and mandatory attendance fee amounts  
4           applicable to resident students at an institution under its supervision and management  
5           and, effective July 1, 2008, may adjust such tuition and mandatory fee amounts at  
6           a rate not to exceed three percent annually if the tuition and mandatory fee amount  
7           in effect for the institution is ten percent or less below the average or median tuition  
8           and mandatory fee amount of the institution's peers, at a rate not to exceed four  
9           percent annually if the tuition and mandatory fee amount in effect for the institution  
10           is more than ten percent but less than twenty percent below the average or median  
11           tuition and mandatory fee amount of the institution's peers, or at a rate not to exceed  
12           five percent annually if the tuition and mandatory fee amount in effect for the  
13           institution is twenty percent or more below the average or median tuition and  
14           mandatory fee amount of the institution's peers provided that the increase has been  
15           approved by the Joint Legislative Committee on the Budget. The Board of Regents  
16           shall establish guidelines on the use of data available from the Southern Regional  
17           Education Board and other national sources in determining appropriate institution  
18           peers and peer average or median tuition and mandatory fee rates. Such guidelines  
19           shall be adopted after consultation and coordination with the management boards.  
20           The authority to increase tuition and mandatory fee amounts granted by the  
21           provisions of this Subparagraph shall be applicable for the 2008-2009, 2009-2010,  
22           2010-2011, and 2011-2012 academic years only and shall terminate June 30, 2012.

23           (ii) The authority granted each management board by this Subparagraph to  
24           establish tuition and mandatory fee amounts shall include the authority to establish  
25           proportional amounts applicable to part-time students and to students enrolled for  
26           summer and intersession terms.

27           (iii) Prior to imposing any increase or increases in tuition or mandatory  
28           attendance fee amounts, or both, established pursuant to the provisions of this  
29           Subparagraph, each management board shall establish criteria for waivers of such

1       increase or increases in cases of financial hardship. Information about such waivers  
 2       and the criteria and procedures for obtaining a waiver shall be made available to all  
 3       prospective students affected by the increase or increases in a timely manner such  
 4       that the prospective student can be aware of the increase or increases and the  
 5       availability of waivers prior to the student making any final decision concerning  
 6       attendance at the college or university.

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\* \* \*

8       Section 2. This Act shall become effective upon signature by the governor or, if not  
 9       signed by the governor, upon expiration of the time for bills to become law without signature  
 10      by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
 11      vetoed by the governor and subsequently approved by the legislature, this Act shall become  
 12      effective on the day following such approval.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Trahan

HB No. 734

**Abstract:** Authorizes the public postsecondary education management boards to establish tuition and mandatory fee amounts for resident students and to adjust such amounts (effective July 1, 2008) at rates of increase of up to 3%, 4%, or 5% annually as determined by the Board of Regents. Specifies that the authority to increase such amounts shall be applicable for the 2008-2009 through 2011-2012 academic years only. Requires such boards to establish criteria for waivers of such increase in cases of financial hardship.

Present law (R.S. 17:3351(A)(5)) authorizes the postsecondary education management boards to determine the fees to be paid by students, including tuition and mandatory attendance fees and operational fees.

Proposed law adds further authorization for each postsecondary education management board to establish tuition and mandatory attendance fee amounts applicable to resident students at an institution under its supervision and management. Provides that such authority shall be in accordance with present constitution (Art. VII, §2.1(A)) that requires that any new fee or increase in an existing fee imposed by the state or any state board, department, or agency be enacted by a 2/3 vote of each house. Permits each board to adjust such tuition and mandatory fee amounts effective July 1, 2008, and subject to approval by the Joint Legislative Committee on the Budget, at rates ranging from 3% to 5% annually based on the institution's tuition and mandatory fee amount in comparison to the average or median tuition and fee amount of the institution's peers as follows:

- (1) Up to 3% if the institution's tuition and mandatory fee amounts are 10% or less below the institution's peer average tuition and fees.

- (2) Up to 4% if the institution's tuition and mandatory fee amounts are between 10% and 20% below the institution's peer average tuition and fees.
- (3) Up to 5% if the institution's tuition and mandatory fee amount is 20% or more below the institution's peer average tuition and fees.

Proposed law provides that the Board of Regents establish guidelines, in consultation with the management boards, on the use of data from the Southern Regional Education Board (SREB) and other national sources to determine peers and peer average or median tuition and mandatory fees. Specifies that such authority to increase such amounts shall be applicable for the 2008-2009, 2009-2010, 2010-2011, and 2011-2012 academic years only and shall terminate June 30, 2012.

Provides that proposed law authority to establish tuition and mandatory fee amounts shall include the authority to establish proportional amounts applicable to part-time students and to students enrolled for summer and intersession terms. Requires each management board to establish criteria for waivers of such increase or increases in cases of financial hardship and to make available certain information relative to such waivers to all prospective students prior to the student making any final decision concerning attendance at the college or university.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 17:3351(A)(5)(e))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Education to the original bill.

1. Authorizes tuition and mandatory fee amounts to be adjusted at rates of increase of 3%, 4%, or 5% annually, not to exceed 5% annually, as determined by the Board of Regents pursuant to policies adopted by the board relative to such rate increases, as applicable, instead of authorizing such amounts to be adjusted not to exceed a rate of increase of 5% annually.
2. Provides that such authority shall be applicable for the 2008-2009, 2009-2010, 2010-2011, and 2011-2012 academic years only instead of only for the 2008-2009 and 2009-2010 academic years.
3. Provides that such authority shall terminate on June 30, 2012, instead of on June 30, 2010.

Committee Amendments Proposed by House Committee on Appropriations to the engrossed bill.

1. Changes criteria for determining if a board may increase tuition and fees 3, 4, or 5% for an institution from criteria set by the Board of Regents to criteria based on the tuition and fees of an institution compared to tuition and fees charged by peer institutions.

House Floor Amendments to the reengrossed bill.

1. Adds that any increase in tuition and mandatory attendance fee amounts as authorized by proposed law shall be subject to approval by the Joint Legislative Committee on the Budget.



**STATE OF LOUISIANA**  
**COOPERATIVE ENDEAVOR AGREEMENT**  
**BY AND BETWEEN SOUTHERN UNIVERSITY SYSTEM AND GRAMBLING STATE UNIVERSITY**  
**AND SOUTHERN UNIVERSITY SYSTEM FOUNDATION**  
**AND GRAMBLING UNIVERSITY FOUNDATION, INC.**

This Cooperative Endeavor Agreement (Agreement), made and entered into by and between Southern University System ("Southern University") and GRAMBLING STATE UNIVERSITY ("Grambling State University"), both State Universities of the State of Louisiana, hereinafter referred to as the "Universities", and SOUTHERN UNIVERSITY SYSTEM FOUNDATION AND GRAMBLING UNIVERSITY FOUNDATION, INC., both corporations officially domiciled in the State of Louisiana and respectively referred to as the "Foundations" shall be effective October 1, 2010.

**DEFINITIONS:**

**Ancillary Activities:** Ancillary Activities shall mean those activities ancillary or related to the Bayou Classic football game such as the Corporate Reception, Coaches' Luncheon, Battle of the Bands, and Greek Show and any other official events associated with the Bayou Classic other than the football game in New Orleans, Louisiana.

**Bayou Classic:** Bayou Classic shall mean the annual football game played between the Universities in New Orleans, Louisiana.

**The Foundations:** Southern University System Foundation and Grambling University Foundation, Inc.

**The Parties:** Southern University System Foundation, Grambling University Foundation, Inc., Grambling State University, and Southern University System.

**The Universities:** Southern University System and Grambling State University.

**WITNESSETH:**

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 subdivision or political corporations 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

WHEREAS, the Universities desire to cooperate with the Foundations in the manner as hereinafter provided; and

WHEREAS, the Universities each year participate in an annual football game called the Bayou Classic with ancillary activities; and

WHEREAS, the Parties are desirous of having the Bayou Classic football game televised nationally; and

WHEREAS, the national television networks declined to renew their sponsorship following the 1998 broadcast but offered to enter into a new contract if the Universities would guarantee air-time changes; and

WHEREAS, the respective Universities do not possess the statutory authority to incur such debt (Article VII Section (C) of the State Constitution); but have a legal obligation to supply educational opportunities to qualified Louisiana students; and

WHEREAS, the Parties recognize that exposure on national television would enhance the public image of the participating Universities, increase student recruitment, attract capable faculty and encourage alumni financial assistance; and

WHEREAS, the Foundations have agreed to accept financial responsibility for obtaining the national broadcast and the Universities will incur no cost or liability nor use any public funds; and

WHEREAS, the Louisiana legislature has encouraged private support which enhances the programs, facilities, and research and educational opportunities offered by public institutions of higher education in Louisiana. Therefore, each higher education management board—and institution is encouraged 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. Further, it is recognized 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 (La. Rev. Stat. 17:3390); and

WHEREAS, the Parties agree that they will engage in the promotion of ancillary activities, such as the Corporate Reception, Coaches' Luncheon, Battle of the Bands, the Greek Show, and any other official events associated with the Bayou Classic in New Orleans, Louisiana; and

WHEREAS, the public purpose to be derived from this legal obligation is that the Foundations will remit monies for scholarship and other educational purposes that benefit the Universities and will result in the Universities' ability to provide educational opportunities for a greater number of qualified students; and

WHEREAS, the actions of the Universities and the Foundations will result in educational benefits for the Louisiana students that greatly exceed any financial expenditure incurred by the Universities pursuant to this Agreement.

NOW, THEREFORE, in consideration of the mutual covenant herein contained, the legal obligation; the public purpose; and the public benefit, the parties hereto agree as follows:

**Scope of Services**

The Foundations hereby agree to furnish the following services:

1. The Foundations shall guarantee the monetary requirement, for the National Broadcasting Company's ("NBC"), or an equivalent major network national broadcast (e.g., CBS, FOX, or ABC), airing of the Bayou Classic, whatever that requirement may be. This guarantee shall provide that the Foundations shall be solely responsible for any liability under such

agreement and shall exclude the Universities and the State from any liability. The Foundations shall provide the Universities notice by July 1 of each year that the broadcast has been guaranteed. In the event the Foundations are unable to guarantee the television broadcast by July 1, (or a later date established under option 1 below), then all parties by mutual agreement may do the following: (1) provide the Foundations with additional time to secure the broadcast; (2) allow the Foundations to continue to fulfill all other obligations of this agreement with the exception of the broadcasts or with a lesser broadcast (Cable, Internet, etc.); or (3) immediately cancel and terminate the agreement for cause with no further obligations upon the Universities or the Foundations, subject to the terms and provisions of the NBC or equivalent major network national broadcast contract including any confidentiality provisions of all contracts. Should the parties fail to mutually agree to 1, 2, or 3 above, the contract shall terminate for cause.

2. The Foundations shall have a license to use, promote and retain revenues from all Ancillary Activities. This shall include, but not be limited to, the planning of the events, the staging of the events, and all expenses of the events shall be covered by the Foundations. All contracts with vendors for these ancillary events shall specifically exclude any liability by the Universities. The University will retain ownership of all rights, title and interest in events including any intellectual property associated with trademarks, logos, event names, etc.
3. The Foundations agree that any supplemental compensation paid to state employees who assist in planning and executing the Bayou Classic ancillary events shall be disclosed to their respective management boards and shall be administered in accordance with La. Rev. Stat. 17:3390(F); La. Rev. Stat. 42:1111(A); La. Rev. Stat. 42:1114 and the Louisiana Code of Ethics for Public Officers and Employees, and remitted to the Universities by the Foundation/Association.
4. The Foundations shall require that the annual audit report required under LRS 17:3390 include a footnote summary of all revenues and expenditures of the Bayou Classic ancillary events.
5. The Foundations shall make all of their contractual liabilities related to the Bayou Classic coterminous with this agreement such that no contractual liability of the Foundations related to the Bayou Classic will extend beyond expiration or termination of this agreement.

**The Universities hereby agree to furnish the following services:**

1. The Universities shall cooperate in providing the football team, band, cheerleaders, orchesis and other university personnel to participate in the Ancillary Activities of the Bayou Classic.
2. In order to facilitate the sale of promotional packages, the Universities shall comply with the provisions of La. Rev. Stat. 17:3390 and make game tickets and other promotional materials available to the Foundations.
3. The sale of all football game tickets shall be conducted by the Universities and proceeds derived from all tickets shall be divided equally by the Universities rather than on a pro rata basis, i.e., the actual number of tickets sold by each University.

## **Compensation and Payments Schedule**

In consideration of the services described above, the Foundations hereby agree to pay the Universities for all rights to Bayou Classic, which include, but are not limited to, the performance of the bands and other university groups or organizations and the use —and publishing of the Universities' names and logos. The Universities' names and logos shall at all time remain the exclusive property of the Universities. This payment shall be as follows:

1. The Foundations shall reimburse the Universities for costs associated with participation by the bands and other University groups or organizations in the Ancillary Activities of the Bayou Classic. This reimbursement payment shall be made to each University within one hundred twenty (120) days of the Bayou Classic event.
2. The Foundations may retain the net proceeds resulting from the Bayou Classic Ancillary Activities. Said proceeds shall be used by the Foundations for scholarship awards and other educational purposes that benefit the Universities and shall be distributed according to protocol established by the Universities and their respective System Presidents , and may not be used for any administrators unless otherwise authorized by the respective Management Boards.

## **Term of Agreement**

This Agreement shall begin on October 1, 2010, and shall terminate on December 31, 2014.

## **Taxes**

The Foundations hereby agree that the responsibility for payment of *any* taxes from the funds thus received under this Agreement shall be the Foundations' obligation and identified under Federal tax identification numbers 23-705291 (Southern University System Foundation) and 05-0624523 (Grambling University Foundation, Inc.).

## **Termination Clause**

The Universities may terminate this Agreement for cause based upon the failure of the Foundations to comply with the terms and/or conditions of the Agreement provided that the Universities shall give the Foundations written notice specifying the Foundations' failure. If, within thirty (30) days after receipt of such notice, the Foundations shall not have corrected such failure and thereafter proceeded diligently to complete such correction, then the Universities may, at their option, place the Foundations in default and the Agreement shall terminate on the date specified in such notice. Any party may also terminate this agreement in accordance with the terms of paragraph 1 above for failure to guarantee the television broadcast. The Foundations may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the Universities to comply with the terms and conditions of this Agreement; provided that the Foundations shall give the Universities written notice specifying the Universities' failure and a reasonable opportunity for the Universities to cure the defect.

Any party may terminate this Agreement without cause by providing all other parties herein ten (10) months written notice and such notice terminate the agreement not less than eight (8) months prior to the next scheduled Bayou Classic.

Upon termination of this agreement, all contracts entered into by the Foundations shall be assigned to the Universities subject to the terms and provisions of those contracts and any confidentiality provisions therein.

**Nonassignability**

The Foundations shall not assign any interest in this Agreement by assignment, transfer, or novation, without prior written consent of the Universities. This provision shall not be construed to prohibit the Foundations from assigning its bank, trust company, or other financial institution any money due or to become due from approved agreements or contracts without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the Universities and the Office of Contractual Review.

**Fiscal Funding**

The continuation of this Agreement is contingent upon the appropriation of funds to the respective Universities 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 revenue 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.

**Indemnification; Insurance**

The Foundations shall indemnify and save harmless the Universities against any and all claims, losses, liabilities, demands, suits, causes of action, damages, and judgments of sums of money to any party accruing against the Universities growing out of, resulting from, or by reason of any act or omission of the Foundations, its agents, servants, independent contractors, or employees while engaged in, about, or in connection with the discharge or performance of the terms of this Agreement. Such indemnification shall include the Universities' fees and costs of litigation, including, but not limited to, reasonable attorney's fees. The Foundations shall provide and bear the expense of all personal and professional insurance related to its duties arising under this Agreement.

Similarly, the Universities shall indemnify and save harmless the Foundations against any and all claims, losses, liabilities, demands, suits, causes of action, damages, and judgments of sums of money to any party accruing against the Foundations growing out of, resulting from, or by reason of any act or omission of the Universities, its agents, servants, independent contractors, or employees while engaged in, about, or in connection with the discharge or performance of the terms of this Agreement. Such indemnification shall include the Foundations' fees and costs of litigation, including, but not limited to, reasonable attorney's fees. The Universities shall provide and bear the expense of all personal and professional insurance related to its duties arising under this Agreement.

Persons affiliated with any of the parties to this agreement may only execute documents or take actions in a single capacity for the entity they represent and must designate the entity they represent when signing documents.

### **Discrimination Clause**

The Foundations agree 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 the Foundation/Association agree to abide by the requirements of the Americans with Disabilities Act of 1990.

The Foundations agree not to discriminate in its employment practices, and will render services under this Agreement without regard to race, color, religion, sex, national origin, veteran status, political affiliation, disabilities.

Any act of discrimination committed by the Foundations, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this Agreement.

### **Partial Invalidity; Severability**

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 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.

### **Entire Agreement; Modification**

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 modifications or amendment shall be operative and valid, it shall be reduced to writing and signed by both parties.

### **Controlling Law**

The validity, interpretation, and performance of this Agreement shall be controlled by and construed in accordance with the laws of State of Louisiana.

### **Remedies for Default**

In the event of default by either party, the aggrieved party shall have all rights granted by the general laws of the State of Louisiana.

**Notices**

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:

Dr. Ronald Mason, Jr., President  
Southern University System  
Southern University  
J.S. Clark Administration Bldg.  
4<sup>th</sup> Floor President's Office  
Baton Rouge, LA 70813

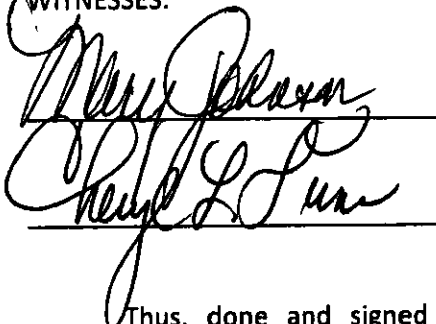
Dr. Frank Pogue, President  
Grambling State University  
403 Main Street  
PO Drawer 605  
Grambling, LA 71245

Mr. Walter Dumas, President  
Southern University System Foundation  
P. O. Box 9562  
Baton Rouge, LA 70813

Ms. Helen Godfrey Smith President  
Grambling University Foundation, Inc.  
403 Main Street  
P.O. Drawer 605  
Grambling, LA. 71245

Thus done and signed in the presence of the undersigned witnesses this 6th day of October, 2010, in Baton Rouge, Louisiana.

WITNESSES:

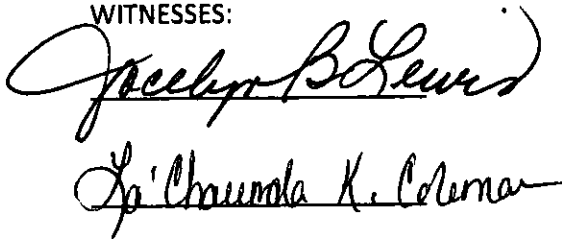


THE SOUTHERN  
UNIVERSITY SYSTEM

  
DR. RONALD MASON, Jr., PRESIDENT  
SOUTHERN UNIVERSITY SYSTEM

Thus, done and signed in the presence of the undersigned witnesses this 12th day of October, 2010, in Baton Rouge, Louisiana.

WITNESSES:



SOUTHERN UNIVERSITY SYSTEM FOUNDATION

  
MR. WALTER DUMAS, PRESIDENT

Thus, done and signed in the presence of the undersigned witnesses this 15th day of October, 2010, in Baton Rouge, Louisiana.

WITNESSES:

Judy H. Jackson  
[Signature]

GRAMBLING STATE UNIVERSITY  
Frank Pogue  
Dr. FRANK POGUE, PRESIDENT  
GRAMBLING STATE UNIVERSITY

Thus, done and signed in the presence of the undersigned witnesses this \_\_\_\_\_ day of \_\_\_\_\_, 2010, in Baton Rouge, Louisiana.

WITNESSES:

Davenport  
Marta Merin

GRAMBLING UNIVERSITY FOUNDATION  
Helen Godfrey Smith  
MS. HELEN GODFREY SMITH, PRESIDENT



**DeCUIR, CLARK & ADAMS L.L.P.**

ATTORNEYS AT LAW  
732 NORTH BOULEVARD  
BATON ROUGE, LOUISIANA 70802

(225) 346-8716  
FAX (225) 336-1950

WINSTON G. DECUIR, SR.  
LINDA LAW CLARK  
MICHAEL R. D. ADAMS  
WINSTON G. DECUIR, JR.  
DIANNE M. IRVINE<sup>1</sup>  
BRANDON J. DECUIR<sup>2</sup>  
JASON M. DECUIR<sup>1</sup>

1. ALSO LICENSED IN NY & MA  
2. LL.M. IN TAXATION

October 19, 2010

**Via Facsimile and Regular Mail**

Ms. Tracie Woods  
Executive Counsel  
Office of the President  
Southern University System  
Baton Rouge, LA 70813

**Re: Southern University Foundation Notarial Act of Correction**

---

Dear Tracie:

The following is a summary of the purpose of the Ratification of the Southern University Foundation Notarial Act of Correction that has been placed on the Board agenda for the meeting Saturday, October 23<sup>rd</sup>.

Presently, the cooperative endeavor agreement ("CEA") between the Foundation and the University provides for an annual rental payment of approximately 3.8 million dollars for each one year period ending November 1<sup>st</sup>. However, the Foundation's loan agreement specifically provides that it must make an interest payment on the loan on May 1<sup>st</sup> and a principal payment on November 1<sup>st</sup>. The Foundation uses the rental payment under the CEA to make the interest and principal payment on it's loan.

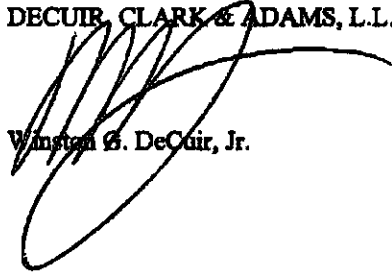
The purpose of the Notarial Act of Correction is to clarify that the intent of the rental payment schedule in the cooperative endeavor is to ensure that the Foundation is capable of making the interest payment in May and the principal payment in November timely. Therefore, footnote 1 has been added to reflect the fact that the intent of the parties was to ensure that the Board rental payments coincided with the timing of the interest and principal payments on the foundation's loan. This change does not alter the amounts of rental payments due, only the timing of when those payments will be made.

The Notarial Act of Correction will be approved by the Foundation at its board meeting and must be executed by the original notary, Preston Castille. The board should adopt the "Act of Ratification" which basically acts as an acknowledgment by the board that it approves the correction to the cooperative endeavor to allow the change in the timing of the rental payments for the bond issue.

I trust this fully explains the purpose and scope of the Notarial Correction and Ratification. If you have any questions, please do not hesitate to call us.

Sincerely,

DECUIR, CLARK & ADAMS, L.L.P.



Winston G. DeCuir, Jr.

WGDjr/gn -

cc: President Ronald Mason, Jr.  
Mr. A.M. "Tony" Clayton

**TAYLOR PORTER**  
ATTORNEYS AT LAW  
Founded 1912

NANCY C. DOUGHERTY  
Partner

(225) 381-3222 TELEPHONE  
(225) 346-8049 FACSIMILE  
(225) 215-8739 STREET FAX  
ncdougherty@taylorporter.com

October 15, 2010

Mr. Winston G. DeCuir, Jr.  
DeCuir & Clark, LLP  
1961 Government Street  
Baton Rouge, LA 70806

Re: Southern University Foundation Bond Issue

Dear Winston:

Attached please find revisions to the Act of Ratification to be executed by the Board of Supervisors of Southern University and the Notarial Act of Correction to be executed by Preston Castille. We have compared the attached documents to the versions that you revised and forwarded to us on Wednesday at 11:22 a.m. These changes reflect the discussion among you, Preston and me yesterday afternoon.

Please call if there are any further changes to these documents that you would like to discuss.

Yours very truly,

  
Nancy C. Dougherty

NCD/mh

cc: Ernie Hughes (via e-mail: [ernie\\_hughes@sus.edu](mailto:ernie_hughes@sus.edu))  
Tracie Woods (via e-mail: [tracie\\_woods@sus.edu](mailto:tracie_woods@sus.edu))  
Winston DeCuir, Sr. (via e-mail: [WinstonJr@decuirlaw.com](mailto:WinstonJr@decuirlaw.com))  
Linda Clark (via e-mail: [Linda@decuirlaw.com](mailto:Linda@decuirlaw.com))  
Preston Castille (via e-mail: [preston.castille@taylorporter.com](mailto:preston.castille@taylorporter.com))

STATE OF LOUISIANA

ACT OF RATIFICATION

PARISH OF EAST BATON ROUGE

BE IT KNOWN that on this \_\_\_\_\_ day of \_\_\_\_\_, 2010, before me, the undersigned Notary Public duly commissioned and qualified in the Parish of East Baton Rouge, State of Louisiana, in the presence of the subscribing witnesses, personally came and appeared:

**BOARD OF SUPERVISORS OF SOUTHERN UNIVERSITY AND AGRICULTURAL AND MECHANICAL COLLEGE**

(the "Board"), a public constitutional corporation, herein represented by \_\_\_\_\_, its duly authorized President, who executes this Act of Ratification as follows:

WHEREAS, effective December 13, 2006, the Board entered into a Cooperative Endeavor and Lease Agreement (the "CEA") with Millenium Housing, L.L.C. (the "Company"), a Louisiana Limited Liability Company, the sole member of which is Southern University System Foundation;

WHEREAS, on or about December 13, 2006, Company executed a Loan Agreement with Louisiana Public Facilities Authority (herein "Loan Agreement") and a Promissory Note in the amount \$59,990,000.00;

WHEREAS, a Trust Indenture (the "Indenture") was entered into between the Louisiana Public Facilities Authority and Hancock Bank of Baton Rouge, Trustee, dated as of October 1, 2006;

WHEREAS, pursuant to the Indenture, Louisiana Public Facilities Authority issued its \$59,990,000.00 Louisiana Public Facilities Authority Revenue Bonds, (Millenium Housing, L.L.C. Student Housing and Auxiliary Facilities Project) Series 2006 (the "Bonds");

WHEREAS, Section 2.02 of the Indenture provided that payment of principal on the Bonds is due and payable on November 1, 2009, and on November 1 of each year thereafter to and including November 1, 2038, in the amounts set forth in Section 2.02;

WHEREAS, Section 2.02 of the Indenture provides that payment of interest on the Bonds is due and payable on May 1 and November 1 of each year, commencing May 1, 2007 through and including November 1, 2038, at the rates set forth in said Section 2.02, and otherwise in the Indenture;

WHEREAS, the Promissory Note and the Loan Agreement in Section 3.4 provide that the Company shall pay the principal payments on the "second Business Day next proceeding each November 1," in an amount equal to the amount of principal to become due on the Bonds on such date and pay interest payments on the "second Business Day next proceeding each Interest Payment Date" (May 1 and November 1) in an amount equal to the amount of interest to become due on the Bonds on such Interest Payment Date;

WHEREAS, "Business Day" is defined as, "[A]ny day which is not (a) a Saturday, a Sunday, or, in the City of New York, New York, or Baton Rouge, Louisiana (or, if different, in the city in which the principal corporate trust office of the Trustee or the office of the Bond Insurer), a day on which banking institutions are authorized or required by law or executive order to close; or (b) a day on which the New York Stock Exchange is closed;"

WHEREAS, Interest Payment Date is defined as each May 1 and November 1, commencing May 1, 2007;

WHEREAS, it was intended that pursuant to the CEA, Board would pay Board Base Rent to Company for the lease of the facilities described therein in an amount and at a time

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sufficiently in advance for Company to make timely and adequate payments pursuant to the above-described Promissory Note and Loan Agreement;

WHEREAS, the Exhibit setting forth the dates on which the Board was to pay Board Base Rent (Exhibit "C" to the CEA), described only the final date of each period during which each set of annual payments should be made, rather than specifically setting forth the particular dates on which such payments should be made; and

WHEREAS, by Notarial Act of Correction, the Notary Public before whom the CEA was executed and who prepared the CEA has corrected the CEA to clarify that the timing of the Board Base Rent payments should correspond to the timing of the principal and interest payments due under the Indenture, the Loan Agreement, the Promissory Note, and other documents related to the Bonds, and sufficiently in advance of the date on which payments are due on the Bonds, such that all payments on the Bonds will be made timely.

NOW, THEREFORE, the Board enters into this Act of Ratification and agrees as follows:

1. Board hereby ratifies the Notarial Act of Correction entered into by Preston J. Castille on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, a copy of which is attached hereto as Exhibit "A."
2. Board hereby acknowledges that it has been paying Board Base Rent in accordance with the provisions of the Notarial Act of Correction and that the Notarial Act of Correction is a true and correct reflection of the intent of the parties who executed the CEA, the Promissory Note, the Loan Agreement, the Indenture and other documents related to the Bonds (herein "Bond Documents").
3. Board hereby ratifies and confirms that it will make Board Base Rent payments sufficiently in advance of the payments due on the Bonds in order for Company to promptly pay the Bonds.
4. Therefore, in order to insure that the Bonds are paid timely, Board hereby agrees to make payments of principal and interest in such amounts as are determined pursuant to the CEA on or before April 25 and October 25 of each year during the term of the CEA, such that the amount and timing of the rental payments correspond to the schedule applicable to the Company's obligation to make interest and principal payments pursuant to the Loan Agreement and the Authority's Bonds.

THUS DONE AND SIGNED, on this \_\_\_\_ day of \_\_\_\_\_, 2010, in Baton Rouge, Louisiana, in the presence of the undersigned competent witnesses and me, Notary Public.

WITNESSES:

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
President, Southern University System on  
on behalf of the Board of Supervisors of  
Southern University and Agricultural and  
Mechanical College

\_\_\_\_\_  
Printed Name:

\_\_\_\_\_  
NOTARY PUBLIC  
PRINTED NAME: \_\_\_\_\_  
LA. BAR ROLL NO. \_\_\_\_\_

**STATE OF LOUISIANA**

**NOTARIAL ACT OF CORRECTION**

**PARISH OF EAST BATON ROUGE**

**BEFORE ME**, 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 subscribing witnesses, personally came and appeared:

**PRESTON J. CASTILLE**

who, after being duly sworn, did state the following:

1. Affiant was the Notary on a Cooperative Endeavor and Lease Agreement by and Between Southern University and Agricultural and Mechanical College and Millennium Housing, L.L.C. (herein "CEA") effective December 13, 2006.
2. A Memorandum of Lease of said CEA was executed and recorded on the 13<sup>th</sup> day of December, 2006 as Original 745, Bundle 11905, with the Office of the Clerk and Recorder for East Baton Parish, Louisiana.
3. Section 5.2 of said CEA required the Board of Supervisors of Southern University and Agricultural and Mechanical College (herein "Board") to pay to Millennium Housing, L.L.C. (the "Company") Board Base Rent in the amounts and on the dates set forth on Exhibit "C" to said CEA. Exhibit "C" to the CEA reflects that payments are due in an initial period ending on December 13, 2006, and in subsequent periods ending on November 1 of each year thereafter, through and including November 1, 2038.
4. The payments due as Board Base Rent were pledged by Company to Hancock Bank of Louisiana, in its capacity as Trustee (the "Trustee") under that certain Trust Indenture dated as of October 1, 2006 (the "Indenture") relating to the issuance of \$59,000,000.00 Louisiana Public Housing Facilities Authority Revenue Bonds Series 2006 (the "Bonds"), as security for payments due by Company pursuant to the Indenture and other documents related to the Bonds (the "Bond Documents").
5. It was the intent of the parties to the CEA that the payments of Board Base Rent by Board to Company would at all times provide sufficient and timely revenues for Company to make timely and adequate payments on the Bonds pursuant to the Bond Documents.
6. It was the intent of the parties to the CEA that the Payment Schedule on Exhibit "C" to the CEA, should reflect and require a payment schedule by Board to the Company which would allow the Company to use the payments received, to timely make Company's payments to the Trustee required pursuant to the Bond Documents.
7. Affiant declares that a clerical error was committed in the preparation of Exhibit "C" in that Exhibit "C" provides the final date of each period in which the payments are due rather than describing the exact dates on which Board Base Rent payments are due to be paid by Board to Company during each period.
8. Affiant declares that Exhibit "C," in accordance with the intent of the parties as otherwise evidenced in the Bond Documents and the CEA, should include language clarifying that Board Base Rent payments should be made in accordance with the Bond Documents and sufficiently in advance of the dates on which payments are due on the Bonds and pursuant to the Bond Documents, such that all payments on the Bonds and pursuant to the Bond Documents will be made timely, and the corrected Exhibit "C" is attached hereto as Exhibit "1."

(Signature Page for Notarial Act of Correction)

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**THUS DONE AND SIGNED** on the \_\_\_\_\_ day of \_\_\_\_\_, 2010, by me in the presence of the undersigned notary public and the subscribing witnesses in Baton Rouge, Louisiana.

**WITNESSES:**

\_\_\_\_\_  
**Printed Name:**

\_\_\_\_\_  
**PRESTON J. CASTILLE**

\_\_\_\_\_  
**Printed Name:**

\_\_\_\_\_  
**NOTARY PUBLIC**  
**NAME:** \_\_\_\_\_  
**LA. BAR ROLL NO.** \_\_\_\_\_

**EXHIBIT "1" TO NOTARIAL ACT OF CORRECTION**

**EXHIBIT "C"**

**TO THE COOPERATIVE ENDEAVOR AND LEASE AGREEMENT BY AND BETWEEN  
THE BOARD OF SUPERVISORS OF SOUTHERN UNIVERSITY AND AGRICULTURAL  
AND MECHANICAL COLLEGE AND MILLENNIUM HOUSING, L.L.C.**

<u>Period Ending</u>	<u>Annual Base Rent</u>
12/13/06	4,500,000.00
11/1/2007	2,495,394.58
11/1/2008	2,824,975.00
11/1/2009	3,749,975.00
11/1/2010	3,748,725.00
11/1/2011	3,749,925.00
11/1/2012	3,749,525.00
11/1/2013	3,752,025.00
11/1/2014	3,751,775.00
11/1/2015	3,748,775.00
11/1/2016	3,748,025.00
11/1/2017	3,749,275.00
11/1/2018	3,748,925.00
11/1/2019	3,746,662.50
11/1/2020	3,747,662.50
11/1/2021	3,749,912.50
11/1/2022	3,748,162.50

Subsequent to December 13, 2006, Board shall make its payments of principal and interest in such amounts as are determined pursuant to the schedule of annual base rent (above) and additional rent as defined in the Cooperative Endeavor Agreement. Payments for the "period ending" shall be made on or before April 25 and October 25 of each year such that the amount and timing of the rental payments corresponds to the schedule applicable to the Company's obligation to make interest and principal payments pursuant to the Loan Agreement and the Authority's Bonds.



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<u>Period Ending</u>	<u>Annual Base Rent</u>
11/1/2023	3,747,412.50
11/1/2024	3,747,412.50
11/1/2025	3,747,912.50
11/1/2026	3,748,662.50
11/1/2027	3,749,412.50
11/1/2028	3,749,912.50
11/1/2029	3,749,912.50
11/1/2030	3,749,162.50
11/1/2031	3,747,412.50
11/1/2032	3,751,062.50
11/1/2033	3,748,537.50
11/1/2034	3,749,437.50
11/1/2035	3,750,025.00
11/1/2036	3,750,087.50
11/1/2037	3,749,412.50
11/1/2038	3,747,787.50

**Board and System Administration  
General Fund Budget Projections  
For Fiscal Year Ending June 30, 2011**

	Actuals as of 3/31/11	Projected 4/1/11-6/30/11	Total FY 2010-11	Budget as of 3/31/2010	Over (Under) Budget
<b>Revenues</b>					
General Fund Direct	\$ 1,744,197	\$ 478,965	\$ 2,223,162	\$ 2,223,162	\$ -
Statutory Dedicated			-		-
Funds Due From Mgmt or BOR			-		-
Federal			-		-
Self Generated			-		-
Tuition - Fall 2010			-		-
Tuition - Spring 2011			-		-
Tuition - Summer			-		-
Out-of-State Fees			-		-
<b>Total Revenues</b>	<b>\$ 1,744,197</b>	<b>\$ 478,965</b>	<b>\$ 2,223,162</b>	<b>\$ 2,223,162</b>	<b>\$ -</b>
<b>Expenditures by Object</b>					
Salaries	\$ 1,324,687	\$ 102,371	\$ 1,427,058	\$ 1,427,058	\$ -
Other Compensation	-	-	-	-	-
Related Benefits	347,000	74,468	421,468	421,468	0
<b>Total Personal Services</b>	<b>\$ 1,671,687</b>	<b>\$ 176,839</b>	<b>\$ 1,848,526</b>	<b>\$ 1,848,526</b>	<b>\$ 0</b>
Travel	49,238	8,762	58,000	58,000	-
Operating Services	15,532	279,898	295,430	295,430	-
Supplies	7,738	1,262	9,000	9,000	-
<b>Total Operating Expenses</b>	<b>\$ 23,271</b>	<b>\$ 281,159</b>	<b>\$ 304,430</b>	<b>\$ 304,430</b>	<b>\$ -</b>
Professional Services	-	-	-	-	-
Other Charges	-	12,206	12,206	12,206	-
Debt Services	-		-		-
<b>Total Other Charges</b>	<b>\$ -</b>	<b>\$ 12,206</b>	<b>\$ 12,206</b>	<b>\$ 12,206</b>	<b>\$ -</b>
General Acquisitions	-		-		-
Library Acquisitions	-		-		-
Major Repairs	-		-		-
<b>Total Acquist. &amp; Major Repairs</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Scholarships			-		-
<b>Total Expenditures</b>	<b>\$ 1,744,197</b>	<b>\$ 478,965</b>	<b>\$ 2,223,162</b>	<b>\$ 2,223,162</b>	<b>\$ 0</b>

**Southern University and A&M College**  
**General Fund Budget Projections**  
**For Fiscal Year Ending June 30, 2011**

	Actuals as of 3/31/11	Projected 4/1/11-6/30/11	Total FY 2010-11	Budget as of 3/31/2011	Over (Under) Budget
<b>Revenues</b>					
General Fund Direct	\$ 21,306,374	\$ 6,882,012	\$ 28,188,386	\$ 28,188,386	\$ -
Statutory Dedicated	1,132,987	754,922	1,887,909	1,887,909	-
Funds Due From Mgmt or BOR	1,180,684	12,192,650	13,373,334	13,891,589	(518,255)
Federal	-	-	-	-	-
Self Generated					
Tuition - Fall 2010	10,156,787	(314,114)	9,842,673	11,261,778	(1,419,106)
Tuition - Spring 2011	9,623,126	(300,858)	9,322,268	10,496,553	(1,174,285)
Tuition - Summer	807,986	1,521,828	2,329,814	2,329,814	-
Out-of-State Fees	4,613,705	50,580	4,664,285	4,776,336	(112,051)
Other	4,510,377	5,612,817	10,123,194	10,194,501	(71,307)
<b>Total Revenues</b>	<b>\$ 53,332,025</b>	<b>\$ 26,399,837</b>	<b>\$ 79,731,862</b>	<b>\$ 83,026,866</b>	<b>\$ (3,295,004)</b>
<b>Expenditures by Object</b>					
Salaries	\$ 34,657,911	\$ 10,244,129	\$ 44,902,039	\$ 46,452,247	\$ (1,550,208)
Other Compensation	172,483	-	172,483	86,477	86,006
Related Benefits	12,175,776	3,287,555	15,463,331	16,922,531	(1,459,201)
<b>Total Personal Services</b>	<b>\$ 47,006,170</b>	<b>\$ 13,531,683</b>	<b>\$ 60,537,853</b>	<b>\$ 63,461,256</b>	<b>\$ (2,923,403)</b>
Travel	106,619	136,195	242,814	195,216	47,598
Operating Services	7,718,618	3,170,298	10,888,916	9,305,514	1,583,402
Supplies	541,945	362,283	904,228	724,992	179,236
<b>Total Operating Expenses</b>	<b>\$ 8,260,563</b>	<b>\$ 3,532,580</b>	<b>\$ 11,793,143</b>	<b>\$ 10,030,506</b>	<b>\$ 1,762,637</b>
Professional Services	192,720	268,278	460,998	251,367	209,631
Other Charges	133,883	1,560,768	1,694,651	4,560,700	(2,866,049)
Debt Services	-	-	-	-	-
Interagency Transfers	-	-	-	-	-
<b>Total Other Charges</b>	<b>\$ 326,603</b>	<b>\$ 1,829,045</b>	<b>\$ 2,155,648</b>	<b>\$ 4,812,067</b>	<b>\$ (2,656,419)</b>
General Acquisitions	26,909	126,157	153,065	197,822	(44,757)
Library Acquisitions	117,491	2,021	119,512	252,649	(133,137)
Major Repairs		110,779	110,779	10,000	100,779
<b>Total Acquist. &amp; Major Repairs</b>	<b>\$ 144,399</b>	<b>\$ 238,957</b>	<b>\$ 383,357</b>	<b>\$ 460,471</b>	<b>\$ (77,114)</b>
Scholarships	4,619,047	-	4,619,047	4,067,350	551,697
<b>Total Expenditures</b>	<b>\$ 60,463,400</b>	<b>\$ 19,268,462</b>	<b>\$ 79,731,862</b>	<b>\$ 83,026,866</b>	<b>\$ (3,295,004)</b>
<b>Difference</b>					<b>\$ (0)</b>

**SUNO**  
**General Fund Budget Projections**  
**For Fiscal Year Ending June 30, 2011**

	Actuals as of 3/31/11	Projected 4/1/11-6/30/11	Total FY 2010-11	Budget as of 3/31/2010	Over (Under) Budget
<b>Revenues</b>					
General Fund Direct	\$ 6,482,797	\$ 2,237,473	\$ 8,720,270	\$ 8,720,270	0
Statutory Dedicated	374,004	215,785	589,789	589,789	0
ARRA	2,089,153	1,339,577	3,428,730	3,428,730	0
Federal			-		0
Self Generated			-		0
Tuition - Fall 2010	3,318,998		3,318,998	3,680,716	(361,718)
Tuition - Spring 2011	3,338,050		3,338,050	3,680,716	(342,666)
Tuition - Summer		800,000	800,000	800,000	0
Out-of-State Fees	106,888	125,000	231,888	91,452	140,436
Other (Academic Excellence)	679,692	100,000	779,692	808,379	(28,687)
Technology Fee		380,948	380,948		380,948
All Other Student Fees		211,687	211,687		211,687
<b>Total Revenues</b>	<b>\$ 16,389,582</b>	<b>\$ 5,410,470</b>	<b>\$ 21,800,052</b>	<b>\$ 21,800,052</b>	<b>0</b>
<b>Expenditures by Object</b>					
Salaries	\$ 9,952,210	\$ 2,578,704	\$ 12,530,914	\$ 12,530,914	(0)
Other Compensation		20,000	20,000	20,000	0
Related Benefits	3,540,935	1,152,330	4,693,265	4,693,265	(0)
<b>Total Personal Services</b>	<b>\$ 13,493,144</b>	<b>\$ 3,751,034</b>	<b>\$ 17,244,178</b>	<b>\$ 17,244,179</b>	<b>0</b>
Travel	37,388		37,388	35,500	1,888
Operating Services	1,998,563	1,435,890	3,434,453	1,909,500	1,524,953
Supplies	372,598	38,059	410,657	246,946	163,711
<b>Total Operating Expenses</b>	<b>\$ 2,371,162</b>	<b>\$ 1,473,949</b>	<b>\$ 3,845,112</b>	<b>\$ 2,156,446</b>	<b>1,688,665</b>
Professional Services	212,332	35,500	247,832	4,000	243,832
Other Charges	134,220	284,727	418,947	1,484,263	(1,065,316)
Debt Services			-		0
Interagency Transfers			-	800,664	(800,664)
<b>Total Other Charges</b>	<b>\$ 346,551</b>	<b>\$ 320,227</b>	<b>\$ 666,778</b>	<b>\$ 2,288,927</b>	<b>(1,622,149)</b>
General Acquisitions			-		0
Library Acquisitions	1,260	900	2,160	75,000	(72,840)
Major Repairs			-		0
<b>Total Acquist. &amp; Major Repairs</b>	<b>\$ 1,260</b>	<b>\$ 900</b>	<b>\$ 2,160</b>	<b>\$ 75,000</b>	<b>(72,840)</b>
Scholarships	4,436		4,436		4,436
<b>Total Expenditures</b>	<b>\$ 16,253,941</b>	<b>\$ 5,546,110</b>	<b>\$ 21,800,052</b>	<b>\$ 21,800,052</b>	<b>0</b>

**Southern University at Shreveport  
General Fund Budget Projections  
For Fiscal Year Ending June 30, 2011**

	Actuals as of 4/12/11	Projected 4/12/11-6/30/11	Total FY 2010-11	Budget as of 3/31/2010	Over (Under) Budget
<b>Revenues</b>					
General Fund Direct	\$ 5,058,672	\$ 1,633,964	\$ 6,692,636	\$ 6,692,636	\$ -
Statutory Dedicated	-	-	-	-	-
ARRA	933,629	933,630	1,867,259	1,867,259	-
Funds Due From Mgmt or BOR	441,959	77,230	519,189	519,189	-
Federal	805	-	805	-	805
Self Generated	46,419	395,827	442,246	499,966	(57,720)
Tuition - Fall 2010	2,481,995	-	2,481,995	2,453,676	28,319
Tuition - Spring 2011	2,413,640	-	2,413,640	2,453,676	(40,036)
Tuition - Summer	119,052	251,948	371,000	304,000	67,000
Out-of-State Fees	6,780	-	6,780	1,130	5,650
Other	-	-	-	-	-
<b>Total Revenues</b>	<b>\$ 11,502,951</b>	<b>\$ 3,292,599</b>	<b>\$ 14,795,550</b>	<b>\$ 14,791,532</b>	<b>\$ 4,018</b>
<b>Expenditures by Object</b>					
Salaries	\$ 7,337,230	\$ 670,394	8,007,624	\$ 8,007,624	\$ -
Other Compensation	-	-	-	-	-
Related Benefits	2,277,155	463,881	2,741,036	2,741,036	\$ -
<b>Total Personal Services</b>	<b>\$ 9,614,385</b>	<b>\$ 1,134,275</b>	<b>\$ 10,748,660</b>	<b>\$ 10,748,660</b>	<b>\$ -</b>
Travel	35,405	18,634	54,039	65,392	(11,353)
Operating Services	1,317,393	528,608	1,846,001	1,846,001	-
Supplies	80,197	11,000	91,197	75,644	15,553
<b>Total Operating Expenses</b>	<b>\$ 1,397,590</b>	<b>\$ 539,608</b>	<b>\$ 1,937,198</b>	<b>\$ 1,987,037</b>	<b>\$ 4,200</b>
Professional Services	166,168	-	166,168	148,733	17,435
Other Charges	402,341	601,909	1,004,250	1,004,250	-
Debt Services	-	75,542	75,542	75,542	-
Interagency Transfers	-	700,000	700,000	700,000	-
<b>Total Other Charges</b>	<b>\$ 568,509</b>	<b>\$ 1,377,451</b>	<b>\$ 1,945,960</b>	<b>\$ 1,928,525</b>	<b>\$ 17,435</b>
General Acquisitions	20,000	-	20,000	20,000	-
Library Acquisitions	53,034	-	53,034	54,297	(1,263)
Major Repairs	-	-	-	53,013	(53,013)
<b>Total Acquist. &amp; Major Repair</b>	<b>\$ 73,034</b>	<b>\$ -</b>	<b>\$ 73,034</b>	<b>\$ 127,310</b>	<b>\$ (54,276)</b>
Scholarships	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 11,688,923</b>	<b>\$ 3,069,968</b>	<b>\$ 14,758,891</b>	<b>\$ 14,791,532</b>	<b>\$ (43,994)</b>

**SULC**  
**General Fund Budget Projections**  
**For Fiscal Year Ending June 30, 2011**

	<b>Actuals as of 3/31/11</b>	<b>Projected 4/1/11-6/30/11</b>	<b>Total FY 2010-11</b>	<b>Budget as of 3/31/2010</b>	<b>Over (Under) Budget</b>
<b>Revenues</b>					
General Fund Direct	\$ 3,313,483	\$ 1,070,264	\$ 4,383,747	\$ 4,383,747	\$ -
Statutory Dedicated	124,144	82,417	206,561	206,561	-
Funds Due From Mgmt or BOR		-	-		-
Federal	1,132,029	523,595	1,655,624	1,655,624	-
Self Generated			-		-
Tuition - Fall 2010	2,619,774		2,619,774	2,108,975	510,799
Tuition - Spring 2011	2,425,150		2,425,150	1,887,259	537,891
Tuition - Summer	275,918	307,000	582,918	192,962	389,956
Out-of-State Fees	1,137,504	29,000	1,166,504	591,100	575,404
Other	32,350	23,646	55,996	55,946	50
<b>Total Revenues</b>	<b>\$ 11,060,352</b>	<b>\$ 2,035,922</b>	<b>\$ 13,096,274</b>	<b>\$ 11,082,174</b>	<b>\$ 2,014,100</b>
<b>Expenditures by Object</b>					
Salaries	\$ 5,052,616	\$ 1,711,196	\$ 6,763,812	\$ 6,429,560	\$ 334,252
Other Compensation		-	-		-
Related Benefits	1,272,267	518,471	1,790,738	1,717,688	73,050
<b>Total Personal Services</b>	<b>\$ 6,324,883</b>	<b>\$ 2,229,667</b>	<b>\$ 8,554,550</b>	<b>\$ 8,147,248</b>	<b>\$ 407,302</b>
Travel	110,645	30,808	141,453	189,000	(47,547)
Operating Services	425,930	338,999	764,929	595,650	169,279
Supplies	85,734	80,628	166,362	132,000	34,362
<b>Total Operating Expenses</b>	<b>\$ 511,664</b>	<b>\$ 419,627</b>	<b>\$ 931,291</b>	<b>\$ 727,650</b>	<b>\$ 203,641</b>
Professional Services	121,390	56,690	178,080	93,080	85,000
Other Charges	-	270,196	270,196	45,196	225,000
Debt Services		-	-		-
Interagency Transfers		1,700,000	1,700,000	1,410,000	290,000
<b>Total Other Charges</b>	<b>\$ 121,390</b>	<b>\$ 2,026,886</b>	<b>\$ 2,148,276</b>	<b>\$ 1,548,276</b>	<b>\$ 600,000</b>
General Acquisitions	80,316	214,596	294,912	20,000	274,912
Library Acquisitions	463,621	136,379	600,000	300,000	300,000
Major Repairs	-	155,791	155,791	-	155,791
<b>Total Acquist. &amp; Major Repairs</b>	<b>\$ 543,937</b>	<b>\$ 506,766</b>	<b>\$ 1,050,703</b>	<b>\$ 320,000</b>	<b>\$ 730,703</b>
Scholarships	250,000	20,000	270,000	150,000	120,000
<b>Total Expenditures</b>	<b>\$ 7,862,519</b>	<b>\$ 5,233,755</b>	<b>\$ 13,096,274</b>	<b>\$ 11,082,174</b>	<b>\$ 2,014,100</b>

**SUAREC**  
**General Fund Budget Projections**  
**For Fiscal Year Ending June 30, 2011**

	Actuals as of 03/31/11	Projected 04/1/11-06/30/11	Total FY 2010-11	Budget as of 3/31/2011	Over (Under) Budget
<b>Revenues</b>					
General Fund Direct	\$ 1,871,558	\$ 377,810	\$ 2,249,368	\$ 2,249,368	\$ 0
Statutory Dedicated	1,241,869	563,713	1,805,582	1,805,582	0
Funds Due From Mgmt or BOR			-		-
Federal	3,379,752		3,379,752	3,379,752	-
Self Generated			-		-
Tuition - Fall 2010			-		-
Tuition - Spring 2011			-		-
Tuition - Summer			-		-
Out-of-State Fees			-		-
Other			-		-
<b>Total Revenues</b>	<b>\$ 6,493,180</b>	<b>\$ 941,523</b>	<b>\$ 7,434,703</b>	<b>\$ 7,434,702</b>	<b>\$ 1</b>
<b>Expenditures by Object</b>					
Salaries	\$ 3,177,488	\$ 753,247	\$ 3,930,735	\$ 3,930,735	\$ 0
Other Compensation			-		-
Related Benefits	885,681	424,565	1,310,246	1,310,246	-
<b>Total Personal Services</b>	<b>\$ 4,063,169</b>	<b>\$ 1,177,812</b>	<b>\$ 5,240,981</b>	<b>\$ 5,240,981</b>	<b>\$ 0</b>
Travel	110,144	20,751	130,895	130,895	(0)
Operating Services	261,243	1,389,149	1,650,392	1,650,392	0
Supplies	69,615	71,799	141,414	141,414	(0)
<b>Total Operating Expenses</b>	<b>\$ 330,858</b>	<b>\$ 1,460,948</b>	<b>\$ 1,791,806</b>	<b>\$ 1,791,806</b>	<b>\$ 0</b>
Professional Services	18,963	4,098	23,061	23,061	-
Other Charges	8,136	154,766	162,902	162,902	-
Debt Services			-		-
Interagency Transfers			-		-
<b>Total Other Charges</b>	<b>\$ 27,099</b>	<b>\$ 158,864</b>	<b>\$ 185,963</b>	<b>\$ 185,963</b>	<b>\$ -</b>
General Acquisitions	29,146	55,911	85,057	85,057	-
Library Acquisitions			-		-
Major Repairs			-		-
<b>Total Acquist. &amp; Major Repairs</b>	<b>\$ 29,146</b>	<b>\$ 55,911</b>	<b>\$ 85,057</b>	<b>\$ 85,057</b>	<b>\$ -</b>
Scholarships			-		-
<b>Total Expenditures</b>	<b>\$ 4,560,416</b>	<b>\$ 2,874,286</b>	<b>\$ 7,434,702</b>	<b>\$ 7,434,702</b>	<b>\$ 0</b>

**Southern University System**  
**A-133 Single Audit Report**  
**Summary of Audit Findings 2008-09, 2009-10**

<u>Campus / Finding #</u>	<u>Issue</u>	<u>[-----FY2008-2009-----]</u>		<u>[-----FY2009-2010-----]</u>		<u>Comments</u>
		<u>Finding</u>	<u>Questioned Costs</u>	<u>Finding</u>	<u>Questioned Costs</u>	
SUBR / 2010-1	Late submission of ARRA reports	NO	None	YES	None	Report submitted more than 10 calender days after end of quarter
SUNO / 2010-2, 2009-6	Verification of Title IV Eligibility	YES	\$ 67,188	YES	\$ 4,872	Verification information conflicts with verification documents
SUNO / 2010-3, 2009-8	Return of Title IV Funds	YES	None	YES	None	Refund calculation not performed timely. Funds not returned in 45 days. Calculation done incorrectly. No refund calculation performed
SUBR / 2009-1	Return of Title IV Funds	YES	None	NO	N/A	Funds not returned in 45 days. No refund calculation performed
SUBR / 2009-2	Student Credit Balance	YES	None	NO	N/A	Refunds not given to students within 14 days of credit balance
SUNO / 2009-3	Matching, Level of Support, Earmarking	YES	None	NO	N/A	No support that matching requirement was met
SUNO / 2009-4	Procurement, Suspension, Debarment	YES	None	NO	N/A	No documentation to verify testing of suspension and debarment
SUNO / 2009-5	Ineligible Pell, FFEL Recipient	YES	\$ 14,202	NO	N/A	Disbursed funds to student who was in default. 8,812 Pell, 5,390 FFEL
SUNO / 2009-7	Satisfactory Academic Progress	YES	\$ 15,825	NO	N/A	Awarded students who did not meet university standards for SAP. 5,323 Pell, 200 SEOG, 10,302 FFEL
SUSLA / 2009-9	Davis-Bacon Act	YES	None	NO	N/A	No verification /monitoring of prevailing wages on construction contracts
SUSLA / 2009-10	Exit Counseling	YES	None	NO	N/A	No exit counseling to separating students
SUSLA / 2009-11	Entrance Counseling	YES	\$ 9,800	NO	N/A	No entrance counseling to first-time borrowers