



LSU Board of Supervisors

3810 W. Lakeshore Drive
Baton Rouge, Louisiana

Friday, December 9, 2016

10:00 AM

PUBLIC COMMENT

Public Comments may be made only (1) when they relate to a matter on the agenda and (2) when individuals desiring to make public comments have registered at least one hour prior to the meeting. For additional information see: <http://www.lsu.edu/bos/public-comments.php>

COMMITTEE MEETINGS

A. HEALTHCARE AND MEDICAL EDUCATION COMMITTEE

Bobby Yarborough, Chair

1. Request from LSU Health Sciences Center at New Orleans to Approve a Cooperative Endeavor Agreement Between the Louisiana Department of Health and the School of Public Health
2. Presentation on Performance Metrics for Health Sciences Centers

B. ACADEMIC AND STUDENT AFFAIRS, ACHIEVEMENT AND DISTINCTION COMMITTEE

James W. Moore, Chair

1. Request from LSU A&M to Establish the Global Scholarship Program
2. Request from LSU A&M to Establish a Bachelor of Science in Entrepreneurship
3. Request from LSU Health Sciences Center at New Orleans for Conditional (One Year) Approval of the Center for Health Transformation
4. CONSENT AGENDA
 - i. Recommendation to Approve Fall 2016 Conferral of Degrees at LSU Campuses
 - ii. Request from LSU A&M to Change the Name of the Department of Information Systems and Decision Sciences to the Department of Entrepreneurship and Information Systems in the E.J. Ourso College of Business (tentative)
 - iii. Request from LSU A&M to Establish the Douglas L. Manship, Sr.-Dori J. Maynard Chair in Race, Media & Cultural Literacy

iv. Request from LSU A&M to Establish 15 Endowed Superior Graduate Student Scholarships

- Hannelore & Johannes Storz Graduate Student Excellence Fund
- Lamar Family Post-doctoral Fellowship
- Kenneth R. Hogstrom Superior Graduate Student Scholarship in Medical Physics
- Neil & Arlene Kestner Superior Graduate Student Scholarship in Honor of Imre Zupkay
- Mark & Carolyn Campbell Guidry Doctoral Fellowship #2
- T. J. Moran Endowed Law Scholarship
- T. J. Moran Superior Graduate Student Scholarship, College of Human Sciences & Education
- T. J. Moran Superior Graduate Student Scholarship, E. J. Ourso College of Business
- Dr. Jack Van Lopik & Annagreta Hojhdal Superior Graduate Scholarship
- Carraway Foundation Graduate Excellence Scholarship #2
- Joseph F. Domino Superior Graduate Student Scholarship
- Friedhelm Goronzy Endowed Superior Graduate Student Scholarship
- Lynne & Kit Marye Superior Graduate Student Scholarship in Finance
- Robert K. & Elizabeth F. Reeves Endowed Scholarship
- Robert R. and Melissa B. Rabalais Energy Law Endowment

v. Request from LSU-Alexandria to Establish 4 Endowed Scholarships for First Generation Students

- Mary Jane Brown Endowed Scholarship for First Generation College Students
- Dr. David and Mrs. Nicole Holcombe Endowed Scholarship for First Generation College Students in Creative Arts and Language
- Virginia Harvey Holcombe Endowed Scholarship for First Generation College Students in Nursing
- Jeremiah and Kenneth Grant Holcombe Endowed Scholarship for First Generation College Students in Allied Health

vi. Request from LSU Health Sciences Center-New Orleans to Change the Name of the Leslie Lewinter-Suskind and the Robert Suskind Professorship for International Pediatric Collaboration

vii. Request from LSU Health Sciences Center-New Orleans to Waive the National Search Requirement for the Elaine A. Doré Endowed Chair in Orthopaedics

C. FINANCE, INFRASTRUCTURE, AND CORE DEVELOPMENT COMMITTEE

Ronald R. Anderson, Chair

1. Recommendation to Amend the Bylaws and Regulations of the Board, Related to Rights, Duties, and Responsibilities of Principal Administrative Officers of the University

D. PROPERTY AND FACILITIES COMMITTEE

Rolfe McCollister, Jr., Chair

1. Recommendation to Amend the FY 2017-18 Five-Year Capital Outlay Budget Request and First Year Prioritized Categories to Include Projects at Louisiana State University A&M: LSU A&M Veterinary Medicine Clinical Facility and LSU A&M Memorial Tower
2. Request from LSU A&M to Approve the Schematic Design of the Companion Animal Alliance Facility
3. Request from LSU Health Sciences Center-New Orleans to Approve the Purchase of Land in Square 440 in the First District New Orleans

E. ATHLETIC COMMITTEE

Blake Chatelain, Chair

1. Request from LSU A&M to Approve Amendment to the Employment Contract with Edward J. Orgeron, Jr., Interim Head Coach Football
2. CONSENT AGENDA
 - i. Authorization for the LSU President to Approve Football Postseason Additional Compensation in Accordance with Existing Board Policy or Coaches' Contracts

F. AUDIT COMMITTEE

Lee Mallett, Chair

The Audit Committee will meet at 8:00am in Conference Room 112, University Administration Building, 3810 W. Lakeshore Drive, Baton Rouge, Louisiana 70808.

LSU Board of Supervisors Meeting
3810 W. Lakeshore Drive
Baton Rouge, Louisiana 70808
Board Room
Friday, 12/9/2016
1:00 - 4:00 PM CT

1. Call to Order and Roll Call
2. Invocation and Pledge of Allegiance
3. Approval of Minutes of Board Meeting of October 21, 2016
BOS Meeting Minutes.102116 - Page 2
4. Personnel Actions Requiring Board Approval
Guiyou Huang Contract - Page 12
BoS_December2016_CA_Personnel requiring BoS Approval - Page 14
5. Reports from Staff Advisors and Faculty Advisors
6. President's Report
7. Reports to the Board
 - a. FY 2016 4th Quarter Internal Audit Summary
FY 2016 4th Quarter Audit Summary - Page 18
 - b. FY 2016 Internal Audit Annual Report
FY 2016 Annual Audit Report - Page 33
 - c. FY 2016-17 1st Quarter Consolidated LSU Investment Report (Written Report Only)
FY 2016-17 1st Quarter Consolidated LSU Investment Report - Page 46
8. Committee Reports
9. Chairman's Report
10. Adjournment

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MINUTES

REGULAR BOARD MEETING

October 21, 2016

1. Call to Order and Roll Call

Mr. Scott Ballard, Chair, called to order the Regular Meeting of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College in the University Medical Center, New Orleans, Louisiana, on October 21, 2016 at 1:05 p.m.

The secretary called the roll.

PRESENT

Mr. Scott Ballard
Chairman
Mr. Glenn J. Armentor
Mr. Stanley J. Jacobs
Mr. Lee Mallett
Mr. James M. Williams
Mr. Zachary Faircloth

Mr. Stephen Perry
Chairman-Elect
Mr. R. Blake Chatelain
Ms. Valencia Sarpy Jones
Mr. Jim McCrery
Mr. Robert "Bobby" Yarborough

ABSENT

Ms. Ann Duplessis
Mr. Scott A. Angelle
Mr. James W. Moore Jr.

Mr. Ronnie Anderson
Mr. Rolfe McCollister, Jr.

Also present for the meeting were the following: Dr. F. King Alexander, President of LSU; Mr. Tom Skinner, General Counsel; LSU officers and administrators from their respective campuses; faculty representatives; interested citizens and representatives of the news media.

Public Comments

There was one (1) comment registered from Ms. Kristi Trail from the LSU New Orleans Advisory Group to address the Board on Agenda Item #7B2: Request from LSU A&M to Establish Three New Scholarship Programs.

2. Invocation and Pledge of Allegiance

Chairman Ballard recognized Dr. Larry H. Hollier, Chancellor from the LSU Health Science Center New Orleans. Dr. Hollier introduced the two students addressing the Board.

Ms. Jada Foley gave the Invocation. Ms. Danielle Morelli led the Pledge of Allegiance.

Chief Medical Officer and LSU Health Sciences Center at New Orleans faculty member, Dr. Peter M.C. DeBlieux, spoke on the honor and privilege to work in the University Medical Center facility and thanked the Board for their involvement.

3. Approval of the Minutes of the Board Meeting held on September 9, 2016

Upon motion of Mr. Chatelain, seconded by Mr. McCrery, the Board voted unanimously to approve the Minutes of the Regular Board Meeting held on September 9, 2016.

4. Reports from Staff Advisors and Faculty Advisors

Dr. Kevin Cope, Council of Faculty Advisors gave an informational report. There was no report from Staff Advisors.

5. President's Report

Dr. F. King Alexander, President of LSU advised the Board on various matters including:

Appointment of Dr. G. E. Ghali, Chancellor LSU Health Science Center at Shreveport

LSUA Chancellor Search Update

Election Day - Proposition 2

Dr. Alexander commended LSU A&M University Student Government, Faculty Senate, and Ashley Arceneaux for their contribution to the President's Symposium: a Moment or a Movement?

Dr. Alexander thanked Board member Mr. Stephen Perry for hosting the Board in New Orleans.

Dr. Alexander, recognized:

Dr. Bill Richardson, VP for Agriculture & Dean of College of Agriculture, for an update on therapeutic marijuana cultivation at AgCenter.

6. Reports to the Board

- a. Fall 2016 14th Day Enrollment & Trend Report
- b. FY16 Semi-Annual Consolidated Financial Report

Upon motion by Mr. Chatelain, seconded by Mr. Faircloth, the Board voted unanimously to accept these reports.

7. Committee Reports

A motion was made by Mr. Williams, seconded by Mr. Armentor, to approve the Committee resolutions that were unanimously approved by the Committees. The Board voted unanimously to approve all Committee resolutions.

7A. Healthcare and Medical Education Committee

Mr. Yarborough, Chair of the Healthcare and Medical Education Committee, reported that the Committee received one (1) presentation.

7A1. Presentation by University Medical Center

Mr. Bill Masterton, University Medical Center President & CEO presented an overview & update on the University Medical Center.

7B. Academic and Student Affairs, Achievement and Distinction Committee

Mr. Williams, Vice Chairman of the Academic and Student Affairs, Achievement and Distinction Committee, reported that the Committee received two (2) requests for Board approval and two (2) consent agenda items. It is the recommendation of the Committee that the requests receive Board approval.

7B1. Request from LSU Alexandria to Establish a Bachelor of Science in Health Professions

Upon motion of Mr. Perry, seconded by Mr. Armentor, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request from LSU Alexandria to establish a Bachelor of Science in Health Professions, subject to approval by the Board of Regents.

7B2. Request from LSU A&M to Establish Three New Scholarship Programs

a. The LA Tiger Legacy Scholarship Program

Upon a motion of Mr. Armentor, seconded by Mr. Faircloth, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors hereby approves the LSU A&M request to establish the LA Tiger Legacy Scholarship Program; and

BE IT FURTHER RESOLVED that a report detailing the fiscal and enrollment impacts of the LA Tiger Legacy program will be submitted annually to the President of LSU and the Board of Supervisors each year through 2021.

b. The Tiger Alumni Scholarship Program

Upon motion of Mr. Armentor, seconded by Mr. Faircloth, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request to establish the Tiger Alumni Legacy Scholarship Program at LSU A&M; and

BE IT FURTHER RESOLVED that a report detailing the fiscal and enrollment impacts of the Tiger Alumni Scholarship Program will be submitted annually to the President of LSU and the Board of Supervisors each year through 2021.

c. The Tiger Nation Scholarship Program

Upon motion of Mr. Perry, and seconded by Mr. Faircloth, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request to establish the Tiger Nation Scholarship Program at LSU A&M; and

BE IT FURTHER RESOLVED that a report detailing the fiscal and enrollment impacts of the Tiger Nation Scholarship Program will be submitted annually to the President of LSU and the Board of Supervisors each year through 2021.

7B3. Consent Agenda

- a. Request from LSU A&M to Change the Name of the BS in Electrical Engineering Major in Computer Engineering to the BS in Computer Engineering
- b. Request from LSU Health Science Center - New Orleans to Change the Focus of the David G. Kline, MD Endowed Chair in Peripheral Nerve Repair and Regeneration, and to Waive the National Search Requirement

Mr. Williams offered the following recommendation to approve the Consent Agenda items as submitted.

Upon motion of Mr. Faircloth, seconded by Mr. Armentor, the committee voted unanimously to approve the Consent resolutions.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request to change the name of the Bachelor of Science in Electrical Engineering Major: Computer Engineering to the Bachelor of Science in Computer Engineering, subject to approval by the Board of Regents.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request from LSU Health Science Center – New Orleans to change the name and focus of the David G. Kline, MD Endowed Chair in Peripheral Nerve Repair and Regeneration to the David G. Kline, MD Endowed Chair in Neurosurgery subject to approval by the Board of Regents; and

BE IT FURTHER RESOLVED that the Board of Supervisors does hereby approve the request to waive the national search requirement and award the chair to the current head of the Department of Neurosurgery at LSU Health Science Center – New Orleans, Dr. Frank Culicchia, subject to approval by the Board of Regents.

7C. Finance, Infrastructure and Core Development Committee

Ms. Jones, Vice Chairman of the Finance, Infrastructure and Core Development Committee reported that the committee received five (5) recommendations for Board approval and one (1) consent agenda item. It is the recommendation of the committee that the recommendations receive Board approval.

7C1. Recommendation to Approve the FY 2017-18 Operating Budget Request

Upon motion by Mr. Mallett, seconded by Mr. Faircloth, 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 (“Board”) does hereby provide authority to the President F. King Alexander (“President”) to approve the preliminary proposed budget request for the fiscal year ending June 30, 2018, said request consisting of state appropriations and total funds for the LSU campuses and entities based on the requests of the respective campuses and entities and the preliminary Board of Regents funding formula, which requests are incorporated herein by reference;

BE IT FURTHER RESOLVED that the Board does hereby authorize the President to continue to work with the Board of Regents on the appropriate formula methodology and budget request for the LSU units to be used for the FY 2017-18 budget request and, with notice to the Board, to act on behalf of the Board in approving the final FY 2017-18 budget request for all LSU campuses and

entities. The Board hereby delegates all such authority necessary to accomplish such purposes to the President.

BE IT FURTHER RESOLVED that the Board does hereby approve the proposed requests for operational or expanded need activities, based on the information provided by the respective LSU campuses and entities in response to the request by the higher education budget manager of the state Division of Administration, which requests are incorporated herein by reference; and

BE IT FURTHER RESOLVED that transactions included or referred to in the proposed operating budget that otherwise require Board approval are not approved by mere inclusion in the proposed operating budget.

7C2. Request from LSUA to Authorize the President to Amend and Restate the Lease Agreement Between the LSU Board and The Oaks of Alexandria, L.L.C.

Upon motion by Mr. Mallett, seconded by Mr. Faircloth, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board") that:

SECTION 1. The Board does hereby authorize F. King Alexander, President of Louisiana State University, to execute and deliver an amendment and restatement of that certain Agreement of Lease of Residence Facilities dated as of October 10, 2006 (the "Facilities Lease"), between the LSU Board, as lessee, and The Oaks at Alexandria, L.L.C., as lessor to reflect the terms of refunding bonds to refinance the Louisiana Public Facilities Authority's outstanding Revenue Bonds (The Oaks at Alexandria, L.L.C. – Louisiana State University at Alexandria Student Housing Project) Series 2006 issued on October 10, 2006 (the "Series 2006 Bonds"), for the purpose of financing certain student housing facilities located on the campus of Louisiana State University at Alexandria ("LSUA").

SECTION 2. The Board does hereby delegate to F. King Alexander, President of Louisiana State University, the power and authority to execute and deliver any and all other documents, instruments and certificates, including, without limitation, a bond purchase agreement, continuing disclosure agreement and tax regulatory agreement, necessary to enable the issuance of refunding bonds to refinance the Series 2006 Bonds and consummate the above described transaction and to include in such documents such terms and conditions as he may deem wise and in the best interest of the Board and LSUA.

7C3. Request from LSU Health Care Services Division to Authorize the President to Amend and Restate the Lease Agreement Between the LSU Board and Bogalusa Community Medical Center

Upon motion of Mr. Mallett, seconded by Mr. Faircloth, the Committee voted unanimously to approve the following resolution:

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board") that:

SECTION 1. The Board does hereby authorize F. King Alexander, President of Louisiana State University, to execute and deliver an amendment of that certain Amended and Restated Lease Agreement dated as of September 28, 2007 (the "Lease Agreement"), between the Board, as lessee, and Bogalusa Community Medical Center ("BCMC"), as lessor, to permit and accommodate the issuance of refunding bonds to refinance the Health Care Community Development

Corporation's outstanding Revenue Bonds (Bogalusa Community Medical Center Project) Series 2007A issued on September 28, 2007 (the "Series 2007A Bonds"), for the purpose of financing certain improvements and renovations and related equipment at the community hospital, medical clinics, medical office buildings and other improvements and equipment located at 433 Plaza Street and 420 Avenue F, Bogalusa, Louisiana (collectively, the "Medical Center").

SECTION 2. The Board does hereby delegate to F. King Alexander, President of Louisiana State University, the power and authority to execute and deliver any and all other documents, instruments and certificates, including, without limitation, a bond purchase agreement, continuing disclosure agreement and tax regulatory agreement, necessary to enable the issuance of refunding bonds to refinance the Series 2007A Bonds and consummate the above described transaction and to include in such documents such terms and conditions as he may deem wise and in the best interest of the Board and the LSUHCSD.

7C4. Request from LSU A&M to Approve the LSU Real Estate & Facilities Foundation Uniform Affiliation Agreement

Upon motion of Mr. Mallet, seconded by Mr. Faircloth, 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, acting on behalf and in the name of the Board, to execute a Uniform Affiliation Agreement with the LSU Real Estate and Facilities Foundation.

7C5. Request from the Pennington Medical Foundation Trust to add the Pennington Biomedical Research Foundation as a Beneficiary of the Trust, to Terminate the Trust, and to Distribute the Remaining Trust Assets

Upon motion of Mr. Mallett, seconded by Mr. Faircloth, 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 Daniel T. Layzell, Vice President for Finance and Administration/CFO of Louisiana State University, or his designee, to execute any and all pleadings and documents required to amend the Trust known as the Pennington Medical Foundation in order to add the Pennington Biomedical Research Foundation as a beneficiary of the Pennington Medical Foundation and to distribute most or all of the assets of the Trust to the Foundation, and, after the distribution of the remaining assets of the Trust, to accomplish the dissolution of the Trust.

BE IT FURTHER RESOLVED that Daniel T. Layzell, Vice President for Finance and Administration/CFO of Louisiana State University, or his designee, is duly authorized by an 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 include in such pleadings and documents any and all provisions that he deems to be in the best interest of the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College.

7C6. Consent Agenda

- a. Request from LSU A&M to Authorize the Issuance of Auxiliary Revenue Refunding Bonds, Series 2016

Ms. Jones offered the following recommendation to approve the Consent Agenda item as submitted.

Upon motion of Mr. Mallett, seconded by Mr. Faircloth, the committee voted unanimously to approve the Consent resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (the "Board") that:

SECTION 1. The Board has been advised that its tax-exempt and taxable Auxiliary Revenue Refunding Bonds, Series 2016 (the "Series 2016 Bonds") are expected to be issued in one or more series at fixed rates of interest not to exceed 6% per annum and for a term not to exceed 30 years, and the Board desires to authorize the issuance of the Series 2016 Bonds for the purposes of financing the (i) refunding all or a portion of the Board's outstanding Auxiliary Revenue Bonds, Series 2007, Auxiliary Revenue Bonds, Series 2008, and Auxiliary Revenue and Refunding Bonds, Series 2010A, (ii) paying the premium for a bond insurance policy, if necessary and funding a reserve fund or paying the premium for a reserve fund insurance policy or surety bond, if necessary, and (iii) paying the costs of issuance of the Series 2016 Bonds, including, but not limited to, the preparation of the hereinafter described Bond Resolution and the preparation and distribution of preliminary and final official statements, if any, related thereto, all for the benefit of Louisiana State University and Agricultural and Mechanical College (the "University").

SECTION 2. The Board does hereby approve and adopt the attached Eighteenth Supplemental Resolution (the "Eighteenth Supplemental Resolution") relating to the issuance of the Series 2016 Bonds in an aggregate principal amount not to exceed \$185,000,000, and does hereby authorize the execution and delivery by the Chairman or Chairman-Elect and the Secretary of the Board of the Eighteenth Supplemental Resolution and does hereby authorize said officers or an Authorized Board Representative (defined in the Eighteenth Supplemental Resolution as one or more, as required by law or by the Bond Resolution, of the Chairman, the Chairman-Elect, the Secretary and each officer of the Board, the President of LSU and the Vice President for Finance and Administration/CFO of LSU or any other Person designated in writing by the Chairman or Chairman-Elect of the Board or designated by a resolution of the Board) to execute such documents or certificates as set forth in the Eighteenth Supplemental Resolution and such other documents or certificates necessary in connection with the issuance or the marketing of the Series 2016 Bonds and all other transactions incident thereto, with such changes and modifications which are deemed in the best interest of the Board by an Authorized Board Representative, including, without limitation, such changes as are required by the underwriters of the Series 2016 Bonds and by the pricing of the Series 2016 Bonds, and the Board does hereby ratify all prior actions taken on its behalf by University officials in furtherance of this transaction.

SECTION 3. The Board hereby authorizes the marketing, pricing and delivery of the Series 2016 Bonds; provided that the final terms of such Series 2016 Bonds shall meet the following conditions:

- (i) Principal Amount in one or more series - Not to exceed \$185,000,000;
- (ii) Maturity - Not to exceed 30 years; and
- (iii) Net Interest Rate - Not to exceed a fixed rate of 6.0% per annum.

7D. Research and Economic Development Committee

Mr. Armentor, Chair of the Research and Economic Development Committee, reported that the Committee received one (1) presentation.

7D1. Presentation: LSU Health Sciences Centers in New Orleans & Shreveport: Key Players in Louisiana's Prosperity

Dr. Larry H. Hollier, Chancellor of LSU Health Sciences Center New Orleans, and Dr. G. E. Ghali, Chancellor of LSU Health Sciences Center Shreveport, gave a presentation on the data, contributions, and updates for the Health Sciences Centers in New Orleans & Shreveport.

7E. Audit Committee

The Audit Committee met following the Regular Board meeting.

8. Chairman's Report

The Chairman thanked Mr. Bill Masterton, President & CEO of University Medical Center, and the University Medical Center for hosting the Board meeting and announced the next Board of Supervisors meeting will be held in Baton Rouge on December 9, 2016.

9. Adjournment

Chairman Ballard asked for a motion to adjourn with no further business before the Board.

Upon motion by Mr. Yarborough, seconded by Mr. Perry, the meeting was adjourned.

Stephanie Tomlinson
Executive Assistant
LSU Board of Supervisors

EMPLOYMENT CONTRACT FOR ACADEMIC EMPLOYEES

TO: _____

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

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

The appointment is effective _____ through _____ with an initial salary of \$_____ on Academic Year Basis Fiscal Year Basis.

This position May May Not lead to Tenure. *See additional page for an explanation of a term appointment and tenure.

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 LSU System under prescribed conditions.

Special provisions of the appointment are: _____

Administrative Officer Approvals [as required]

_____ Department Head	_____ Date	_____ Dean	_____ Date
_____ Vice President	_____ Date	_____ LSU President	_____ Date
	_____ Date	_____ Date	_____ Date

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.

Employee Signature

Date

I. SECTION 2-7 OF THE REGULATIONS OF THE BOARD OF SUPERVISORS CURRENTLY PROVIDES IN PART:

"Faculty Ranks. Faculty members and other members of the academic staff of comparable rank, including librarians, may be appointed for a specific term ("term appointment") or indefinitely ("tenured appointment") depending on rank and experience. Appointment or tenure on one campus of the LSU System carries no implication of appointment or tenure on another campus. Academic employees are tenured only with respect to their academic ranks and not with respect to administrative titles or assignments.

"Tenure is not a guarantee of lifetime employment, particularly in the face of institutional change or financial exigency. It does assure that the employee will not be dismissed without adequate justification and without due process.

"Term employees are appointed for specified periods of time as indicated on the appointment form.

"Professors and Associate Professors are tenured and are appointed for an indefinite period of time, except that the initial appointment and subsequent reappointments through not more than five years of total service to the LSU campus involved may be made for a stipulated term. Persons promoted to the rank of Professor or Associate Professor after less than five years of service on the campus may be continued to term appointment through no more than the fifth year. Persons holding a professorial rank (Professor, Associate Professor or Assistant Professor) while being paid by a grant or contract do not acquire tenure through the passage of time but may become tenured only by specific individual recommendation through appropriate channels and approval by the President.

"Assistant Professors are appointed for terms no longer than three years. Upon reappointment after seven years of service in rank on a particular campus, Assistant Professors receive tenure. A thorough review will be made during the sixth year of service so that notice of termination may be given if necessary no later than the end of the sixth year of service. Individual campuses have the option of conducting the thorough review prior to the sixth year, provided that appropriate written notification is given to the faculty member. The University may, at its discretion, count prior service on the same campus toward the seven-year evaluation period for an Assistant Professor to achieve indeterminate tenure. The ultimate decision shall be left with the President, to be applied in each individual case for which the respective campus recommends granting indeterminate tenure counting prior service favorably.

"Those who rank as Associate or Instructor shall be appointed for a specified term and shall not be considered for indeterminate tenure; provided, however, Associates and Instructors hired for an initial term greater than two years may be terminated at the end of the first year if given notice during the first nine months of that year. Otherwise, the provisions of Section 2-7(1)-(4) shall apply.

"Expiration of Appointment. Upon expiration of a term appointment, the employee is a free agent to whom the University System has no obligation. The University System may reappoint the employee to the same or a different position. Non-reappointment carries no implication whatsoever as to the quality of the employee's work, conduct, or professional competence.

"When an employee, other than an Associate, is not to be reappointed, written notice to the employee will ordinarily be provided in accordance with the following schedule:

1. Not later than March 1 of the first academic year of service, if the appointment expires at the end of the year; or, if an initial one-year appointment terminates during an academic year, at least three months in advance of its termination.
2. Not later than December 15 of the second academic year of service, if the appointment expires at the end of that year; or if an initial two-year appointment terminates during the academic year, at least six months in advance of its termination.
3. At least 12 months before the expiration of an appointment after two or more years service on that campus.
4. When an Associate is not reappointed, the Associate shall be given written notice of termination no less than ninety (90) days prior to the expiration of the employment contract."

II. THE POLICIES OF THE LSU BOARD OF SUPERVISORS RELATING TO FRINGE BENEFITS INCLUDE THE FOLLOWING:

(A) Optional employee benefit plans:

- 1) group medical insurance;
- 2) group life insurance;
- 3) long term disability income insurance;
- 4) accidental death and dismemberment insurance.

(B) Other fringe benefits include but are not limited to:

- 1) monthly accrual of sick leave for all regular employees;
- 2) monthly accrual of annual leave for regular employees on twelve month pay basis;
- 3) voluntary participation in tax sheltered programs.

Upon receipt of this signed contract, forms and instructions for enrollment in the above programs will be forwarded to you.

Personnel Actions Requiring Board Approval
per PM 69

December 9, 2016

Personnel Actions Requiring Board Approval per PM69
December 9, 2016

Appointments

LSU Alexandria

<u>Name</u>	<u>Title</u>	<u>Contract Term</u>	<u>Annual Salary</u>
Guiyou Huang	Chancellor	1/1/2017 to 12/31/2019	\$240,000

LSU Health Science Center Shreveport

<u>Name</u>	<u>Title</u>	<u>Contract Term</u>	<u>Annual Salary</u>
Ghali E. Ghali	Chancellor and Dean	10/22/2016 to 12/31/2019	\$475,000 ^a

- a. Base salary paid from State resources. Will also receive a supplement from faculty practice revenues and contracts that are generated from external clinical activities. Only the base salary is subject to benefits in accordance with state law and LSU policy.

Personnel Actions Requiring Board Approval per PM69
December 9, 2016

Amendments

LSU

<u>Name</u>	<u>Title</u>	<u>Contract Extension</u>	<u>Annual Salary</u>
F. King Alexander	President	7/1/2016 to 6/30/2021	No Change

LSU Health Science Center New Orleans

<u>Name</u>	<u>Title</u>	<u>Contract Extension</u>	<u>Annual Salary</u>
Larry Hollier	Chancellor and Executive VP for Health Affairs	12/1/2016 to 12/31/2021	\$490,000 ^b

- b. Base salary paid from State resources. Will also receive a supplement from faculty practice revenues and contracts that are generated from external clinical activities. Only the base salary is subject to benefits in accordance with state law and LSU policy.

Personnel Actions Requiring Board Approval per PM69
December 9, 2016

Coaching Contract – Interim Appointment

LSU A&M

<u>Name</u>	<u>Title</u>	<u>Interim Term</u>	<u>Supplemental Income</u>
Steven Ensminger	Interim Assistant Football Coach/Offensive Coordinator	9/25/2016 to 1/2/2017	\$75,000 º

- c. The supplemental income will be a lump sum payment. Coaching compensation is paid by revenues generated by the Athletic Department. No state general fund or tuition dollars are used.

Quarterly Audit Summary

Fiscal Year 2016, 4th Quarter

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Quarterly Audit Summary

Fiscal Year 2016, 4th Quarter

Louisiana State University and A&M College

Employee Onboarding and Termination

Audit Initiation:

This review originated as a scheduled audit from the FY 2015 Board approved audit plan.

Audit Scope and Objectives:

The scope of this audit included employee appointments and separations from July 1, 2014 to June 30, 2015 at the following campuses: LSU A&M, AgCenter, LSU Eunice, LSU Alexandria, Paul M. Hebert Law Center, and Pennington Biomedical Research Center. Although the Law Center is now under the LSU A&M campus, the controls were executed at the Law Center during the scope of testing and, therefore, independent of LSU A&M.

The objectives of this audit were to determine if there was consistency in onboarding and separation practices, verify that adequate controls were in place for hiring and terminating personnel, and evaluate controls to prevent or detect the addition of false employees.

Audit Findings:

The onboarding and termination procedures are decentralized among each LSU campus as well as LSU A&M departments with Human Resources personnel responsible for oversight of employment actions. Each campus has developed their own processes, which are largely inconsistent as a system; we compared these to best practices to determine areas where controls could be strengthened or modified for consistent application across the campuses. As a result, we have the following recommendations for management:

1. Institute a more comprehensive background check process to review criminal convictions for all employees prior to hiring.

Quarterly Audit Summary

Fiscal Year 2016, 4th Quarter

2. Implement a system control to prevent the hiring of an employee before completing the pre-employment drug screening.
3. Standardize the hiring process, requirements for pre-employment drug screening and background checks, as well as documentation expectations through implementation of a permanent memorandum.
4. Create a permanent memorandum to standardize the separation process including procedures to address the removal of system access, return of university assets, and adequate documentation to support the separation.
5. Provide personnel involved in hiring and separations at each campus with periodic training on legal and ethical employment practices.

Management's Response and Corrective Action Plan:

Management generally concurred with our recommendations and is in the process of implementing corrective action plans which will be fully completed by November 2016.

Evaluation of Scholarship Administration Follow-up Report (Louisiana Legislative Auditors)

Audit Initiation:

This was a follow-up evaluation to the May 2014 informational audit of the administration of university-funded and college-awarded scholarships, excluding Federal awards, for students enrolled at Louisiana State University and A&M College (LSU).

Audit Scope and Objectives:

The objective was to determine if the corrective actions noted within LSU's response to the May 2014 informational audit have been implemented. The scope of procedures was significantly less than an audit conducted in accordance with Government Auditing Standards.

Quarterly Audit Summary

Fiscal Year 2016, 4th Quarter

Audit Findings:

This work was conducted in follow-up to the Louisiana Legislative Auditor's May 2014 report, which evaluated whether LSU administered university-funded and college-awarded student scholarships in accordance with applicable university policies and terms. At that time, it was found that LSU had not developed specific criteria for awarding scholarships; did not maintain adequate documentation on awarded scholarships, including the criteria met by award recipients; and did not report scholarship information to the legislature in a complete and accurate manner as required by state law.

The follow-up work indicated the following:

- LSU still needs to ensure that scholarships are reviewed for availability.
- The Board Scholarships policy has been revised to reflect that the awards are intended to be discretionary and not competitive.
- Board Scholarship Applications are now logged when received and are retained according to the revised policy.
- The Board Scholarship Report submitted to the Legislature for the 2014-15 academic year was accurate and complete.

Management's Response and Corrective Action Plan:

LSU agreed with the recommendation that scholarships are routinely reviewed for availability to help ensure all awards are made when sufficient funds exist.

Quarterly Audit Summary

Fiscal Year 2016, 4th Quarter

Pennington Biomedical Research Center (PBRC)

Research Uniform Guidance

Audit Initiation:

This review originated as a scheduled audit from the Fiscal Year 2016 Board approved audit plan.

Audit Scope and Objectives:

The scope of the audit included controls executed in Fiscal Year 2016 related to sub-recipient monitoring, time and effort reporting, and cash handling.

The objective of this audit was to determine whether PBRC management implemented corrective actions to address prior year findings reported by both the Office of Internal Audit and the Louisiana Legislative Auditor and whether the remediation was in compliance with federal uniform guidance regulations.

Audit Findings:

The results of testing identified minor issues with processes for issuing management decision letters when sub-recipient audit reports disclosed findings as well as obtaining time and effort certifications from inventors on a timely basis. We provided the following recommendations to management:

1. Develop controls to obtain sub-recipient audit reports promptly after Federal Audit Clearinghouse to ensure any required management decision letters are issued by the six month deadline. The standard operating procedures should be revised to incorporate these controls.
2. Continue with their current practice of ensuring a minimum allocation to each trial assigned to an investigator. With the implementation of the Workday system, effort certifications will now be completed electronically on a monthly basis. This process will enhance controls to ensure certifications are sent and returned timely; it will also allow responsible

Quarterly Audit Summary

Fiscal Year 2016, 4th Quarter

personnel to easily track the associated dates and identify those certifications that remain outstanding.

Management's Response and Corrective Action Plan:

Management concurred with our recommendations and is in the process of implementing corrective action plans which will be fully completed by December 2016.

Research Data Security

Audit Initiation:

This review originated as a scheduled audit from the Fiscal Year 2016 Board approved audit plan.

Audit Scope and Objectives:

The objective of this audit was to examine the design and effectiveness of controls put into place to ensure the security of research data.

The scope of our work included core laboratory and clinical areas at PBRC and testing included reviews of policies and procedures, as well as other department records, interviews with department personnel, process walkthroughs and analysis of data for all in-scope areas.

Areas reviewed included:

- Review of IT and data security policies and controls
- Review of the PBRC IT Disaster Recovery and Business Continuity Planning documentation and policies
- Review of data security and backup in the core lab areas

Audit Findings:

Results of our testing indicated that controls are designed and carried out in a manner which effectively minimizes the risk of exposure of protected data, loss of research data and overall security of the PBRC network and network attached devices. Recommendations were

Quarterly Audit Summary

Fiscal Year 2016, 4th Quarter

made to address the following three areas where controls may be enhanced:

- Use of cloud storage applications outside the oversight of the Information Technology Group at Pennington
- Security of "dual use" telecommunications closets
- Periodic reviews of Disaster Recovery and Business Continuity plan

Management's Response and Corrective Action Plan:

Management concurred with our recommendations and presented a corrective action plan to address them.

Louisiana State University Health Sciences Center Shreveport

Risk Management – Internal Controls

Audit Initiation:

This review originated as a scheduled audit from the Fiscal Year 2014 Board approved audit plan.

Audit Scope and Objectives:

The scope of the audit included LSU Health Sciences Center Shreveport financial transactions for the period July 1, 2014 to June 30, 2015.

The objective of this audit was to determine whether expected financial internal controls are in place and functioning properly in the areas of accounts payable, procurement, accounts receivable, cash handling, financial aid, payroll, and system access.

Audit Findings:

Based on testing performed, the following were noted:

- Inadequate controls over Additional Compensation
- Prohibited Student Loans from General funds
- Inadequate controls over Accounts Receivable

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- Undistributed and Clearing accounts not reconciled
- Lack of segregation of duties in the cash handling process
- Untimely department deposits
- Lack of internal controls over system access
- Inadequate monitoring of alteration of timesheets
- Bidding process not followed
- Lack of segregation of duties for approval of requisitions and adding vendors
- Duplicate payments

Management's Response and Corrective Action Plan:

Management has developed a corrective action plan to address the recommendations. Their response is included in its entirety as Appendix A in the report.

Louisiana State University Health Care Services Division (HCSD)

Patient Accounts

Audit Initiation:

This review originated as a scheduled audit from the Fiscal Year 2016 Board approved audit plan.

Audit Scope and Objectives:

The audit objectives involved determining whether controls exist to:

1. Verify the commercial and Medicaid managed care contracts were authorized by the appropriate hospital and/or HCSD administrative staff
2. Confirm health insurance payments agreed with the contracted rates in effect during the test period
3. Prevent unauthorized changes to established hospital charges

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The scope of this audit included all charges applied to commercial and Medicaid managed care payers for the period of February 1, 2016 to May 30, 2016. Audit procedures included a review of HCSD policies and procedures, a review of internal controls, interview department personnel, process walkthroughs, analysis of data for all in-scope areas, and other department records.

Audit Findings:

Our test results indicated weaknesses within the contract approval process and in monitoring changes of the charge master. Some managed care contracts were executed without the Director of Managed Care's approval (14% or 3/21). The population included multi-facility contracts as well as those specific to an individual hospital. We also noted that the hospital administrator's approval (36% or 4/11) was missing from 11 contracts that were for specific facilities. Also, HCSD does not have a system in place to identify whether changes made to the charge master were authorized. As a result, we have the following recommendations for HCSD leadership:

1. HCSD management team should ensure the appropriate personnel approve all contracts.
2. HCSD staff should monitor changes to the charge master and ensure that all changes are appropriately authorized. An operational policy should be drafted to document these procedures.

Management's Response and Corrective Action Plan:

Management agreed with the recommendation and is taking appropriate action to resolve the issues.

Follow-up to Legislative Auditor Finding-Moveable Property

Audit Initiation:

This audit was initiated to follow-up on the finding in the Louisiana Legislative Auditors (Legislative Auditor) financial statements audit for the year ended June 30, 2015, related to movable equipment that

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was not properly tagged and accounted for in the state's asset management system.

Audit Scope and Objectives:

Our objective was to review corrective actions taken by management to resolve the noted Louisiana Legislative Auditor (LLA) findings.

Audit Findings (as reported by LLA):

Weaknesses over State Assets in New Orleans Hospital (UMC)

The Legislative Auditor finding stated that according to HCSD and the partner's property control manager, the Division of Administration neglected to provide documentation to HCSD or the partner detailing the \$15,137,952 of OFPC equipment purchases. This prevented the Property Manager from tagging the qualifying assets and entering the information into the state's asset management system. Until proper documentation is provided by OFPC, it is unclear how much of the approximately \$15.1 million in purchased assets should have been tagged and reported to the LPAA. In addition, the partner identified unlocated movable property at ILH totaling \$1,095,467.

Status:

- Of the property originally purchased for \$15,137,952, 2,151 assets totaling \$13,459,531 have been tagged. There is approximately \$19,494 worth of movable equipment left to be tagged. The remaining assets are valued under \$1,000 each and are not required to be tagged. Twenty assets with a total value of \$2,363,823 were selected for testing. All of the items tested were tagged, in the proper location, and the information was verified in the Asset Management System (AMS).
- UMC is providing HCSD Finance with a monthly reconciliation that reflects the items purchased and/or surplused during the month.

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- Any movable property that was reported in the MCLNO/ILH unit that has been moved to the new facility will be transferred and assigned new property tags. Any movable equipment not moved for the use of UMC will either be transferred to HSC-NO or surplus. LPAA will certify this unit.
- HCSD and UMC have located 38 items totaling \$89,975.28 of the \$1,095,467 that was reported missing in the Legislative Auditor's report. We will receive representation from management of their efforts to locate missing items.

Weaknesses over Property Control (as reported by LLA)

According to the Legislative Auditor report, HCSD was unable to locate \$4,685,445 (or 79%) of \$5,914,803 of the Earl K. Long Medical Center's (EKLMC) non-leased assets during the 2015 LPAA inventory certification. HCSD did not perform a physical inventory or complete the 2014 LPAA certification reporting for EKLMC non-leased assets. The partner did not perform a physical inventory or complete the 2014 LPAA certification reporting for the leased assets, as required in the equipment lease. A 2015 LPAA certification was performed.

Status:

- Of the 694 items that had been reported as unlocated, approximately 116 items valued at \$1,496,955 were found.
- HCSD property control staff along with the Our Lady of the Lake (LOL) Property Managers conducted an inventory of equipment at the leased clinic locations to determine if any of the unlocated assets in the EKLMC LPAA Inventory are housed at any of those locations. The EKLMC LPAA inventory was updated with any previously unlocated assets that were identified. LOL's Property Manager completed and submitted a physical inventory for fiscal year 2016 for the LOL LPAA Inventory Unit by the scheduled April 30, 2016 due date.

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- The monthly reconciliation that reflects the items purchased and/or surplused during the month is being completed by the Fiscal Analyst and Property Manager of OLOL.

Louisiana State University Shreveport (LSUS)

Scholarships and Financial Aid Review

Audit Initiation:

This review originated as a scheduled audit from the Fiscal Year 2016 Board approved audit plan.

Audit Scope and Objectives:

The scope of the audit included LSU-Shreveport financial aid transactions for the period July 1, 2014 to June 30, 2015.

The objective of this audit was to determine whether expected financial internal controls are in place and functioning properly to sufficiently mitigate significant risks in the areas of waivers of tuition & fees, scholarships & awards, Title IV Aid, and system access.

Audit Findings:

Recommendations were made to address the following areas where controls should be enhanced:

- University-wide policy for administration of scholarship and exemption programs
 - Standardized selection process
 - Retention of supporting documents and selection committee meeting minutes
 - Modification of eligibility criteria documents
 - Comprehensive list of scholarships
- Monitoring by the Financial Aid Office
 - Validation of recipients eligibility
 - Validation of term and value of awards
 - Compliance with university policy
- Athletic Council approval of athletic grants
- Maintenance of origination (authorizing) documents

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- Timely Return of Title IV funds
- Title IV award financial reconciliation
- Inadequate user access to Financier (financial aid application)

Management's Response and Corrective Action Plan:

Management concurred with our recommendations and is in the process of implementing corrective action plans.

Procedural Report (Louisiana Legislative Auditor)

Audit Initiation:

This audit was conducted by the Louisiana Legislative Auditor's Office.

Audit Scope and Objectives:

These procedures were conducted to evaluate certain controls LSUS uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and overall accountability over public fund for the period July 1, 2014 through June 9, 2016.

Audit Findings:

There were no exceptions noted.

Louisiana State University at Eunice (LSUE)

Procedural Report (Louisiana Legislative Auditor)

Audit Initiation:

This audit was conducted by the Louisiana Legislative Auditor's Office.

Audit Scope and Objectives:

These procedures were conducted to evaluate certain controls LSUE uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and overall accountability

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over public fund for the period July 1, 2014 through June 30, 2016.

Audit Findings:

LSUE has not established adequate segregation of duties over the receipt, deposit, and recording of cash receipts.

Management's Response and Corrective Action Plan:

Management developed a corrective action plan to address the risk created by the lack of segregation of duties.

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ANNUAL REPORT

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Appendix B – FY 2016 Reports Issued by Campus

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INTERNAL AUDIT 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

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Focus on the University's Highest 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.

In making a determination regarding the level of risk, the following factors are also considered: inherent risk, existing internal controls, results of analytics, results of previous audits, volume (e.g. number

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and dollar amount of transactions), value-added potential, management interest 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.

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. Appendix A includes a list of audit activity by functional risk category and the chart below shows the percent of planned and actual effort achieved in FY 2016 per category:

FUNCTIONAL RISK CATEGORY	2016 Planned % Effort	2016 Actual % Effort
Auxiliary and Service Departments	7%	3%
Financial Management	31%	39%
Governance and External Relationships	9%	5%
Hospital and Patient Care	2%	
Human Resources	8%	11%
Information Technology	13%	14%
Instruction and Academic Support	10%	9%
Plant Operations and Management	6%	
Purchasing and Warehousing		7%
Research and Development	5%	2%
Student Services	9%	10%
	100%	100%

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Provide Impactful Reporting to Stakeholders

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 or not they concur with the recommendations and the corrective action that they plan to implement in response.

The list of reports issued by campus for FY 2016 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 the Audit Committee. The following chart shows the FY 2016 action plan activity for each campus:

Campus	Open as of July 1, 2015	Added during FY 2016	Resolved During FY 2016	Open Action plans
LSU A&M	36	17	(20)	33
LSU Agricultural Center	6	0	(5)	1
LSU-Alexandria	9	0	(4)	5
LSU-Eunice	0	4	0	4
LSU-Shreveport	0	6	0	6
LSUHSC-New Orleans	6	5	(5)	6
LSUHSC-Shreveport	26	21	(13)	34
LSU HCSD	6	0	(5)	1
PBRC	9	0	(7)	2
	98	53	(59)	92

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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 Hotline, 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 2016, Internal Audit spent nearly 3500 hours conducting or overseeing a total of 144 investigations, including seven that were carried forward from FY 2015. The other 137 investigations (95.1%) were opened after receiving new reports. Of the 137 reports received, 77 (56.2%) were received through the LSU Ethics & Integrity Hotline. Two investigations remained open at June 30, 2016 and were carried over into FY 2017 for continued investigation.

Maintain Efficient and Effective Audit Processes

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)*. 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 last completed in FY 2014 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.

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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. Our QAIP establishes 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 2016 Audit Plan:

2016 Audit Plan Status	#	%
Audits on Plan (as revised)	29	
Audits substantially complete at 6/30/2016	25	86%
Audits currently in progress and carried forward to FY 2017	4	14%

- *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. Our QAIP set a goal for our staff of 75% direct audit hours in FY 2016, and we achieved 76%.

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Maintain an Adequately Skilled and Knowledgeable Staff

Internal Audit Staffing

	As of 6/30/14	As of 6/30/15	As of 6/30/16
Professional Staff	15	15	15
Administrative Support	1	1	1

Degrees Held

Percent of audit staff with Bachelor Degree	100%
Percent of audit staff with Advanced Degree	38%
Percent of audit staff with Professional Certifications	86%

Note that all staff not currently holding a certification are actively pursuing one.

Certifications Held (Some staff hold multiple certifications.)

Certified Public Accountant	5
Certified Internal Auditor	4
Certified Fraud Examiner	3
Certified Information Systems Auditor	1
Certified Compliance and Ethics Professional	1

Training and Professional Development

Our professional audit staff completed over 1200 hours of continuing professional development in FY 2016. 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.

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APPENDIX A

FY 2016 Audit Activity by Functional Risk Category

Academic Medical Center

1525 HSCNO - Dental School and Allied Health Revenue

Auxiliary and Service Departments

1620 HSCNO - Campus Security (in progress)

Financial Management

1501 LSU - Leave Policy Application

1510 LSU - LSU First – Agreed Upon Procedures

1603 LSU - Related Bank Accounts

1519 LSUE - Risk Management – Internal Controls Review

1517 LSUS - Risk Management – Internal Controls Review

1515 HSCS - Professional Billing

1513 HSCS - Risk Management – Internal Controls Review

1629 HSNO - Additional Compensation

1630 AgCtr - Financial Internal Controls (substantially complete)

1614 HSCS - Capital Assets (in progress)

1619 HSCNO - Time and Attendance (in progress)

1622 HCSD - Patient Accounts (substantially complete)

Governance and External Relations

1609 LSU - Monitoring of Foundations through Affiliation Agreements (in progress)

Hospital and Patient Care

1527 HCSD - Cash Posting to Accounts

Human Resources

1523 HSCNO - Hiring Practices

1502 LSU - Employee On-Boarding and Termination (substantially complete)

Information Technology

1612 PBRC - Research Data Security (substantially complete)

1506 LSU - Email Security and Retention (substantially complete)

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APPENDIX A

1505 Multi-campus - Enterprise Software Licensing
1526 HCSD - Data Warehousing

Instruction and Academic Support

1604 LSU - Summer School Additional Compensation
1606 LSU - Academic Eligibility Controls

Purchasing and Warehousing

1509 LSU - Procurement
1631 HCSD - Movable Property (Legislative Auditor Follow-up)

Research and Development

1602 PBRC - Research Uniform Guidance Implementation
(substantially complete)

Student Services

1617 HSCNO - Financial Aid
1616 LSUS - Scholarships and Financial Aid

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Appendix B

FY 2016 Reports Issued by Campus

LSU A & M

1501 Leave Policy Application
1509 Procurement
1510 LSU First – Agreed Upon Procedures
1604 Summer School Additional Compensation
1603 Related Bank Accounts
1606 Academic Eligibility Controls

LSU HEALTH SCIENCES CENTER – SHREVEPORT

1515 Professional Billing
1513 Risk Management – Internal Controls Review

LSU HEALTH SCIENCES CENTER – NEW ORLEANS

1523 Hiring Practices
1525 Dental School and Allied Health – Revenue Collection
1617 Financial Aid
1629 Additional Compensation

LSU HEALTH CARE SERVICES DIVISION

1526 Data Warehousing (IT)
1527 Cash Posting to Accounts
1631 Movable Property (Legislative Auditor Follow-up)

LSU EUNICE

1519 Risk Management – Internal Control Review

LSU Shreveport

1517 Risk Management – Internal Control Review
1616 Scholarships and Financial Aid

Multi-campus

1505 Enterprise Software Licensing (IT)

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Appendix B

Audits Substantially Complete at June 30, 2016

- 1502 LSU - Employee On-boarding and Termination
- 1506 LSU - Email Security and Retention (IT)
- 1630 AgCtr - Financial Internal Controls
- 1612 PBRC - Research Data Security (IT)
- 1602 PBRC - Research - Uniform Guidance Implementation
- 1622 HSCD - Patient Accounts

Audits in Progress at June 30, 2016

- 1609 LSU - Monitoring of Foundations through Affiliation Agreements
- 1614 HSCS - Capital Assets
- 1619 HSCNO - Time and Attendance
- 1620 HSCNO - Campus Security

Other Audit Activities:

- IT Support
- Workday implementation
- Follow-up on corrective action plans from prior audits
- Annual risk assessment and planning
- Review of external audits of LSU System campuses
- Quality Assessment and Improvement Program
- Continuous monitoring programs
- Investigations

LSU
Deposit and Collateral Report
For the Quarter Ended September 30, 2016

Deposits Requiring Posting of Collateral:	Demand Deposit Sweep/MMA Repurchase	Certificates of Deposit	Total Deposits in Financial Institutions	Collateral (1)
LSU A & M and LSU Health New Orleans				
Chase - LSU, Health Plan Premium	\$ 163,381,992		\$ 163,381,992	\$ 217,207,395
Chase-HSCNO	18,145,981	\$ 18,600	18,164,581	31,355,043
Capital One - LSU-A	4,604,960		4,604,960	4,354,960
St. Landry Bank - LSU-E	192,958		192,958	1,000,071
Total	\$ 186,325,891	\$ 18,600	\$ 186,344,491	\$ 253,917,469
LSU Health Shreveport				
US Bank	\$ 4,492		\$ 4,492	\$ 250,000
Regions Bank-EA Conway	1,417,307		1,417,307	1,440,653
Regions Bank-Huey P Long	460,977		460,977	465,197
Regions Bank-Shreveport	59,740,784		59,740,784	68,000,711
Regions Bank-Shreveport Endowment Fds	6,931,481		6,931,481	
Total	\$ 68,555,041	\$ -	\$ 68,555,041	\$ 70,156,561
LSU HCSD				
JP Morgan Chase (HCSD)	\$ 43,602,414		\$ 43,602,414	\$ 46,503,595
Capital One (MCLNO Trust Fund)	4,083,997		4,083,997	9,687,851
Total	\$ 47,686,411		\$ 47,686,411	\$ 56,191,446
LSU - Shreveport				
Campus Federal Credit Union		\$ 100,213	\$ 100,213	\$ 250,000
Regions Bank				
Capital One (Hibernia National Bank)	\$ 7,185,558		7,185,558	9,136,003
Total	\$ 7,185,558	\$ 100,213	\$ 7,285,771	\$ 9,386,003
Total Requiring Collateral	\$ 309,752,901	\$ 118,813	\$ 309,871,714	\$ 389,651,479
Deposits In Trust or Federal Obligations Not Requiring Collateral				
Repo's (Bank of New York)	\$ 31,599,035		\$ 31,599,035	
Federated Money Markets	49,185,841		49,185,841	
Federated Funds-Treas. Oblig. (2)	13,812		13,812	
Total	\$ 80,798,688	\$ -	\$ 80,798,688	
Total Deposits	\$ 390,551,589	\$ 118,813	\$ 390,670,402	

(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 September 30, 2016

Fund Description	As of 7/1/2016			As of 9/30/2016			As of 12/31/2016			As of 3/31/2017			As of 06/30/2017		
	Value	Cost	Market Value	Cost	Market Value	Cost	Market Value	Cost	Market Value	Cost	Market Value	Cost	Market Value		
Current Funds															
Cash/Sweeps	\$220,965,188	\$298,452,168	\$298,452,168	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Money Market Accounts/Repos (A)	\$2,007,708	\$7,137,665	\$7,137,665	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Certificates of Deposit	\$100,213	\$100,213	\$100,213	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Treasury Notes	\$12,142,653	\$11,546,211	\$12,038,838	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
CMO's	\$614,148	\$444,892	\$447,846	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Agency Securities (B)	\$91,221,542	\$104,166,209	\$106,777,636	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Mortgaged Backed Securities	\$37,344,568	\$35,034,733	\$35,800,847	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Equity Securities (C)	\$61,043	\$0	\$68,148	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Bond Mutual Funds	\$45,093,538	\$46,697,531	\$45,023,968	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Municipal Bonds (E)	\$60,025,003	\$61,402,164	\$62,817,171	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Corporate Bonds (D)	\$181,950,335	\$178,919,146	\$183,946,167	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Total	\$651,525,939	\$743,900,932	\$752,610,667	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Endowment Funds															
Cash/Sweeps	\$6,930,453	\$6,931,481	\$6,931,481	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Money Market Accounts/Repos (A)	\$0	\$1,440,718	\$1,440,718	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Certificates of Deposit	\$18,600	\$18,600	\$18,600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Agency Securities (B)	\$5,602,078	\$4,978,944	\$5,068,759	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Mortgaged Backed Securities	\$1,319,316	\$1,133,095	\$1,149,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Equity Securities (C)	\$9,730,180	\$6,171,551	\$10,054,907	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Mutual Funds	\$49,429,471	\$51,026,217	\$54,685,188	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Municipal Bonds (E)	1,256,822	1,153,189	\$1,176,339	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Corporate Bonds (D)	7,404,973	\$6,547,513	\$6,920,005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Total	\$81,691,893	\$79,401,308	\$87,445,497	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Other Funds															
Cash/Sweeps	\$4,228,577	\$4,369,228	\$4,369,228	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Money Market Accounts/Repos (A)	\$102,033,060	\$72,206,517	\$72,206,517	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Treasury Notes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Agency Securities (B)	\$7,876,330	\$7,215,695	\$7,809,736	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Equity Securities (C)	\$464,950	\$0	\$432,909	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
US Gov Related Securities	\$16,295	\$13,812	\$13,812	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Total	\$114,619,212	\$83,805,252	\$84,832,202	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Grand Total	\$847,837,044	\$907,107,492	\$924,888,366	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Deposits in Financial Institutions															
Total Cash/Sweeps/MMA/Repos	\$336,164,986	\$390,537,777	\$390,537,777	\$0	\$0	\$2	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Total Certificates of Deposit	\$118,813	\$118,813	\$118,813	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
US Gov Related Securities	\$16,295	\$13,812	\$13,812	\$0	\$0	\$13,812	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Total Deposits	\$336,300,094	\$390,670,402	\$390,670,402	\$0	\$0	\$2	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Other Investments															
Treasury Notes	\$12,142,653	\$11,546,211	\$12,038,838	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
CMO's	\$614,148	\$444,892	\$447,846	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Agency Securities (B)	\$104,699,950	\$116,360,848	\$119,656,131	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Mortgaged Backed Securities	\$38,663,884	\$36,167,828	\$36,950,347	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Equity Securities (C)	\$10,256,173	\$6,171,551	\$10,555,964	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Bond Mutual Funds	\$45,093,538	\$46,697,531	\$45,023,968	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Mutual Funds	\$49,429,471	\$51,026,217	\$54,685,188	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Municipal Bonds (E)	\$61,281,825	\$62,555,353	\$63,993,510	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Corporate Bonds (D)	\$189,355,308	\$185,466,659	\$190,866,172	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Total Other	\$511,536,950	\$516,437,090	\$534,217,964	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Grand Total	\$847,837,044	\$907,107,492	\$924,888,366	\$0	\$0	\$2	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
LSU and Related Campuses															
Current Funds															
Cash/Sweeps	\$122,925,583	\$186,325,891	\$186,325,891	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Money Market Accounts/Repos (A)	\$0	\$7,137,638	\$7,137,638	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Treasury Notes	\$12,142,653	\$11,546,211	\$12,038,838	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
CMO's	\$614,148	\$444,892	\$447,846	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Agency Securities (B)	\$85,959,811	\$98,908,406	\$101,524,214	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Mortgaged Backed Securities	\$34,548,252	\$32,306,981	\$33,123,858	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Equity Securities (C)	\$61,043	\$0	\$68,148	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Bond Mutual Funds	\$45,093,538	\$46,697,531	\$45,023,968	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Municipal Bonds (E)	\$57,320,194	\$57,761,854	\$59,166,554	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Corporate Bonds (D)	\$179,633,824	\$176,622,208	\$181,649,287	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
US Gov Related Securities															
Total	\$538,299,046	\$617,751,612	\$626,506,242	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Endowment Funds															
Money Market Accounts/Repos (A)	\$0	\$1,440,718	\$1,440,718	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Certificates of Deposit	\$18,600	\$18,600	\$18,600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Agency Securities (B)	\$5,602,078	\$4,978,944	\$5,068,759	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Mortgaged Backed Securities	\$1,319,316	\$1,133,095	\$1,149,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Equity Securities (C)	\$9,722,530	\$6,163,901	\$10,041,038	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Municipal Bonds	\$1,256,822	\$1,153,189	\$1,176,339	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Corporate Bonds (D)	\$7,404,973	\$6,547,513	\$6,920,005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
US Gov Related Securities															
Total	\$25,324,319	\$21,435,960	\$25,814,959	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Other Funds															
Money Market Accounts/Repos (A)	\$64,520,398	\$32,135,509	\$32,135,509	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Treasury Notes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Agency Securities (B)	\$7,876,330	\$7,215,695	\$7,809,736	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Total	\$72,396,728	\$39,351,204	\$39,945,245	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Grand Total	\$636,020,093	\$678,538,776	\$692,266,446	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		

LSU
Investment Summary
For the Quarter Ended September 30, 2016

Fund Description	As of 7/1/2016	As of 9/30/2016		As of 12/31/2016		As of 3/31/2017		As of 06/30/2017	
	Value	Cost	Market Value	Cost	Market Value	Cost	Market Value	Cost	Market Value
LSU Health Shreveport									
Current Funds									
Cash/Sweeps S.	\$52,626,700	\$59,745,276	\$59,745,276						
Cash/Sweeps C.	\$1,290,500	\$1,417,307	\$1,417,307						
Cash/Sweeps H.	\$499,056	\$460,977	\$460,977						
Cash/Sweeps	\$54,416,256	\$61,623,560	\$61,623,560	\$0	\$0	\$0	\$0	\$0	\$0
Money Market Accounts/Repos (A)	\$1,506,001	\$3	\$3						
Agency Securities (B)	\$5,261,731	\$5,257,803	\$5,253,422						
Mortgaged Backed Securities (B)	\$2,796,316	\$2,727,752	\$2,676,989						
Municipal Bonds (E)	\$2,704,809	\$3,640,310	\$3,650,617						
Corporate Bonds (D)	\$2,316,511	\$2,296,938	\$2,296,880						
Total	\$69,001,624	\$75,546,366	\$75,501,471	\$0	\$0	\$0	\$0	\$0	\$0
Endowment Funds									
Cash/Sweeps	\$6,930,453	\$6,931,481	\$6,931,481						
Equity Securities (C)	\$7,650	\$7,650	\$13,869						
Mutual Funds	\$49,429,471	\$49,873,028	\$53,508,849						
Total	\$56,367,574	\$56,812,159	\$60,454,199	\$0	\$0	\$0	\$0	\$0	\$0
Grand Total	\$125,369,198	\$132,358,525	\$135,955,670	\$0	\$0	\$0	\$0	\$0	\$0
LSU HCSD									
Current Funds									
Cash/Sweeps	\$43,641,215	\$43,602,414	\$43,602,414						
Total	\$43,641,215	\$43,602,414	\$43,602,414	\$0	\$0	\$0	\$0	\$0	\$0
Other Funds									
Cash/Sweeps	\$3,943,346	\$4,083,997	\$4,083,997						
Money Market Accounts/Repos (A)	\$37,512,662	\$40,071,008	\$40,071,008						
Equity Securities (C)	\$464,950		\$432,909						
US Gov Related Securities	\$16,295	\$13,812	\$13,812						
Total	\$41,937,253	\$44,168,817	\$44,601,726	\$0	\$0	\$0	\$0	\$0	\$0
Grand Total	\$85,578,468	\$87,771,231	\$88,204,140	\$0	\$0	\$0	\$0	\$0	\$0
LSU - Shreveport									
Current Funds *									
Cash/Sweeps	(\$17,866)	\$6,900,303	\$6,900,303						
Money Market Accounts/Repos (A)	\$501,707	\$24	\$24						
Certificates of Deposit	\$100,213	\$100,213	\$100,213						
Total	\$584,054	\$7,000,540	\$7,000,540	\$0	\$0	\$0	\$0	\$0	\$0
Endowment Funds **									
Cash/Sweeps									
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Funds									
Cash/Sweeps	\$285,231	\$285,231	\$285,231						
Total	\$285,231	\$285,231	\$285,231	\$0	\$0	\$0	\$0	\$0	\$0
Grand Total	\$869,285	\$7,285,771	\$7,285,771	\$0	\$0	\$0	\$0	\$0	\$0
System Total	\$847,837,044	\$905,954,303	\$923,712,027	\$0	\$0	\$0	\$0	\$0	\$0

* LSUS has deposited \$5,076,767 with LSU A&M Campus for investment purposes. Also, 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.

BENCHMARK NOTES (Example Only)

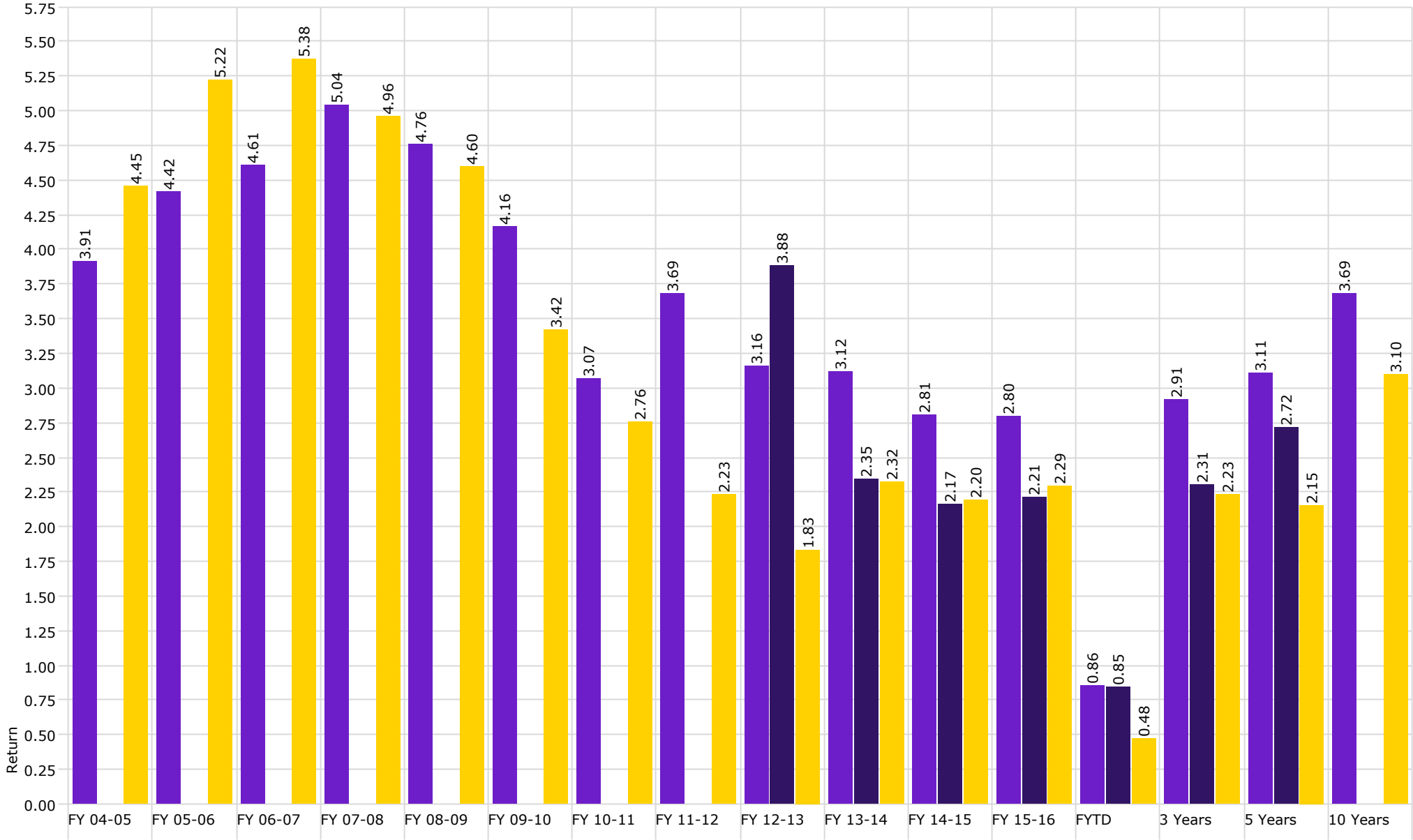
- (A) Benchmarked against 90 day T-Bill
- (B) Benchmarked against Barclay's US Agg Bond TR USD
- (C) US equities benchmarked against Russell 3000 and international against MSCI emerging markets
- (D) Benchmarked against XYZ
- (E) Benchmarked against XYZ

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 comparisons.



Investment Management Program
 Non Endowed Accounts
Realized Yield

As of 9/30/2016



■ Non Endowed

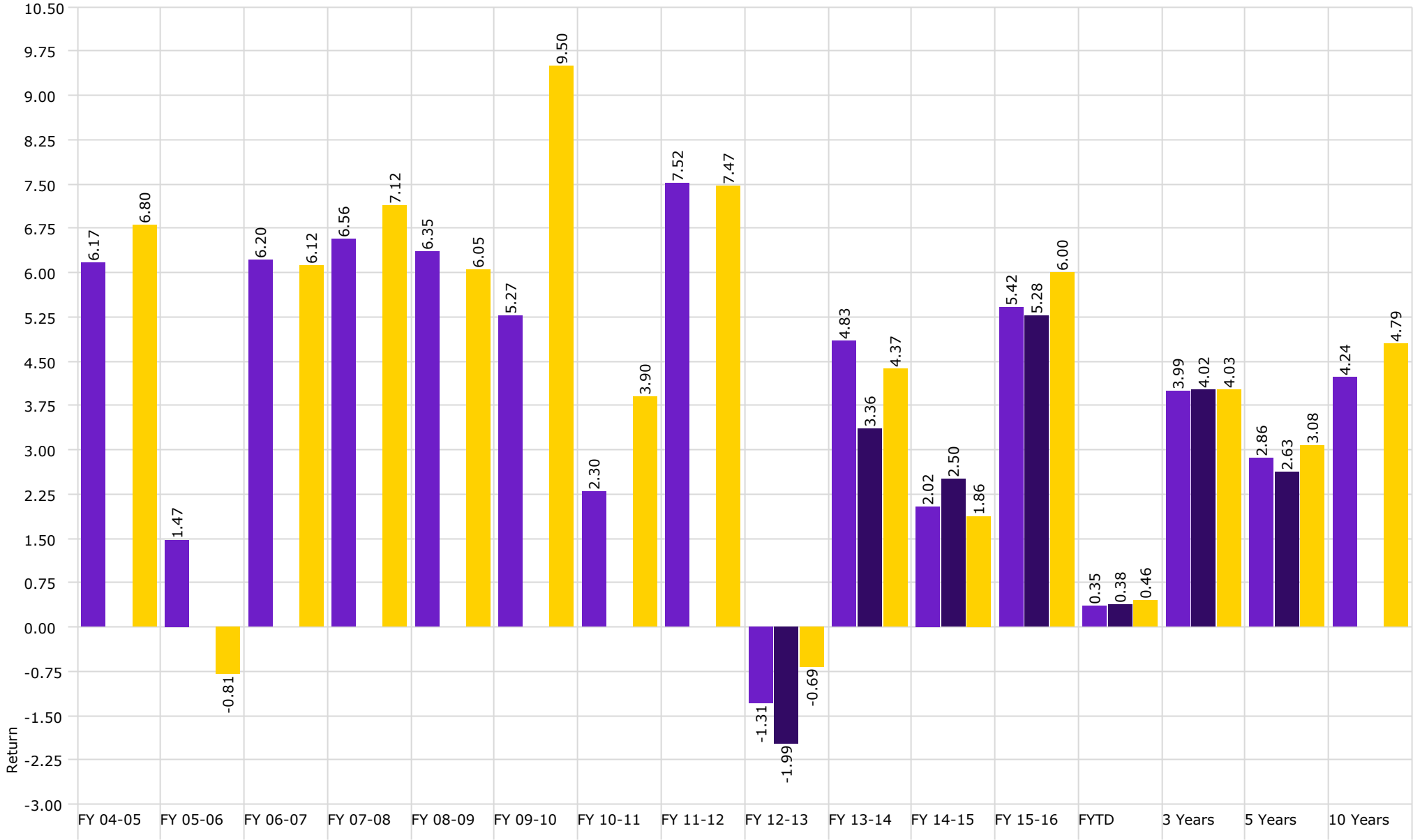
■ Health Plan

■ Barclays Aggregate Bond Index



Investment Management Program Non Endowed Accounts **Total Return**

As of 9/30/2016



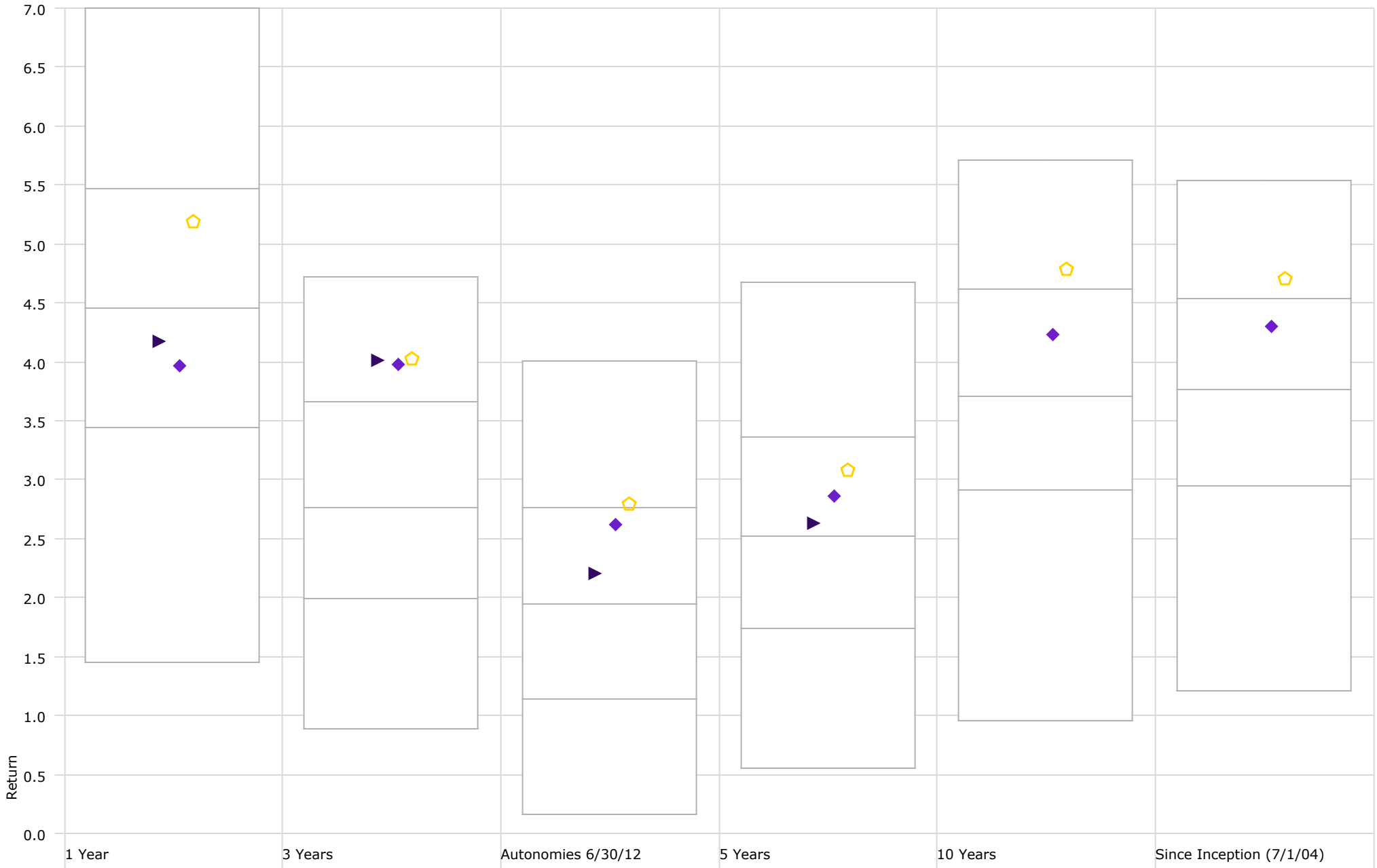
■ Non Endowed

■ Health Plan

■ Barclays Aggregate Bond Index

Performance Relative to Peer Group (Total Return)

Peer Group (5-95%): All Managed Investments - U.S. - Intermediate-Term Bond



◆ Non-Ended

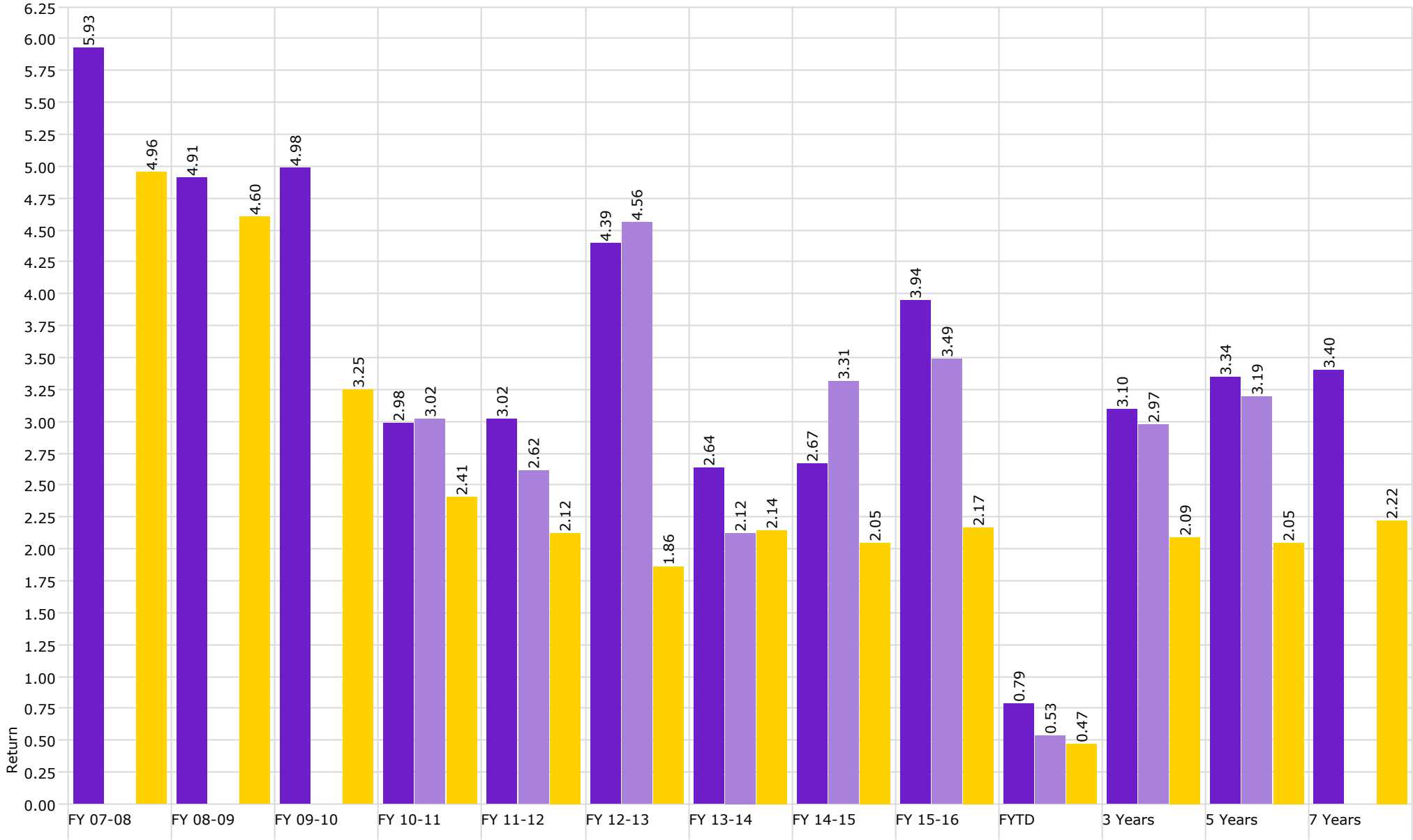
▶ Health Plan

◇ Barclays Aggregate Bond Index



Investment Management Program
 Endowed Accounts
Realized Yield

As of 9/30/2016



■ Endowment

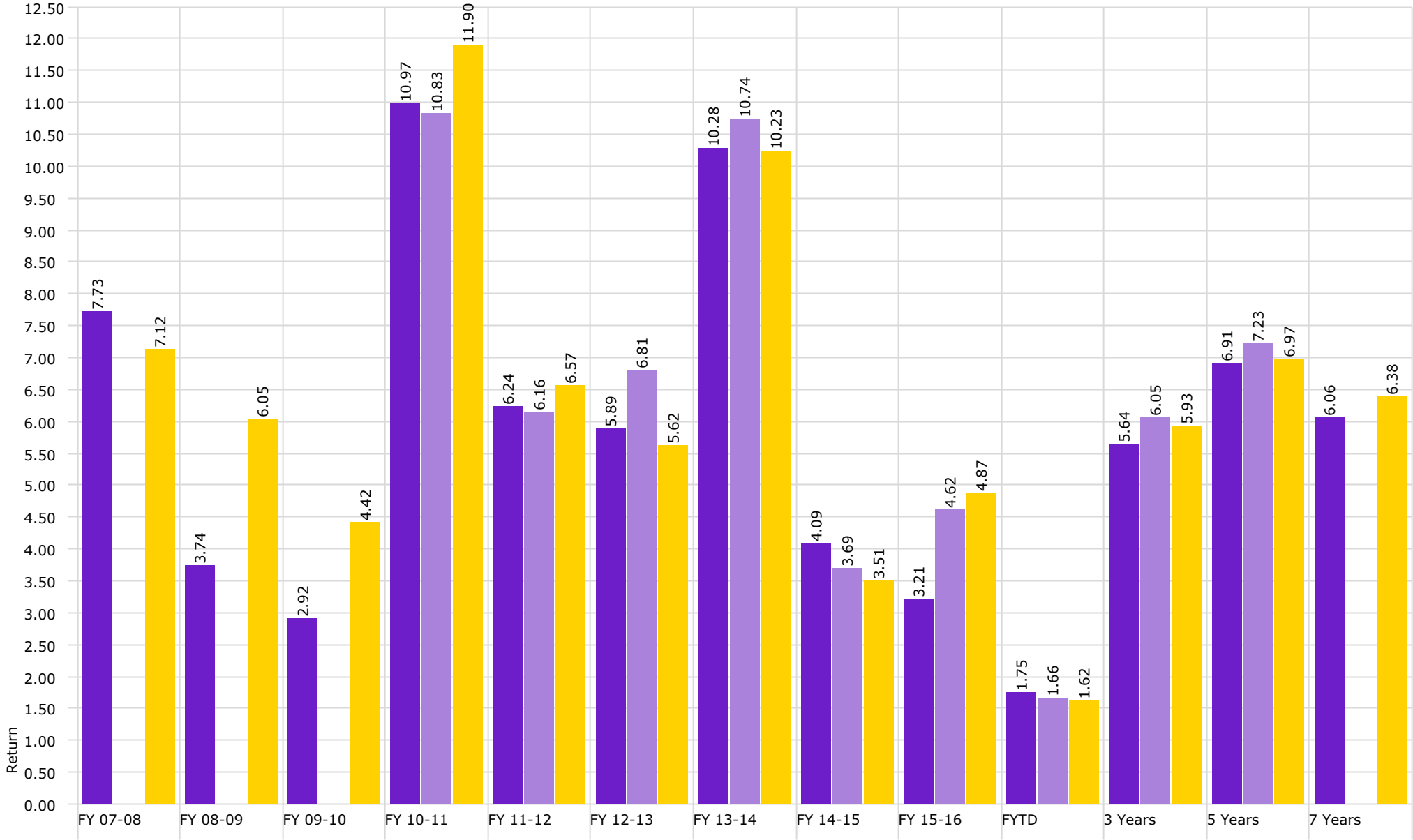
■ Osher

■ Endowed Benchmark



Investment Management Program Endowed Accounts **Total Return**

As of 9/30/2016



■ Endowment

■ Osher

■ Endowed Benchmark

LSU Board of Supervisors Committee Meeting

3810 W. Lakeshore Drive
Baton Rouge, Louisiana
Friday, 12/9/2016
10:00 AM - 12:00 PM CT

A. HEALTHCARE AND MEDICAL EDUCATION COMMITTEE (Bobby Yarborough, Chair)

1. Request from LSU Health Sciences Center at New Orleans to Approve a Cooperative Endeavor Agreement Between the Louisiana Department of Health and the School of Public Health
HEALTHCARE Request to Approve CEA between LDH and SPH - Page 4
HEALTHCARE Attachment I Draft CEA with LDH for SPH LSUHSC New Orleans - Page 7
HEALTHCARE Attachment II LDH Contract Budget Details for Year 1-3 - Page 19
2. Presentation on Performance Metrics for Health Sciences Centers

B. ACADEMIC AND STUDENT AFFAIRS, ACHIEVEMENT AND DISTINCTION COMMITTEE (James W. Moore, Chair)

1. Request from LSU A&M to Establish the Global Scholarship Program
ACADEMIC AFFAIRS Request from LSU A&M to Establish the LSU Global Scholarship Program - Page 34
2. Request from LSU A&M to Establish a Bachelor of Science in Entrepreneurship
ACADEMIC AFFAIRS Request from LSU A&M to Establish a BS in Entrepreneurship - Page 36
3. Request from LSU Health Sciences Center at New Orleans for Conditional (One Year) Approval of the Center for Health Transformation
ACADEMIC AFFAIRS Request from LSU HSC-NO to Establish the Center for Health Transformation - Page 40
4. CONSENT AGENDA
 - i. Recommendation to Approve Fall 2016 Conferral of Degrees at LSU Campuses
CONSENT ACADEMIC AFFAIRS Recommendation to Approve Fall 2016 Conferral of Degrees - Page 43
 - ii. Request from LSU A&M to Change the Name of the Department of Information Systems and Decision Sciences to the Department of Entrepreneurship and Information Systems in the E.J. Ourso College of Business
CONSENT ACADEMIC AFFAIRS Request from LSU A&M to Change the Name of the Department of Information Systems and Decision Sciences - Page 44
 - iii. Request from LSU A&M to Establish the Douglas L. Manship, Sr.-Dori J. Maynard Chair in Race, Media & Cultural Literacy
CONSENT ACADEMIC AFFAIRS Request from LSU A&M to Establish the Manship-Maynard Chair - resolution - Page 45
 - iv. Request from LSU A&M to Establish 15 Endowed Superior Graduate Student Scholarships
CONSENT ACADEMIC AFFAIRS Request from LSU A&M to Establish 15 Endowed Superior Graduate Student Scholarships - Page 47

- Hannelore & Johannes Storz Graduate Student Excellence Fund

- Lamar Family Post-doctoral Fellowship
 - Kenneth R. Hogstrom Superior Graduate Student Scholarship in Medical Physics
 - Neil & Arlene Kestner Superior Graduate Student Scholarship in Honor of Imre Zupkay
 - Mark & Carolyn Campbell Guidry Doctoral Fellowship #2
 - T. J. Moran Endowed Law Scholarship
 - T. J. Moran Superior Graduate Student Scholarship, College of Human Sciences & Education
 - T. J. Moran Superior Graduate Student Scholarship, E. J. Ourso College of Business
 - Dr. Jack Van Lopik & Annagreta Hojhdal Superior Graduate Scholarship
 - Carraway Foundation Graduate Excellence Scholarship #2
 - Joseph F. Domino Superior Graduate Student Scholarship
 - Friedhelm Goronzy Endowed Superior Graduate Student Scholarship
 - Lynne & Kit Marye Superior Graduate Student Scholarship in Finance
 - Robert K. & Elizabeth F. Reeves Endowed Scholarship
 - Robert R. and Melissa B. Rabalais Energy Law Endowment
- v. Request from LSU-Alexandria to Establish 4 Endowed Scholarships for First Generation Students
CONSENT ACADEMIC AFFAIRS Request from LSU-A to Establish 4 Endowed Scholarships For First Generation Students - Page 52
- Mary Jane Brown Endowed Scholarship for First Generation College Students
 - Dr. David and Mrs. Nicole Holcombe Endowed Scholarship for First Generation College Students in Creative Arts and Language
 - Virginia Harvey Holcombe Endowed Scholarship for First Generation College Students in Nursing
 - Jeremiah and Kenneth Grant Holcombe Endowed Scholarship for First Generation College Students in Allied Health
- vi. Request from LSU Health Sciences Center-New Orleans to Change the Name of the Leslie Lewinter-Suskind and the Robert Suskind Professorship for International Pediatric Collaboration
CONSENT ACADEMIC AFFAIRS Request from LSU HSC-NO to Change the Name of the Leslie Lewinter-Suskind and Robert Suskind Professorship - Page 54
- vii. Request from LSU Health Sciences Center-New Orleans to Waive the National Search Requirement for the Elaine A. Doré Endowed Chair in Orthopaedics
CONSENT ACADEMIC AFFAIRS Request from LSU HSC-NO to Waive the National Search Requirement for the Elaine A. Dore Endowed Chair - Page 55

C. FINANCE, INFRASTRUCTURE, AND CORE DEVELOPMENT COMMITTEE

(Ronald R. Anderson, Chair)

1. Recommendation to Amend the Bylaws and Regulations of the Board, Related to Rights, Duties, and Responsibilities of Principal Administrative Officers of the University
FINANCE Delegation FINAL REVISED 12-5-16 - Page 57

D. PROPERTY AND FACILITIES COMMITTEE (Rolfe McCollister, Jr., Chair)

1. Recommendation to Amend the FY 2017-18 Five-Year Capital Outlay Budget Request and First Year Prioritized Categories to Include Projects at Louisiana State University A&M: LSU A&M Veterinary Medicine Clinical Facility and LSU A&M Memorial Tower
PROPERTY Resolution Amend Cap Outlay Final - Page 63
PROPERTY ATTACHMENT I_Letter to LSU President F. King Alexander - Page 65
PROPERTY ATTACHMENT II_Amended 5-Year Plan - Page 66
PROPERTY ATTACHMENT III_Amended First Year Priority List - Page 71
2. Request from LSU A&M to Approve the Schematic Design of the Companion Animal Alliance Facility
PROPERTY Resolution Schematic Design of the CAA Care and Adoption Center FINAL - Page 74
PROPERTY ATTACHMENT I Memo to LSU President F. King Alexander - Page 76
PROPERTY ATTACHMENT II Schematic Design - Page 77
3. Request from LSU Health Sciences Center-New Orleans to Approve the Purchase of Land in Square 440 in the First District New Orleans
PROPERTY Resolution Purchase of Square 440 Various - Page 80
PROPERTY Attachment I- Land Purchase Lot 440 - Page 82
PROPERTY Attachment II- Legend Map of Property - Page 83
PROPERTY Attachment III- Summary Appraisal Report by Bird & Associates - Page 84

E. ATHLETIC COMMITTEE (Blake Chatelain, Chair)

1. Request from LSU A&M to Approve Amendment to the Employment Contract with Edward J. Orgeron, Jr., Interim Head Coach Football
ATHLETICS Resolution Interim HC Orgeron - Page 139
ATHLETICS ATTACHMENT I Orgeron Interim MOA - Page 141
2. CONSENT AGENDA
 - i. Authorization for the LSU President to Approve Football Postseason Additional Compensation in Accordance with Existing Board Policy or Coaches' Contracts
CONSENT ATHLETICS PostSeason Comp - Page 142

F. AUDIT COMMITTEE (Lee Mallett, Chair)

The Audit Committee will meet at 8:00am in Conference Room 112, University Administration Building, 3810 W. Lakeshore Drive, Baton Rouge, Louisiana 70808.



Request from LSU Health Sciences Center at New Orleans to Approve a Cooperative Endeavor Agreement Between the Louisiana Department of Health and the School of Public Health

To: Members of the Board of Supervisors

Date: December 9, 2016

Pursuant to Article VII, Section 9 of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter:

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.

A.8. ii. Any contract or series of related contracts that either: is a Cooperative Endeavor Agreement for which approval by the Joint Legislative Committee on the Budget is required pursuant to applicable state law, including but not limited to La. R.S. 39:366.11, and any joint ventures, partnerships, and similar agreements;

1. Summary of Matter

A Cooperative Endeavor Agreement (CEA) between the Louisiana Department of Health (LDH) and the School of Public Health (SPH) at LSU Health Science Center at New Orleans (LSUHSC-NO) is proposed to fund the establishment of a new Center for Health Transformation in the School of Public Health. Led by Public Health Dean and Professor of Health Policy and Systems Management Dean G. Smith, PhD, this new Center will provide the vehicle for collaborations that focus on activities to inform policymakers, state agencies, public and private health systems, and others with a goal of transforming and improving health and health care in Louisiana; (a concurrent proposal to establish the Center for Health Transformation as a new academic center, pursuant to University and Louisiana Board of Regents policies, is a separate matter for Board consideration).

In conjunction with LDH under the proposed CEA, the new Center for Health Transformation will help to organize on-going and planned work through the creation of a Program on Public Health Information (PHI) and a Program on Healthcare Quality Improvement (HQI). The PHI program will provide expertise to the LDH in its efforts to improve quality and efficiency in the State administration of the Medicaid program and Children's Health Insurance Programs, coordinate efforts to provide a roadmap to health reform, and provide consultations, evaluation and timely analysis policy proposals and programs. The HQI program will work collaboratively with the LDH Information Technology department by providing technical assistance, data analytics, and data compilation services as LDH upgrades its Medicaid health IT systems, and will establish a data warehouse to compile data from a variety of sources including, but not limited to, Medicaid providers, Healthy Louisiana plans, and other health care entities.

In both programs comprising the new Center for Health Transformation in the School of Public Health, work will be done on the development of public information and manuscripts to inform the public and disseminate outcomes of investigations. Further, analyses piloted with the experience of LDH will be used to create proposals for further research funding from government agencies, public health and health care organizations and foundations. The Center for Health Transformation will be engaged in research, policy analysis, and dissemination of information for use by policy makers and the public health and health care communities. In addition to plans for collaboration with other universities throughout the state, it will also work closely with health care providers and health insurance companies as well as local and regional economic development entities to explore potential opportunities for collaboration.

On behalf of its School of Public Health, the LSU Health Sciences Center at New Orleans requests the LSU Board authorize the President to execute the proposed Cooperative Endeavor Agreement with the Louisiana Department of Health, in a final form deemed to be in the best interest of the University.

2. Review of Business Plan

The proposed CEA with the Louisiana Department of Health will provide \$4.8 million in initial funding, on a reimbursement basis, for the proposed new Center for Health Transformation in the current fiscal year ending June 30, 2017. The CEA is renewable for two additional one year terms, at \$6 million per year, upon mutual agreement and availability of LDH funds. The CEA is established with the intent that the proposed new Center for Health Transformation will be an ongoing partner with the LDH to provide necessary research and administrative support services. The proposal to approve creation of the Center for Health Transformation at the SPH as a new academic center is provided for consideration by the Board of Supervisors as another matter on the agenda, and is further subject to approval by the Louisiana Board of Regents pursuant to its Academic Affairs Policy 2.05.

3. Fiscal Impact

The Center for Health Transformation will operate fiscally and administratively from the School of Public Health at LSU Health Sciences Center at New Orleans. With financial support provided by LDH under the CEA, the Center for Health Transformation will be staffed through both reassignment of effort of current faculty and staff (approximately 40% of the projected \$3.3 million in salary and fringe benefit expense) and new hiring (approximately 60%), with the distribution of hiring varying over time as specific tasks are completed and new tasked initiated.

Budget Summary

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Total</u>
Personnel	\$2,346,518	\$3,128,690	\$3,128,690	\$8,603,899
Fringe Benefits	\$968,300	\$1,291,067	\$1,291,067	\$3,550,433
Travel	\$71,050	\$71,050	\$71,050	\$213,150
Operating	\$105,000	\$115,000	\$115,000	\$335,000
Supplies	\$105,000	\$85,000	\$85,000	\$275,000
Prof. Services	\$496,749	\$626,336	\$626,336	\$1,749,421
Capital	\$40,000	\$40,000	\$40,000	\$120,000
Subtotal	\$4,132,617	\$5,357,143	\$5,357,143	\$14,846,903
Indirect Costs	\$495,914	\$642,857	\$642,857	\$1,781,628
Total	\$4,628,531	\$6,000,000	\$6,000,000	\$16,628,531

At the conclusion or termination of the proposed CEA, the School of Public Health will be responsible for any outstanding expenses associated with the Center for Health Transformation. The long-term financial and operating plan of the Center anticipates engaging with a number of parties to support ongoing research and operations.

4. Legal Documents

The proposed Cooperative Endeavor Agreement is attached.

5. Parties of Interest

Louisiana Department of Health and School of Public Health at LSUHSC-NO

6. Related Transactions

Approval by the LSU Board of Supervisors and the Louisiana Board of Regents to establish the new academic Center for Health Transformation, pursuant to applicable policies

ATTACHMENTS

- I. Draft Cooperative Endeavor Agreement between Louisiana Department of Health and the School of Public Health, Louisiana State University Health Sciences Center – New Orleans
- II. Louisiana Department of Health Contract Budget Details

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural & Mechanical College does hereby authorize its President, F. King Alexander, to execute a Cooperative Endeavor Agreement between the Louisiana Department of Health and the School of Public Health, LSU Health Sciences Center at New Orleans, and does further authorize the President to make any changes or include such terms and conditions in said agreement as he, in consultation with the General Counsel, deems to be in the best interest of the University.

COOPERATIVE ENDEAVOR AGREEMENT**BETWEEN****LOUISIANA DEPARTMENT OF HEALTH
AND****SCHOOL OF PUBLIC HEALTH,
LOUISIANA STATE UNIVERSITY HEALTH SCIENCES CENTER – NEW ORLEANS**

This Cooperative Endeavor Agreement (CEA) is made effective _____, 2016 and entered into between the Louisiana Department of Health (LDH), acting through its Secretary, and the School of Public Health (SPH) at Louisiana State University Health Sciences Center – New Orleans (LSUHSC-NO), acting through the undersigned official. LDH and SPH are referred to jointly as “Parties” and individually as “Party.”

Recitals

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 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 mission of the Louisiana Department of Health is to protect and promote health and to help ensure access to medical, preventative, and rehabilitative services for all residents of the State of Louisiana, and

WHEREAS, the mission of the School of Public Health at Louisiana State University Health Sciences Center – New Orleans is to advance the public’s health and well-being through education, research, and service with a focus on issues affecting Louisiana, and

WHEREAS, a cooperative endeavor between LDH and SPH will augment the mission of each respective entity by leveraging the resources and skill sets of the Parties with the goal of leading towards a transformation of healthcare delivery, and

WHEREAS, this cooperation of the Parties will provide vital health care data and metrics to policymakers, state agencies, public and private health systems, and others with the above goal of transforming health care delivery in Louisiana in addition to improving health care outcomes and the overall health of Louisiana residents, and

WHEREAS, for the public purpose as defined below, LDH desires to cooperate with SPH in the development of a new Center for Health Transformation which will provide the vehicle for collaborations that focus on activities to inform policymakers, state agencies, public and private health systems, and others with a goal of transforming and improving health and healthcare in Louisiana, and

WHEREAS, LDH seeks to use clinical, claims, health care quality metrics, and other sources of health data to improve health, quality of health care services, and to promote evidence based administration with the additional goal of looking into value based purchasing within the health care delivery systems. To this end, LDH will engage Medicaid providers, payors (including Healthy Louisiana plans), and other sources of healthcare data to contribute data to this cooperative endeavor between the parties, and

WHEREAS, SPH and LDH will have clear deliverables that each will be obligated to provide as part of this cooperative endeavor to reach the goals contained herein and abide by the public purpose defined below.

NOW, THEREFORE, based on the Parties' mission and goals, as well as the public purpose defined below, the Parties agree as follows:

Article 1 Statement of Public Purpose

Section 1.1 The Parties acknowledge and agree that the public purposes of this CEA include: (a) improving Medicaid quality of care and payment design via better healthcare policy; (b) improving overall patient care and coordination through better leveraging and utilization of health care data provided by a wide variety of sources; (c) supporting the expansion of Medicaid coverage through expertise and coordinated planning; and (d) maintaining compliance with federal regulations by moving towards a more value based payment system focused on quality outcomes and utilization.

Article 2 Program on Public Health Information

SPH agrees to provide the following deliverables and activities as part of its Program on Public Health Information (PHI) in the Center for Health Transformation:

Section 2.1 SPH will name a PHI program lead, subject to consent by LDH, which shall not be unreasonably withheld, who will focus efforts on supporting LDH's Medicaid expansion initiative, and who will endeavor to provide information on policy options and program management issues.

Section 2.2 LDH will name a program monitor who will interface cohesively with the PHI program lead and monitor production of deliverables by SPH. The LDH program monitor will also act as a liaison between LDH and SPH in making any necessary changes or additions to deliverables under this section of the CEA.

Section 2.3 The specific deliverables for SPH relative to the PHI program are defined in Appendix A to this CEA and are subject to amendment or addition only as mutually agreed upon in writing by the Parties.

Section 2.4 SPH hereby provides a perpetual, non-exclusive, royalty-free license to LDH to use, for any LDH purpose, all deliverable materials required under Appendix A of this CEA, including all supporting documentation or related explanatory materials.

Section 2.5 In completing the deliverables described in Appendix A, the PHI program will provide LDH access to staff expertise, including, but not limited to, the following: (1) professors and post-doctoral and visiting fellows, (2) biostatistics, epidemiology, and economics support, (3) core data acquisition and support, and (4) any necessary equipment and services. The reimbursement provided to SPH by LDH via this CEA will be used solely for work supporting the administration of the Medicaid program and not for academic or other non-Medicaid functions. LDH staff will be available to the PHI program for consultation and collaboration on workteams.

Section 2.6 If SPH, or its designee, has reason to believe that any deliverables defined in Appendix A will be delayed or subject to modification, it shall inform LDH's contract monitor as soon as reasonably possible. SPH and LDH shall also inform each other as soon as either becomes aware of any issues related to this CEA that need discussion between the Parties.

Article 3 Program on Healthcare Quality Improvement

SPH agrees to provide the following deliverables and activities as a part of its Program on Healthcare Quality Improvement (HQI) in the Center for Health Transformation:

Section 3.1 SPH will name a Director of Healthcare Quality Improvement, subject to consent by LDH, which shall not be unreasonably withheld, who will have experience in health care operations and data, including the receipt of such data from a variety of sources and utilization of this data for compiling of reports.

Section 3.2 LDH will name a program monitor who will interface cohesively with the HQI Director and will monitor production of deliverables by SPH. The LDH program monitor will also act as a liaison between LDH and SPH in making any necessary changes or additions to deliverables under this section of the CEA.

Section 3.3 The specific deliverables for SPH relative to the HQI program are defined in Appendix B to this CEA, and are subject to amendment or addition only as mutually agreed upon in writing by the Parties.

Section 3.4 SPH hereby provides a perpetual, non-exclusive, royalty-free license to LDH to use, for any LDH purpose, all deliverable materials required under Appendix B of this CEA, including all supporting documentation, software, computer programs, or related necessary explanatory materials.

Section 3.6 If SPH, or its designee, has reason to believe that any deliverables defined in Appendix B will be delayed or subject to modification, it shall inform LDH's program monitor as soon as reasonably possible. SPH and LDH shall also inform each other as soon as either becomes aware of any issues related to this CEA that need discussion between the Parties.

ARTICLE 4
Reporting, Payments, Term, and Termination

Section 4.1 Beginning on _____, 2016, and ending on June 30, 2017, LDH will reimburse SPH an amount not to exceed \$4,700,000, subject to the satisfactory execution of the deliverables described in Appendix A and Appendix B, and according to the budgetary parameters set forth in Appendix C, all attached hereto and made a part of this agreement. In addition thereto, payment is also based upon, and subject to, the process, requirements, and conditions established in Section 4.2. Payment terms and amounts for subsequent fiscal years shall be subject to mutual written agreement by the parties.

Section 4.2 On a monthly basis SPH will provide a detailed report of all projects / deliverables mentioned in Appendix A and Appendix B, as well as the supporting documentation justifying the work done on said deliverables. For each such deliverable, the report shall include at least the following:

- a. A narrative summary of the status of each project and the progress made toward completion during the month in question. The narrative shall include a description of the prior month's report and an outline of which, if any, deliverables were successfully complete.
- b. An expected time of completion of any deliverable that has not been completed. If work on a deliverable, or a project leading to a deliverable, has not yet started, the report shall contain an estimated start date as well.
- c. A detailed statement of the total hours of work performed, and expenses incurred, under this CEA which may be subject to funding by the LDH pursuant to this CEA. This shall be itemized by specific employees and submitted as a claim for payment.
- d. A detailed itemization of any claims for reimbursement of any services, products, or actual expenses incurred towards the completion of any agreed upon deliverable. The itemization shall include a statement of the Medicaid-related purpose, description of need, and cost justification of each claim.
- e. In accordance with SPH's standard timekeeping practices, it shall have employees complete a semi-annual time and effort report certifying their time work itemized by funding source. This certification shall be provided to LDH upon completion.
- f. LDH shall only be liable for payment under this CEA after written approval and acceptance of any submitted claims by the Medicaid Medical Director.
- g. Travel expenses, if any, shall be reimbursed only in the event that this agreement provides for such reimbursement, such travel expenses are included in the Contracting Party's approved compensation, budget, or allocated amount, and then only in accordance with Division of Administration Policy and Procedure Memorandum No. 49. Invoices and/or receipts for any pre-approved reimbursable expenses or travel expenses must be provided or attached to periodic invoices for reimbursement. Finally, any travel and travel related expenses must be pre-approved, in writing, by the LDH contract monitor.

Section 4.3 The payment rates and remittance timelines shall be as follows:

- a. SPH will be reimbursed for employee work at the actual hourly rate paid to each employee as listed on the above claims, subject to submission of adequate supporting documentation. For salaried, employees, the actual hourly rate will be calculated by dividing the employee's annual salary, not including any insurance, bonuses, or fringe benefits, by two thousand eighty (2080) hours. SPH shall provide a certification of any actual hourly rates paid and of any calculations relative to salaried employees. Fringe benefits for eligible employees, including moving expenses for any mutually agreed upon newly hired employees, will be charged at LSUHSC-NO's standard percentage rate and presented as a separate line-item in reimbursement claims.
- b. For approved non-employee costs, SPH will be reimbursed for actual expenses incurred.
- c. A charge for indirect cost recovery (facilities and administrative costs are the indirect costs of conducting work that cannot be easily attributed to a specific projects) will be charged at LSUHSC-NO's agreed upon rate with LDH (12.0% as of September 22, 2016) and presented as a separate line-item in reimbursement claims.
- d. SPH shall submit any and all reimbursement claims within 15 calendar days after the end of the month in question. LDH shall then have 15 calendar days to examine the claims and remit payment, unless LDH requests additional information from SPH justifying any claim. If additional information is needed on parts of any claim, LDH shall pay the uncontested portion of the claim within the above timeframe. In regards to any contested portions, LDH shall have 5 calendar days from submission of any justification to remit payment, assuming the submission is approved by LDH. Payments for any and all deliverables, or work on deliverables, is subject to approval by the LDH contract monitor utilizing his / her discretion.
- e. LDH expressly reserves the right to recoup any payments that are deemed improper upon audit by LDH internal audit staff, the Louisiana Legislative Auditor, or any other state or federal regulatory body. SPH expressly consents to any such recoupment as directed by those entities.

Section 4.4 The term of this CEA shall begin on October 1, 2016, and end on June 30, 2017. By mutual written consent of the parties, this CEA may be extended for up to two additional one year periods. This CEA may only be amended or revised via mutual consent of the parties and any such revisions / amendments shall be in writing.

Section 4.5 This CEA may be terminated for convenience by either party with 30 days written notice. LDH shall only be responsible for payment of deliverables satisfactorily delivered on or before the termination date and for any approved work in progress on any other approved deliverables. The parties expressly agree that LDH shall not be liable for any other payments including, but not limited to, any termination or transfer costs. Upon receipt of any notice of termination, SPH shall discontinue any work on this CEA unless expressly mutually agreed upon by the parties in writing.

Section 4.6 The State Medicaid Medical Director shall serve as this LDH contract monitor for this CEA. Payment, as outlined above, shall not be remitted to SPH without the express approval of the LDH contract monitor. Further, LDH's obligation to make any payments is subject to such approval by the monitor. The parties expressly agree that whatever reimbursement amount is approved by the contract monitor is the amount owed to SPH without any further right of recourse. The contract monitor's express obligation is to monitor compliance with the terms and conditions of this CEA and to monitor any monthly reports that are submitted pursuant to the above timeline.

Section 4.7 SPH hereby agrees that the responsibility for payment of taxes from the funds thus received under this CEA and/or legislative appropriation shall be SPH's obligation and identified under LSUHSC-NO's Federal Tax Identification Number.

Section 4.8 All records, reports, documents and other material delivered or transmitted to SPH by LDH shall remain the property of LDH, and shall be returned by SPH to LDH, at SPH's expense, at termination or expiration of this CEA.

ARTICLE 5 General Provisions

Section 5.1 This CEA is conditioned upon the appropriation of sufficient funds to fulfill the obligations of LDH pursuant to agreement by the Legislature. If the Legislature fails to appropriate sufficient monies to provide for the continuation of this 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 last day of the fiscal year for which funds have been appropriated. Such termination shall be without penalty or expense to LDH except for payments which have been earned prior to the termination date.

Section 5.2 Neither party shall alienate any interest in this CEA by assignment, transfer, or novation without the prior written consent of the other party.

Section 5.3 This CEA is conditioned upon review and approval by the Director of the Office of Contractual Review unless exempt by written delegation of authority pursuant to Section 1 of Executive Order JBE 16-36

Section 5.4 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 SPH which relate to this CEA. SPH, and any approved subcontractors paid under this agreement, shall maintain all books and records pertaining to this CEA for a period of three years after the date of final payment under the prime contract and any subcontract entered into under this CEA.

Section 5.5 Parties agree that they shall be audited in accordance with La. 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 said statute, LDH shall monitor and evaluate the use of the funds to ensure effective achievement of the goals and objectives.

Section 5.6 Any alteration, variation, modification, or waiver of provisions of this CEA 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.

Section 5.7 SPH 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 SPH agrees to abide by the requirements of the Americans with Disabilities Act of 1990. SPH agrees not to discriminate in its employment practices, and will render services under this CEA without regard to race, color, religion, sex, sexual orientation, gender identity, age, national origin, disability, political affiliation, veteran status, or any other non-merit factor. Any act of discrimination committed by SPH, or failure to comply with these statutory obligations, when applicable, shall be grounds for termination of this CEA.

Section 5.8 Appendix A, Appendix B and Appendix C, and any other exhibits to this CEA, are attached and expressly made a part of this CEA by reference.

THUS DONE AND SIGNED at Baton Rouge, Louisiana, on the day of _____, 2016, to be effective as of the Effective Date.

Louisiana Department of Health

School of Public Health,
LSU Health Sciences Center-New Orleans

By: _____
Rebekah E. Gee, MD, MPH
Secretary

By: _____
F. King Alexander, PhD
President, LSU

DRAFT

**APPENDIX A
DELIVERABLES
Program on Public Health Information**

This initial Appendix A provides a listing of the Program on Public Health Information deliverables over the course of the development of the Center for Health Transformation. This listing will be refined and further specification of a Gantt chart will be presented for establishing more detailed milestones and tracking performance.

- Recruit a PHI Program Lead and LDH will name a Program Monitor. The Program Lead will share oversight responsibilities with the Center Director and be responsible for developing planning documents and developing presentations for LDH's use in modernizing its Medicaid system.
 - Prepare an outward facing real and web presence, following models proven to be effective and support of Medicaid programs (e.g. Commonwealth Med, the public service consulting and operations division of UMass Medical School)
- Provide expertise to the Department in its efforts to improve quality and efficiency in the State administration of the Medicaid program and Children's Health Insurance Programs (CHIP).
- -Coordinate and contract with partners as necessary to provide a roadmap to health reform, with specific steps towards program implementation.
- Convene a periodic meeting of a council of health economics / health policy advisors in Louisiana to both define areas of efficiency gain and to validate changes.
- On specific projects to be defined, staff will provide consultations, evaluation and timely analysis of LDH documents and programs, and interviews with LDH staff and health care stakeholders. Pre-identified projects include:
 - A compilation, typology development and reporting on community health needs assessments and their implications for necessary services.
 - Status report on uninsured care policies, metrics and data analytics. Pre-Medicaid expansion is the baseline upon which progress will be assessed.
- Support LDH in its efforts to develop Medicaid innovation projects by being active participants therein.
 - Several innovations projects are being defined for initial selection.
 - Develop a joint SPH-LSDH institutional review board (IRB) process for timely review and monitoring of innovation projects.
- Assemble work teams to identify areas of need, locate sources of funding, present proposals to LDH senior personnel (including the Executive Team), and participate in the revision and finalization process of any identified projects.
- Develop and propose strategies for the elimination of disproportionality and disparities in the Louisiana health care system. This work will focus on both access to care and the elimination of

any disparate quality of care received by Medicaid recipients and Medicaid-supported care relative to private pay systems of care.

- Work in collaboration with other professionals in Louisiana on projects involving health literacy / numeracy, with a focus on the evaluation and validation of culturally competent materials.
- Work in collaboration with other professionals in Louisiana on data and analysis from public health information surveys.
- The PHI program will provide technical assistance, formative research, and guidance to LDH in helping to prepare any new Medicaid Managed Care Requests for Proposals.
 - Among the formative research projects will be an examination of the advantages and disadvantages of developing Accountable Care Organization (ACO) models in partnership with historical Medicaid providers. A component of the project will be a meeting of ACOs in Louisiana for information sharing and policy analysis. Based on 2016 Medicare Shared Savings Program Organizations (February 2016), there are 10 ACOs in Louisiana. Changes to ACO information occurs periodically.

**APPENDIX B
DELIVERABLES
Program on Healthcare Quality Improvement**

This initial Appendix b provides a listing of the Program on Healthcare Quality Improvement deliverables over the course of the development of the Center for Health Transformation. This listing will be refined and further specification of a Gantt chart will be presented for establishing more detailed milestones and tracking performance.

- SPH will recruit a Director of Healthcare Quality Improvement. This individual will have experience in health care operations and data, including the receipt of such data from a variety of sources and utilization of this data for compiling of reports.
- SPH will work collaboratively with the LDH Information Technology department by providing technical assistance, data analytics, and data compilation services to LDH as the Department upgrades its Medicaid health IT systems.
- Establish a data warehouse to compile data from a variety of sources including, but not limited to, Medicaid providers, Healthy Louisiana plans, and other health care entities.
- Coordinate with any and all public private partners to obtain health care data
 - Assemble workteams to define the appropriate data.
 - Consult with national experts on the availability, collection means and presentation of data for continuing operations (e.g. Hospitalcompare – currently prepared for Medicare patients, and modifiable for Medicaid patients, and CalQualityCompare).
- Compile this data into operational reports for use by LDH in establishing a value-based reimbursement methodology centering on quality outcomes and proper utilization.
 - Assemble workteams to evaluate alternative models of value-based reimbursement.
 - Develop manuscripts for dissemination of the data in collaboration with LDH.
- Develop and execute a communication plan between the Center and health care providers, including Healthy Louisiana plans
 - Disburse reports on the aggregate level.
 - Disburse reports on a provider-specific basis upon written request by the specific provider in question.
 - Prepare a protocol to assure confidentiality of health information so that personal health information is not disclosed.
- Develop and provide the infrastructure and technical support in order for LDH to establish key elements that include:
 - (1) electronic health records (EHR) data
 - (2) data analytics
 - (3) population-level metrics
 - (4) provider and systems engagement, as required by LDH

- Establish mechanisms to track Medicaid recipients impacted by chronic diseases including, but not limited to, obesity, hypertension, and diabetes.
- Demonstrate and/or provide or direct quality improvement services, including smoking cessation referrals, screening programs and other agreed upon services.
- Track utilization and outcomes of behavioral health services across the Medicaid population. Include measures and processes under both static and recovery conditions.

DRAFT

APPENDIX C

BUDGET SUMMARY

**School of Public Health,
Center for Health Transformation
LSU Health Sciences Center - NO**

Title of Project LDH Cooperative Endeavor
Agreement
PI: Dean Smith

Budget Summary

	Year 1	Year 2	Year 3	Total
Personnel	\$2,346,518	\$3,128,690	\$3,128,690	\$8,603,899
Fringe Benefits	\$968,300	\$1,291,067	\$1,291,067	\$3,550,433
Travel	\$71,050	\$71,050	\$71,050	\$213,150
Operating	\$105,000	\$115,000	\$115,000	\$335,000
Supplies	\$105,000	\$85,000	\$85,000	\$275,000
Prof. Services	\$496,749	\$626,336	\$626,336	\$1,749,421
Capital	\$40,000	\$40,000	\$40,000	\$120,000
Subtotal	\$4,132,617	\$5,357,143	\$5,357,143	\$14,846,903
Indirect Costs	\$495,914	\$642,857	\$642,857	\$1,781,628
Total	\$4,628,531	\$6,000,000	\$6,000,000	\$16,628,531

LDH Contract Budget Detail

Attachment

Please complete the following sections.

Name of Contractor:

LSU Health Sciences Center - NO

(11) Salaries & Wages	Hourly Rate !	Est. Hours of Work !	Total Salary to be Paid	% Requested From LDH	Non LDH Funds	Amount Requested From LDH
See attached detailed personnel budget	2,346,518	1	2,346,518	100	0	2,346,518
			0		0	0
Total			2,346,518		0	2,346,518

Justification Faculty and staff required to manage, supervise, and coordinate the activities outlined in the statement of work.

(41) Related Benefits !	Column 1 Total Amt Requested	Per Cent Requested From LDH	Column 2 Non LDH Funds	Column 3 Requested From LDH
46% for faculty and staff (see breakdown below)	962,143	100	0	962,143
6.3% for student workers (5.3% FICA, 1% Wkrs Comp)	4,717	100	0	4,717
.8% for graduate assistants (.8% Wkrs Comp)	1,440	100	0	1,440
Total	968,300		0	968,300

Justification Fringe benefits at federally negotiated rate includes: 29.2% retirement, 1.5% FICA, .1% unemployment, 13% group health insurance, 1.1% terminal leave, and 1.1% worker's compensation.

(12) Travel !	Column 1 Total Amt Requested	Per Cent Requested From LDH	Column 2 Non LDH Funds	Column 3 Requested From LDH
recruitment related travel	12,500	100	0	12,500
consultant related travel	14,000	100	0	14,000
council of health economic advisors travel	16,000	100	0	16,000
ACO coordination travel	16,000	100	0	16,000
Needs Assessment site visits	10,000	100	0	10,000
In-state travel	2,550	100	0	2,550
Total	71,050		0	71,050

Justification Travel expenses to be reimbursed for the purpose of management and coordination of activities outlined in the state of work.

(13) Operating Services !	Column 1 Total Amt Requested	Per Cent Requested From LDH	Column 2 Non LDH Funds	Column 3 Requested From LDH
Internal Technical support	105,000	100	0	105,000
Total	105,000		0	105,000

Justification Internal technical support includes data and computer support and management via the EPI Data Center, in addition to any additional support that is needed to support the activities for this project.

(14) Supplies !	Column 1 Total Amt Requested	Per Cent Requested From LDH	Column 2 Non LDH Funds	Column 3 Requested From LDH
computer supplies, computers, monitors, software	50,000	100	0	50,000
office furniture	50,000	100	0	50,000
Office supplies	5,000	100	0	5,000
Total	105,000		0	105,000

Justification Computer supplies includes \$2,500 per person X 20 people and office furniture includes \$2,500 per person X 20 people Monies are also includes for office supplies

(15) Professional Services !	Column 1 Total Amt Requested	Per Cent Requested From LDH	Column 2 Non LDH Funds	Column 3 Requested From LDH
TBN, clinical and measurement science personnel	112,500	100	0	112,500
TBN, informatics, data analytics validat engineers	112,500	100	0	112,500
TBN, administrative, communications, cont mgmt	37,500	100	0	37,500
TBN, agreements with other LSU and UL partners	234,249	100	0	234,249
Total	496,749		0	496,749

Justification Contractual agreements needed to support the activities outlined in the statement of work

Object Detail

0	(Enter Cat 2 name)	Column 1 Total Amt Requested	Per Cent Requested From LDH	Column 2 Non LDH Funds	Column 3 Requested From LDH
Total					

Justification

Rev 12/04

LDH CONTRACT BUDGET
SUMMARY BUDGET FOR THIS PERIOD

Attachment

CONTRACTOR: LSU Health Sciences Center - N O FROM: 10/1/16 TO: 6/30/17

CATEGORIES	OBJECT DETAIL	TOTAL AMOUNT REQUIRED	SOURCE OF FUNDS	
			APPLICANT AND OTHER	REQUESTED FROM LDH
SALARIES AND WAGES	(11)	2,346,518	0	2,346,518
RELATED BENEFITS	(41)	968,300	0	968,300
TRAVEL	(12)	71,050	0	71,050
OPERATING SERVICES	(13)	105,000	0	105,000
SUPPLIES	(14)	105,000	0	105,000
PROFESSIONAL SVCS	(15)	496,749	0	496,749
CAPITAL ASSETS	(16)	40,000	0	40,000
ADMINISTRATIVE	(17)	495,914	0	495,914
(Enter Cat 1 name)	0			
(Enter Cat 2 name)	0			
TOTAL COST		4,628,531	0	4,628,531

Note: No data entry allowed in this item

X

Click Here if Combined Federal / State Funds

If funding is federal and state combined, please list breakdown below.

Fund Distribution Section

		Federal Dollars	State Dollars	Other	Total
SALARIES AND WAGES	(11)				
RELATED BENEFITS	(41)				
TRAVEL	(12)				
OPERATING SERVICES	(13)				
SUPPLIES	(14)				
PROFESSIONAL SVCS	(15)				
CAPITAL ASSETS	(16)				
ADMINISTRATIVE	(17)				
TOTAL COST					

LDH Contract Budget Detail

Attachment

Please complete the following sections.

Name of Contractor:

LSU Health Sciences Center - NO

(11) Salaries & Wages	Hourly Rate	Est. Hours of Work	Total Salary to be Paid	% Requested From LDH	Non LDH Funds	Amount Requested From LDH
See attached detailed personnel budget	3,128,690	1	3,128,690	100	0	3,128,690
			0		0	0
Total			3,128,690		0	3,128,690

Justification Faculty and staff required to manage, supervise, and coordinate the activities outlined in the statement of work.

(41) Related Benefits	Column 1 Total Amt Requested	Per Cent Requested From LDH	Column 2 Non LDH Funds	Column 3 Requested From LDH
46% for faculty and staff (see breakdown below)	1,282,857	100	0	1,282,857
6.3% for student workers (5 3% FICA, 1% Wkrs Comp)	6,290	100	0	6,290
.8% for graduate assistants (8% Wkrs Comp)	1,920	100	0	1,920
Total	1,291,067		0	1,291,067

Justification Fringe benefits at federally negotiated rate includes: 29 2% retirement, 1 5% FICA, 1% unemployment, 13% group health insurance, 1 1% terminal leave, and 1 1% worker's compensation.

(12) Travel	Column 1 Total Amt Requested	Per Cent Requested From LDH	Column 2 Non LDH Funds	Column 3 Requested From LDH
recruitment related travel	12,500	100	0	12,500
consultant related travel	14,000	100	0	14,000
council of health economic advisors travel	16,000	100	0	16,000
ACO coordination travel	16,000	100	0	16,000
Needs Assessment site visits	10,000	100	0	10,000
In-state travel	2,550	100	0	2,550
Total	71,050		0	71,050

Justification Travel expenses to be reimbursed for the purpose of management and coordination of activities outlined in the state of work.

(13) Operating Services !	Column 1 Total Amt Requested	Per Cent Requested From LDH	Column 2 Non LDH Funds	Column 3 Requested From LDH
Internal Technical support	115,000	100	0	115,000
Total	115,000		0	115,000

Justification Internal technical support includes data and computer support and management via the EPI Data Center, in addition to any additional support that is needed to support the activities for this project.

(14) Supplies !	Column 1 Total Amt Requested	Per Cent Requested From LDH	Column 2 Non LDH Funds	Column 3 Requested From LDH
computer supplies, computers, monitors, software	40,000	100	0	40,000
office furniture	40,000	100	0	40,000
Office supplies	5,000	100	0	5,000
Total	85,000		0	85,000

Justification Computer supplies includes \$2,000 per person X 20 people and office furniture includes \$2,000 per person X 20 people. Monies are also included for office supplies.

(15) Professional Services !	Column 1 Total Amt Requested	Per Cent Requested From LDH	Column 2 Non LDH Funds	Column 3 Requested From LDH
TBN, clinical and measurement science personnel	150,000	100	0	150,000
TBN, informatics, data analytics validation engineers	150,000	100	0	150,000
TBN, administrative, communications, cont mgmt	50,000	100	0	50,000
TBN, agreements with other LSU and UL partners	276,336	100	0	276,336
Total	626,336		0	626,336

Justification Contractual agreements needed to support the activities outlined in the statement of work.

Object Detail

0	(Enter Cat 2 name)	Column 1 Total Amt Requested	Per Cent Requested From LDH	Column 2 Non LDH Funds	Column 3 Requested From LDH
Total					

Justification

Rev 12/04

LDH CONTRACT BUDGET
SUMMARY BUDGET FOR THIS PERIOD

Attachment

CONTRACTOR: LSU Health Sciences Center - N O FROM: 7/1/17 TO: 6/30/18

CATEGORIES	OBJECT DETAIL	TOTAL AMOUNT REQUIRED	SOURCE OF FUNDS	
			APPLICANT AND OTHER	REQUESTED FROM LDH
SALARIES AND WAGES	(11)	3,128,690	0	3,128,690
RELATED BENEFITS	(41)	1,291,067	0	1,291,067
TRAVEL	(12)	71,050	0	71,050
OPERATING SERVICES	(13)	115,000	0	115,000
SUPPLIES	(14)	85,000	0	85,000
PROFESSIONAL SVCS	(15)	626,336	0	626,336
CAPITAL ASSETS	(16)	40,000	0	40,000
ADMINISTRATIVE	(17)	642,857	0	642,857
(Enter Cat 1 name)	0			
(Enter Cat 2 name)	0			
TOTAL COST		6,000,000	0	6,000,000

Note: No data entry allowed in this item

X

Click Here if Combined Federal / State Funds

If funding is federal and state combined, please list breakdown below.

Fund Distribution Section

		Federal Dollars	State Dollars	Other	Total
SALARIES AND WAGES	(11)				
RELATED BENEFITS	(41)				
TRAVEL	(12)				
OPERATING SERVICES	(13)				
SUPPLIES	(14)				
PROFESSIONAL SVCS	(15)				
CAPITAL ASSETS	(16)				
ADMINISTRATIVE	(17)				
TOTAL COST					

LDH Contract Budget Detail

Attachment

Please complete the following sections

Name of Contractor:

LSU Health Sciences Center - NO

(11) Salaries & Wages	Hourly Rate <input type="checkbox"/>	Est. Hours of Work <input type="checkbox"/>	Total Salary to be Paid	% Requested From LDH	Non LDH Funds	Amount Requested From LDH
See attached detailed personnel budget	3,128,690	1	3,128,690	100	0	3,128,690
			0		0	0
Total			3,128,690		0	3,128,690

Justification Faculty and staff required to manage, supervise, and coordinate the activities outlined in the statement of work.

(41) Related Benefits <input type="checkbox"/>	Column 1 Total Amt Requested	Per Cent Requested From LDH	Column 2 Non LDH Funds	Column 3 Requested From LDH
46% for faculty and staff (see breakdown below)	1,282,857	100	0	1,282,857
6.3% for student workers (5.3% FICA, 1% Wkrs Comp)	6,290	100	0	6,290
.8% for graduate assistants (.8% Wkrs Comp)	1,920	100	0	1,920
Total	1,291,067		0	1,291,067

Justification Fringe benefits at federally negotiated rate includes 29.2% retirement, 1.5% FICA, .1% unemployment, 13% group health insurance, 1.1% terminal leave, and 1.1% worker's compensation.

(12) Travel <input type="checkbox"/>	Column 1 Total Amt Requested	Per Cent Requested From LDH	Column 2 Non LDH Funds	Column 3 Requested From LDH
recruitment related travel	12,500	100	0	12,500
consultant related travel	14,000	100	0	14,000
council of health economic advisors travel	16,000	100	0	16,000
ACO coordination travel	16,000	100	0	16,000
Needs Assessment site visits	10,000	100	0	10,000
In-state travel	2,550	100	0	2,550
Total	71,050		0	71,050

Justification Travel expenses to be reimbursed for the purpose of management and coordination of activities outlined in the state of work

(13) Operating Services !	Column 1 Total Amt Requested	Per Cent Requested From LDH	Column 2 Non LDH Funds	Column 3 Requested From LDH
Internal Technical support	115,000	100	0	115,000
Total	115,000		0	115,000

Justification Internal technical support includes data and computer support and management via the EPI Data Center, in addition to any additional support that is needed to support the activities for this project.

(14) Supplies !	Column 1 Total Amt Requested	Per Cent Requested From LDH	Column 2 Non LDH Funds	Column 3 Requested From LDH
computer supplies, computers, monitors, software	40,000	100	0	40,000
office furniture	40,000	100	0	40,000
Office supplies	5,000	100	0	5,000
Total	85,000		0	85,000

Justification Computer supplies includes \$2,000 per person X 20 people and office furniture includes \$2,000 per person X 20 people. Monies are also included for office supplies.

(15) Professional Services !	Column 1 Total Amt Requested	Per Cent Requested From LDH	Column 2 Non LDH Funds	Column 3 Requested From LDH
TBN, clinical and measurement science personnel	150,000	100	0	150,000
TBN, informatics, data analytics validat engineers	150,000	100	0	150,000
TBN, administrative, communications, cont mgmt	50,000	100	0	50,000
TBN, agreements with other LSU and UL partners	276,336	100	0	276,336
Total	626,336		0	626,336

Justification Contractual agreements needed to support the activities outlined in the statement of work.

Object Detail

0	(Enter Cat 2 name)	Column 1 Total Amt Requested	Per Cent Requested From LDH	Column 2 Non LDH Funds	Column 3 Requested From LDH
Total					

Justification

Rev 12/04

LDH CONTRACT BUDGET
SUMMARY BUDGET FOR THIS PERIOD

Attachment 

CONTRACTOR: FROM: TO:

CATEGORIES	OBJECT DETAIL	TOTAL AMOUNT REQUIRED	SOURCE OF FUNDS	
			APPLICANT AND OTHER	REQUESTED FROM LDH
SALARIES AND WAGES	(11)	3,128,690	0	3,128,690
RELATED BENEFITS	(41)	1,291,067	0	1,291,067
TRAVEL	(12)	71,050	0	71,050
OPERATING SERVICES	(13)	115,000	0	115,000
SUPPLIES	(14)	85,000	0	85,000
PROFESSIONAL SVCS	(15)	626,336	0	626,336
CAPITAL ASSETS	(16)	40,000	0	40,000
ADMINISTRATIVE	(17)	642,857	0	642,857
(Enter Cat 1 name)	0			
(Enter Cat 2 name)	0			
TOTAL COST		6,000,000	0	6,000,000

Note: No data entry allowed in this item

X

Click Here if Combined Federal / State Funds

If funding is federal and state combined, please list breakdown below.

Fund Distribution Section

		Federal Dollars	State Dollars	Other	Total
SALARIES AND WAGES	(11)				
RELATED BENEFITS	(41)				
TRAVEL	(12)				
OPERATING SERVICES	(13)				
SUPPLIES	(14)				
PROFESSIONAL SVCS	(15)				
CAPITAL ASSETS	(16)				
ADMINISTRATIVE	(17)				
TOTAL COST					



Request from LSU A&M to Approve the LSU Global Scholarship Program

To: Members of the Board of Supervisors

Date: December 9, 2016

Pursuant to Article VII, Section 8 of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

D.1. Any matter having a significant fiscal (primary or secondary) or long-term educational or policy impact on the University or any of its campuses or divisions.

1. Summary of Matter

As the Flagship campus, LSU must provide students with a first-class, academic experience. LSU seeks to enhance the academic experience of its students through expanding the number of students who study across the country and the globe. Enhancing intercultural learning experiences, international leadership, and multinational collaborations and partnerships helps LSU to recruit and retain high achieving students. Students who experience studying abroad obtain knowledge, skills, and competencies in a cross-cultural environment that make them more competitive in the global market. Concomitantly, international exchanges provide similar opportunities for international students who make LSU their home while improving the academic experience for all of LSU's students. Increasing the number of students who participate in study abroad or exchange programs is a strategic objective for LSU in order to provide the transformative educational experiences students and alumni have come to expect. The ability of the university's students to broaden their world view while attending LSU will also enhance their ability to compete post-graduation.

However, many of LSU's students lack the resources to take advantage of the many benefits that international programs offer. LSU seeks to reduce the cost barrier with this scholarship program. Deans will have the discretion to use college resources to award students a Global Scholarship for an amount up to the cost of tuition and fees. Even still, for many students, the cost of air fare and other expenses will make these programs financially unviable. The Global Scholarship can be used by deans as an incentive for donors to match the scholarships up to the full cost of the study abroad experience so that students who cannot afford to travel abroad or to select sites within the United States will be able to do so.

2. Review of Business Plan

The recipient of this scholarship must be enrolled as a full-time undergraduate student in good academic standing. The recipient shall be selected based on demonstrated need and merit. Need may be based on a family at or near the federally defined poverty level, or by the student's eligibility for a federal Pell grant, by eligibility for other federal, state and institutional financial aid programs, or other clear financial need demonstrated by the student. Students must have applied and have been accepted into an approved program of the LSU Academic Programs Abroad. Students who withdraw from their exchange programs will be subject to LSU

withdrawal policies and to the withdrawal policy of Academic Programs Abroad and those of the exchange programs such as the International Student Exchange Program and the National Student Exchange program.

The recipient will be recommended by the head of the respective individual academic unit (typically the dean) upon recommendation of his or her designated advisory group who has carefully reviewed the applications to assess both need and merit and submitted to the Office of Financial Aid & Scholarships for approval.

3. Fiscal Impact

This scholarship will be awarded as an LSU tuition and fee exemption. Deans will have the discretion to determine the level of support for a student up to the cost of tuition and fees, which is currently approximately \$5,000 each for a regular semester and \$2,500 for a summer term for undergraduate residents.

The number of scholarships awarded each semester will be determined by each dean based on the resources available to each academic college. The University anticipates a cost in the initial year of no more than \$75,000 for up to 25 awards growing to 50 awards at a cost of \$150,000 in the future.

4. Review of Documents Related to Reference Matter

Appropriate campus approvals are on file with the LSU Office of Academic Affairs.

5. Certification of Compliance with Article VII, Section 8, Paragraph E of the Bylaws of Louisiana State University Board of Supervisors

Appropriate certification has been provided by the campus, and this executive report includes all applicable information required by the Bylaws.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request to establish the LSU Global Scholarship Program at Louisiana State University and Agricultural & Mechanical College; and

BE IT FURTHER RESOLVED that the Board of Supervisors authorizes the President to approve adjustments to the requirements and award amounts for the Global Scholarship Program as needed to be in line with student and institutional interests with notice to the Chair and Chair-elect of the Board of Supervisors and the Academic and Student Affairs, Achievement and Distinction Committee; and

BE IT FURTHER RESOLVED that a report detailing the fiscal and enrollment impacts of the LSU Global Scholarship Program will be submitted annually to the President of LSU and the Board of Supervisors each year through 2021.



Request from LSU A&M to Establish a Bachelor of Science in Entrepreneurship

To: Members of the Board of Supervisors

Date: December 9, 2016

Pursuant to Article VII, Section 8 of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

D.1. Any matter having a significant fiscal (primary or secondary) or long-term educational or policy impact on the University or any of its campuses or divisions.

1. Summary of Matter

Description

LSU A&M is requesting approval to establish a Bachelor of Science in Entrepreneurship (B.S.) in the E.J. Ourso College of Business.

The proposed B.S. program will focus on the theory and practice of entrepreneurship. Graduates will be equipped with knowledge and skills needed to start a business, be a productive member of an entrepreneurial business, assume responsibilities in a family business, or become an effective manager in a growing business. This on-campus program will only be offered as a paired degree with another BS/BA degree offered at LSU. Through this unique program students will have the opportunity to earn both degrees in five years or less through established collaborations among disciplines. Several students on campus currently pursue double majors or dual degrees and do so in less than five years. There is a demand for this paired option.

The purpose of this program is to develop well-informed graduates who can apply critical thinking, business acumen, and interpersonal skills to the creation of new business ventures and successful management; to leverage the latest innovations that support access to resources and financing; to stimulate economic development in Louisiana and in the U.S. by increasing the number of new ventures, supporting technology transfer, and bringing new products and services to market; and to provide new opportunities to expose students to diverse cultures and ethical business conduct.

The E.J. Ourso College of Business at LSU has a 27-year history of entrepreneurship education through coursework and an entrepreneurship minor. Five new courses for the degree program have been approved through the appropriate routing channels on campus, and the department has hired two new faculty members who specialize in entrepreneurship. In addition to the existing network of adjunct faculty, the department will also hire two additional faculty members this year.

LSU has a wide array of resources for the program that fuel entrepreneurial and innovative initiatives including the Office of Innovation and Technology Commercialization, the Louisiana

¹ <http://lsu.edu/flagshipagenda/goals2020.shtml>

Emerging Technology Center, the Stephenson Entrepreneurship Institute, and the Louisiana Business and Technology Center, which is home to a nationally recognized business incubator and student incubator.

Overall, Louisiana is still dependent on the vagaries of the oil market, creating a \$1.6B shortfall for the state over the June-December 2014 period. A recent report from the Public Affairs Research Council of Louisiana, which focused on finding solutions for the Louisiana economy, asserted the importance of the intellectual infrastructure at Louisiana's universities, the mechanisms for knowledge transfer into the economy, and entrepreneurial innovation in digital and high-tech industries. The report makes a strong argument for the higher education systems and management boards to institutionalize economic development as a priority in university systems and on campus. The state of Louisiana has identified entrepreneurship and innovation as critical to the sustainable growth of the state's economy, and LSU seeks to serve as a catalyst for long-term economic growth by cultivating entrepreneurship and technical expertise. As the state's flagship university, LSU already possesses a robust technology transfer and incubation infrastructure that provides the basis for principled entrepreneurship. Promotion of the entrepreneurial mindset to students across Louisiana, the nation, and the world is consistent with the mission, strategic plan, and identity of LSU.

Need

Entrepreneurship is important for the economy through the generation of new wealth. Entrepreneurs help create social change, resulting in improved quality of life, greater morale, economic freedom, and close-knit communities. Small businesses have generated over 65% of new jobs since 1995. They account for 52.6% of all retail sales, 46.8% of all wholesale sales, and 24.8% of all manufacturing sales. Additionally, 97% of all U.S. exporters of goods are small businesses. Looking inward, Louisiana's economy grew at a slower rate than the nation in 2013 by 0.9%. Additionally, the unemployment rate in Louisiana increased to 6.2% in 2014, above the national average of 5.8% for the same period. Small businesses make up 97.3% of all employers in the state and created 28,847 net new jobs in 2012. Nonetheless, the state's private sector employment growth still remained below the national average by 0.5%.

Students

There is a sizeable demand from current LSU students for the proposed entrepreneurship program. Recent statistics based on students' enrollment in entrepreneurship-related programs reveal an estimate of 242 current LSU students who would consider pursuing the proposed paired degree. As many careers require an entrepreneurial mindset, students in other majors may wish to pair their degree with the B.S. in Entrepreneurship, furthering their qualifications and making them attractive to corporate and small business recruiters. At any given semester, approximately 300 students at LSU double or triple major or take part in a dual degree program.

Projected enrollment in the proposed degree program will begin with a cohort of 30 students, increasing to 80 new students per year by 2020-2021.

2. Review of Business Plan

The Bachelor of Science in Entrepreneurship will be administered by the proposed Department

of Entrepreneurship and Information Systems (currently Department of Information Systems and Decision Sciences) in the E.J. Ourso College of Business. The department will administer two degree programs: the B.S. in Entrepreneurship and the B.S. in Information Systems and Decision Sciences. The Stephenson Entrepreneurship Institute is also under the department. Current facilities and library holdings are sufficient for the implementation of this program.

To ensure smooth implementation, the program will be phased in beginning in the academic year 2016-17. In the spring of 2016, the department identified and interviewed adjunct faculty with experience in creating new ventures. During the initial year of the program, 30 qualified junior level students will be identified and admitted to the program. These students will represent a critical mass for establishing and piloting the program. Counseling, program content, and mentoring will be modeled after the most highly ranked programs in the nation. In subsequent years, 40-50 junior level students will be identified and admitted to the program each year. By the fourth year, a total of 140-160 (junior and senior level) students will be enrolled in the program. This phased expansion will ensure quality in the delivery of program elements and the required personal attention for student success.

The sources of revenue that will be utilized to support this program include: university support of faculty lines in the amount of \$275,000 for FY 16-17, and thereafter, \$550,000 will be made available annually; donor support in the amount of \$6,000,000 over ten years (\$600,000/year for ten years); and college support in the amount of \$144,000/year for as long as the program is running.

The E. J. Ourso College of Business has been accredited by AACSB (the Association to Advance Collegiate Schools of Business) for many years, with the most recent reaffirmation of accreditation during the 2015/2016 academic year. This accreditation is college level, and the accreditation extends to any undergraduate or graduate program in the college. The reaffirmation of accreditation process occurs every five years and when the next accreditation cycle begins, the new B.S. in Entrepreneurship program will be included in this accreditation process.

3. Review of Documents Related to Referenced Matter

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

- I. Documentation of appropriate campus approvals
- II. A Board of Regents “Request for Authority to Offer a New Degree Program” form and budget
- III. Letters of support from deans, students, and industry

4. Certification of Compliance with Article VII, Section 8, Paragraph E of the Bylaws of Louisiana State University Board of Supervisors

Appropriate certification has been provided by the campus, and this executive report includes all applicable information required by the Bylaws.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the Request from LSU A&M to establish the Bachelor of Science in Entrepreneurship, subject to approval by the Louisiana Board of Regents.



**Request from LSU Health Sciences Center at New Orleans for
Conditional (One Year) Approval to Establish the Center for Health
Transformation in the School of Public Health**

To: Members of the Board of Supervisors

Date: December 9, 2016

Pursuant to Article VII, Section 8 of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

D.1. Any matter having a significant fiscal (primary or secondary) or long-term educational or policy impact on the University or any of its campuses or divisions.

1. Summary of Matter

LSU Health Sciences Center New Orleans is requesting one year conditional approval of the Center for Health Transformation in the School of Public Health. The initial year is to launch and further develop the center in conjunction with and supported by funds from the Louisiana Department of Health.

Louisiana is often ranked near the bottom of all states in public health indices. United Health Group's America's Health Rankings Annual Report 2015 ranks Louisiana 50th overall and near the bottom for the percentage of smokers, obesity, physical inactivity, violent crimes, occupational fatalities, and infectious diseases. Many factors working at multiple levels account for these rankings, and opportunities abound to discover and apply solutions to improve the health and health care of Louisianans. The proposed new Center for Health Transformation will provide the vehicle for collaborations that focus on activities to inform policymakers, state agencies, public and private health systems, and others with a goal of transforming and improving health and health care in Louisiana.

An on-going aim of the School of Public Health, as a professional school, is to work closely with the State and local government agencies and departments, health plans, professional organizations, and community-based agencies on collaborative projects to transform and improve health and healthcare delivery. Establishing the proposed new Center for Health Transformation will help to organize such on-going and planned work through the creation of a Program on Public Health Information and a Program on Healthcare Quality Improvement.

The Program on Public Health Information will provide expertise to the Louisiana Department of Health (LDH) in its efforts to improve quality and efficiency in the State administration of the Medicaid program and Children's Health Insurance Programs, coordinate efforts to provide a roadmap to health reform, and provide consultations, evaluation and timely analysis policy proposals and programs.

The Program on Healthcare Quality Improvement will work collaboratively with the LDH Information Technology department by providing technical assistance, data analytics, and data compilation services as LDH upgrades its Medicaid health IT systems. It will establish a data warehouse to compile data from a variety of sources including, but not limited to, Medicaid providers, Healthy Louisiana plans, and other health care entities. The program will also establish mechanisms to track Medicaid recipients affected by chronic diseases.

Both of the proposed programs in the Center for Health Transformation will include work on the development of information and manuscripts to inform the public and disseminate outcomes of investigations. Further, many analyses piloted with the experience of the LDH will be used to create proposals for further research funding from government agencies, public health and health care organizations and foundations.

2. Review of Business Plan

The proposed new Center for Health Transformation will be a campus-wide center, operating fiscally and administratively in the LSUHSC-NO School of Public Health under the direction of the Dean of the School of Public Health. The Center for Health Transformation will have both reassignment of effort of current faculty and staff and new hiring of necessary faculty and staff. Approximately 40% of the projected \$3.3 million in salary and fringe benefit expenses will cover reassignments and approximately 60% of those expenses will be for new hires.

The initial funding for the Center for Health Transformation will be provided under a one year Cooperative Endeavor Agreement with the Louisiana Department of Health which is renewable for two additional years upon mutual agreement and available funds. The long-term plan is for the Center for Health Transformation to be an ongoing partner with the Louisiana Department of Health to provide necessary research and administrative support services.

Should the funding under the Cooperative Endeavor Agreement with the Louisiana Department of Health become unavailable, the School of Public Health will be responsible for any outstanding and ongoing expenses. The dean is already in discussions with potential additional partners, including public health and health care organizations and foundations, related to possible funding support for the work of the center. The long-term financial and operating plan is for the Center for Health Transformation to be engaged with a number of parties interested in supporting research and administrative support services.

3. Review of Documents Related to Referenced Matter

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

- I. Board of Regents “Form A, Request for Conditional (One-Year) Approval of a New Academic/Research Unit” and budget
- II. CVs for proposed center director and key faculty members
- III. Cooperative Endeavor Agreement between LDH and LSU HSC-NO

4. Certification of Compliance with Article VII, Section 8, Paragraph E of the Bylaws of Louisiana State University Board of Supervisors

Appropriate certification has been provided by the campus, and this executive report includes all applicable information required by the Bylaws.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request from the LSU Health Sciences Center at New Orleans for one year conditional approval to establish the Center for Health Transformation in the School of Public Health, subject to approval by the Board of Regents.



**Recommendation to Approve Fall 2016 Conferral of Degrees at
LSU Campuses**

To: Members of the Board of Supervisors

Date: December 9, 2016

1. Summary of Matter

The campuses of LSU are seeking approval of degrees conferred on candidates for the Fall 2016 semester meeting degree requirements for graduation:

LSU	December 16, 2016 (College diploma ceremonies only)
LSU of Alexandria	December 15, 2016 10:00 a.m. Alexandria Riverfront Center
LSU at Eunice	December 16, 2016 10:00 a.m. Health and Physical Education Building
LSU Health Sciences Center in New Orleans	December 8, 2016 (no ceremony)
LSU Health Sciences Center in Shreveport	December 16, 2016 (no ceremony)
LSU in Shreveport	December 18, 2016 2:00 p.m. CenturyLink Center

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University does hereby approve degrees conferred on candidates meeting degree requirements for graduation from the campuses of the University at 2016 fall commencement exercises (December 8, 15, 16, 18)



Request from LSU A&M to Change the Name of the Department of Information Systems and Decision Sciences to the Department of Entrepreneurship and Information Systems

To: Members of the Board of Supervisors

Date: December 9, 2016

Pursuant to Article VII, Section 8 of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

D.1. Any matter having a significant fiscal (primary or secondary) or long-term educational or policy impact on the University or any of its campuses or divisions.

1. Summary of Matter

LSU A&M is requesting approval to change the name of the Department of Information Systems and Decision Sciences in the E.J. Ourso College of Business to the Department of Entrepreneurship and Information Systems. In May 2016, faculty in the department voted unanimously in support of the name change as part of the reorientation of the focus of the department, and to coincide with the request to establish the Bachelor of Science in Entrepreneurship. The department name change and proposed new degree program are in line with the college's commitment to economic development and job creation. The college's strategy in the reorganization is to reduce the emphasis on traditional academic boundaries in order to build a research culture driven by innovation and creativity. The new department name will strengthen the college's ability to increase enrollment and expand outreach.

2. Review of Documents Related to Referenced Matter

A letter of request from the E.J. Ourso College of Business and a memo confirming campus approval are on file with LSU Office of Academic Affairs.

3. Certification of Compliance with Article VII, Section 8, Paragraph E of the Bylaws of Louisiana State University Board of Supervisors

Appropriate certification has been provided by the campus, and this executive report includes all applicable information required by the Bylaws.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request from LSU A&M to change the name of the Department of Information Systems and Decision Sciences to the Department of Entrepreneurship and Information Systems in the E.J. Ourso College of Business, subject to approval by the Louisiana Board of Regents.



**Request from LSU A&M to Establish the Endowed Chair (the
Douglas L. Manship, Sr. – Dori J. Maynard Chair)**

To: Members of the Board of Supervisors

Date: December 9, 2016

1. Significant Board Matter

Pursuant to Article VII, Section 8 of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

D.1. Any matter having a significant fiscal (primary or secondary) or long term educational or policy impact on the University or any of its campuses or divisions.

2. Summary of Matter

Significant donations have been made to the LSU Foundation to establish an endowed chair, which qualify for Board of Regents Support Fund (BoRSF) matching funds. The Louisiana Board of Regents approved Endowed Chairs Subprogram matches non-State contributions of at least \$600,000 with \$400,000 increments from the BoRSF.

LSU A&M is requesting approval to establish the Douglas L. Manship, Sr. - Dori J. Maynard Chair in Race, Media and Cultural Literacy based on donations totaling \$1,800,000. This chair, to be established in the Manship School of Mass Communication, will provide annual funds to attract and secure a nationally or an internationally distinguished scholar to Louisiana.

3. Review of Documents Related to Referenced Matter

Supporting materials for the chair are on file in the LSU Office of Academic Affairs.

**4. Certification of Compliance with Article VII, Section 8, Paragraph E of the Bylaws of
Louisiana State University Board of Supervisors**

Appropriate certification has been provided by the campus, and this executive report includes all applicable information required by the Bylaws.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request from LSU A&M to establish the Douglas L. Manship, Sr. - Dori J. Maynard Chair in Race, Media and Cultural Literacy in the Manship School of Mass Communication, subject to approval by the Louisiana Board of Regents; and

BE IT FURTHER RESOLVED that the Chairman of the Board of Supervisors and/or the President, as may be appropriate, are hereby authorized and directed to execute any documents required to obtain the matching gift and otherwise complete the establishment of the Douglas L. Manship, Sr. - Dori J. Maynard Chair in Race, Media and Cultural Literacy at LSU A&M.



Request from LSU A&M for Approval to Establish 15 Endowed Superior Graduate Student Scholarships

To: Members of the Board of Supervisors

Date: December 9, 2016

Pursuant to Article VII, Section 8 of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

D.1. Any matter having a significant fiscal (primary or secondary) or long-term educational or policy impact on the University or any of its campuses or divisions.

1. Summary of Matter

Significant donations have been made to the LSU Foundation to establish 15 separate Endowed Superior Graduate Student Scholarships that qualify for Board of Regents Support Fund (BoRSF) matching funds. The Louisiana Board of Regents approved Endowed Superior Graduate Student Scholarships Subprogram matches non-State contributions of at least \$60,000 with \$40,000 from the BoRSF to create endowed scholarships to support graduate and first-professional students as well as post-doctoral fellows. Income above corpus may be used to benefit the student recipient in the form of scholarships, fellowships, and experiential opportunities, including internships, externships, conference travel, and field work.

a) Hannelore and Johannes Storz Graduate Student Excellence Fund:

The Board of Supervisors previously approved the establishment of the Hannelore and Johannes Storz Graduate Student Excellence Fund at its October 23, 2015, meeting based on donations totaling \$60,000. Formal establishment is now being sought for the augmented Hannelore and Johannes Storz Graduate Student Excellence Fund based on additional donations of \$60,000, for combined total donations of \$120,000. The Hannelore and Johannes Storz Graduate Student Excellence Fund shall be used to benefit full-time students enrolled in the Department of Pathobiological Sciences. This graduate scholarship will provide annual funds to recruit, retain, and graduate excellent graduate and first-professional degree candidates in the School of Veterinary Medicine, Department of Pathobiological Sciences at LSU.

b) Lamar Family Post-Doctoral Fellowship:

The Lamar Family Post-Doctoral Fellowship is based on donations totaling \$720,000. The Lamar Family Post-Doctoral Fellowship shall be used to benefit recipients who are fully-employed as post-doctoral fellows at Louisiana State University and Agricultural and Mechanical College. This graduate scholarship will provide annual funds to recruit, retain, and engage post-doctoral fellows in the Manship School of Mass Communication, Reilly Center for Media and Public Affairs.

c) Kenneth R. Hogstrom Superior Graduate Student Scholarship in Medical Physics

The Kenneth R. Hogstrom Superior Graduate Student Scholarship in Medical Physics is based on donations totaling \$180,000. The Kenneth R. Hogstrom Superior Graduate Student Scholarship in Medical Physics shall be used to benefit full-time students in the Department of Physics and Astronomy who are pursuing a graduate degree in Medical Physics and performing innovative, original research in radiation oncology physics, including imaging physics research with application to radiation oncology, preferably with research supervised by a medical physicist with an adjunct faculty appointment at Mary Bird Perkins Cancer Center. This graduate scholarship will provide annual funds to recruit, retain, and graduate excellent graduate degree students in the College of Science, Department of Physics and Astronomy.

d) Neil & Arlene Kestner Superior Graduate Student Scholarship in Honor of Imre Zupkay

The Neil and Arlene Kestner College of Science Superior Graduate Student Scholarship in Honor of Imre Zupkay is based on donations totaling \$60,000. The Neil and Arlene Kestner College of Science Superior Graduate Student Scholarship in Honor of Imre Zupkay shall be used to benefit student recipients who are enrolled as Ph.D. candidates whose dissertation research is in the interdisciplinary area of materials science, with preference given to those whose project involves more than one discipline. This graduate scholarship will provide annual funds to recruit, retain, and graduate excellent graduate and first-professional degree candidates in the College of Science at LSU.

e) Mark & Carolyn Campbell Guidry Doctoral Fellowship #2

The Mark and Carolyn Campbell Guidry Doctoral Fellowship in the Electrical and Computer Engineering Division #2 is based on donations totaling \$420,000. The Mark and Carolyn Campbell Guidry Doctoral Fellowship in the Electrical and Computer Engineering Division shall be used to benefit full-time doctoral students enrolled in the College of Engineering, Division of Electrical and Computer Engineering.

f) T. J. Moran Endowed Law Scholarship

The T. J. Moran Endowed Law Scholarship is based on donations totaling \$120,000. The T. J. Moran Endowed Law Scholarship shall be used to benefit full-time students in the Paul M. Hebert Law Center.

g) T. J. Moran Superior Graduate Student Scholarship, College of Human Sciences & Education

The T. J. Moran Superior Graduate Student Scholarship is based on donations totaling \$240,000. The T. J. Moran Superior Graduate Student Scholarship shall be used to benefit full-time students in the College of Human Sciences and Education.

h) T. J. Moran Superior Graduate Student Scholarship, E. J. Ourso College of Business

The T. J. Moran Superior Graduate Student Scholarship is based on donations totaling \$60,000. The T. J. Moran Superior Graduate Student Scholarship shall be used to benefit full-time students in the E. J. Ourso College of Business.

i) Dr. Jack Van Lopik & Annagreta Hojhdal Superior Graduate Scholarship

The Dr. Jack Van Lopik and Annagreta Hojhdal Superior Graduate Student Scholarship in the Louisiana Sea Grant College Program is based on donations totaling \$480,000. The Dr. Jack Van Lopik and Annagreta Hojhdal Superior Graduate Student Scholarship in the Louisiana Sea Grant College Program shall be used to benefit student recipients enrolled on a full-time basis and post-doctoral recipients who are fully-employed and affiliated with Louisiana State University and Agricultural and Mechanical College. Recipients must have demonstrated highly meritorious academic credentials and research potential to pursue graduate training, and his/her research endeavor must be relevant to the focus areas and strategic plan of the Louisiana Sea Grant College Program. This graduate scholarship will provide annual funds to recruit, retain, and graduate excellent graduate and first-professional degree candidates, as well as engage post-doctoral fellows in higher education in the Louisiana Sea Grant College Program at LSU.

j) Carraway Foundation Graduate Excellence Scholarship #2

The Carraway Foundation Graduate Excellence Scholarship #2 is based on donations totaling \$60,000. The Carraway Foundation Graduate Excellence Scholarship #2 shall be used to benefit student recipients enrolled on a full-time basis and majoring in Petroleum Engineering, and post-doctoral recipients who are fully-employed and affiliated with Louisiana State University and Agricultural and Mechanical College. This graduate scholarship will provide annual funds to recruit, retain, and graduate excellent graduate and first-professional degree students, as well as engage post-doctoral fellows in the College of Engineering, Craft and Hawkins Department of Petroleum Engineering.

k) Joseph F. Domino Superior Graduate Student Scholarship

The Joseph F. Domino Superior Graduate Student Scholarship is based on donations totaling \$180,000. The Joseph F. Domino Superior Graduate Student Scholarship shall be used to benefit full-time graduate students in the College of Engineering, Division of Electrical and Chemical Engineering. This graduate scholarship will provide annual funds to recruit, retain, and graduate excellent graduate and first-professional degree candidates in the College of Engineering, Division of Electrical and Chemical Engineering at LSU.

l) Friedhelm Goronzy Endowed Superior Graduate Student Scholarship

The Friedhelm Goronzy Endowed Superior Graduate Student Scholarship is based on donations totaling \$60,000. The Friedhelm Goronzy Endowed Superior Graduate Student Scholarship shall be used to benefit full-time students enrolled in the E. J. Ourso College of Business, Rucks Department of Management, who are pursuing a doctorate in management. This graduate scholarship will provide annual funds to recruit, retain, and graduate excellent doctoral candidates in the E. J. Ourso College of Business, Rucks Department of Management.

m) Lynne & Kit Marye Superior Graduate Student Scholarship in Finance

The Lynne and Kit Marye Superior Graduate Scholarship in Finance is based on donations totaling \$60,000. The Lynne and Kit Marye Superior Graduate Scholarship in Finance shall be used to benefit full-time students enrolled in the E. J. Ourso College of Business who are pursuing a graduate degree in Finance; financial need may be a consideration. This graduate

scholarship will provide annual funds to recruit, retain, and graduate excellent graduate and first-professional degree candidates in the E. J. Ourso College of Business at LSU.

n) Robert K. & Elizabeth F. Reeves Endowed Scholarship

The Robert K. and Elizabeth F. Reeves Endowed Scholarship is based on donations totaling \$60,000. The Robert K. and Elizabeth F. Reeves Endowed Scholarship shall be used to benefit full-time second or third year students at the Paul M. Hebert Law Center, enrolled in the Graduate Certificate in Energy Law and Policy Program, who demonstrated excellence in their first year of legal studies; financial need may be a consideration. This graduate scholarship will provide annual funds to recruit, retain, and graduate excellent graduate and first-professional degree candidates in the Paul M. Hebert Law Center at LSU.

o) Robert R. and Melissa B. Rabalais Energy Law Endowment

The Robert R. and Melissa B. Rabalais Energy Law Endowment Fund is based on donations totaling \$60,000. The Robert R. and Melissa B. Rabalais Energy Law Endowment Fund shall be used to provide financial support and related expenses to students seeking approved experiential learning placements, including internships or externships, in the areas of energy law and policy during the academic year, summer or intersession. Eligible students include those who have expressed interest in the energy law and policy field, with preference given to those students seeking the Certificate of Energy Law and Policy at the Paul M. Hebert Law Center. Recipients must be candidates for the J.D. or L.L.M. at the Paul M. Hebert Law Center. The experiential learning placement shall be related to energy law and policy and may count toward the recipient's required hours of approved applied learning experiences necessary to earn the Certificate of Energy Law and Policy.

3. Review of Documents Related to Referenced Matter

Supporting materials for each Endowed Superior Graduate Student Scholarship are on file in the LSU Office of Academic Affairs.

4. Certification of Compliance with Article VII, Section 8, Paragraph E of the Bylaws of Louisiana State University Board of Supervisors

Appropriate certification has been provided by the campus, and this executive report includes all applicable information required by the Bylaws.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request from LSU A&M to establish each the following Endowed Superior Graduate Student Scholarships, subject to approval by the Louisiana Board of Regents:

- a) Hannelore and Johannes Storz Graduate Student Excellence Fund

- b) Lamar Family Post-doctoral Fellowship
- c) Kenneth R. Hogstrom Superior Graduate Student Scholarship in Medical Physics
- d) Neil & Arlene Kestner Superior Graduate Student Scholarship in Honor of Imre Zupkay
- e) Mark & Carolyn Campbell Guidry Doctoral Fellowship #2
- f) T. J. Moran Endowed Law Scholarship
- g) T. J. Moran Superior Graduate Student Scholarship, College of Human Sciences & Education
- h) T. J. Moran Superior Graduate Student Scholarship, E. J. Ourso College of Business
- i) Dr. Jack Van Lopik & Annagreta Hojidal Superior Graduate Scholarship
- j) Carraway Foundation Graduate Excellence Scholarship #2
- k) Joseph F. Domino Superior Graduate Student Scholarship
- l) Friedhelm Goronzy Endowed Superior Graduate Student Scholarship
- m) Lynne & Kit Marye Superior Graduate Student Scholarship in Finance
- n) Robert K. & Elizabeth F. Reeves Endowed Scholarship
- o) Robert R. and Melissa B. Rabalais Energy Law Endowment

BE IT FURTHER RESOLVED that the Chairman of the Board of Supervisors and/or the President, as may be appropriate, are hereby authorized and directed to execute any documents required to obtain the matching gift and otherwise complete the establishment of each of the following Endowed Superior Graduate Student Scholarships LSU A&M:

- a) Hannelore and Johannes Storz Graduate Student Excellence Fund
- b) Lamar Family Post-doctoral Fellowship
- c) Kenneth R. Hogstrom Superior Graduate Student Scholarship in Medical Physics
- d) Neil & Arlene Kestner Superior Graduate Student Scholarship in Honor of Imre Zupkay
- e) Mark & Carolyn Campbell Guidry Doctoral Fellowship #2
- f) T. J. Moran Endowed Law Scholarship
- g) T. J. Moran Superior Graduate Student Scholarship, College of Human Sciences & Education
- h) T. J. Moran Superior Graduate Student Scholarship, E. J. Ourso College of Business
- i) Dr. Jack Van Lopik & Annagreta Hojidal Superior Graduate Scholarship
- j) Carraway Foundation Graduate Excellence Scholarship #2
- k) Joseph F. Domino Superior Graduate Student Scholarship
- l) Friedhelm Goronzy Endowed Superior Graduate Student Scholarship
- m) Lynne & Kit Marye Superior Graduate Student Scholarship in Finance
- n) Robert K. & Elizabeth F. Reeves Endowed Scholarship
- o) Robert R. and Melissa B. Rabalais Energy Law Endowment



**Request from LSU Alexandria to Establish 4 Endowed Scholarships for
First Generation Students**

To: Members of the Board of Supervisors

Date: December 9, 2016

Pursuant to Article VII, Section 8 of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

D.1. Any matter having a significant fiscal (primary or secondary) or long-term educational or policy impact on the University or any of its campuses or divisions.

1. Summary of Matter

The Board of Regents Support Fund (BoRSF) Undergraduate Scholarship Program was founded in 2007 as a non-competitive programs providing matching funds to donations of \$60,000 in the amount of \$40,000 to establish endowed scholarship funds in support of first-generation college students. These scholarships provide critical financial assistance to students.

a) Mary Jane Brown Endowed Scholarship for First Generation Students

Mark and Yuvonka Brown have donated \$60,000 in honor of Mark's mother Mary Jane Brown to the LSUA Foundation for the establishment of an endowed scholarship for first generation college students at LSU Alexandria.

b) Dr. David and Mrs. Nicole Holcombe Endowed Scholarship for First Generation College Students in Creative Arts and Language

Dr. David and Mrs. Nicole Holcombe have donated \$60,000 to the LSUA Foundation for the establishment of an endowed scholarship for first generation college students majoring in creative arts and language at LSU Alexandria.

c) Virginia Harvey Holcombe Endowed Scholarship for First Generation College Students in Nursing

Friends and family of Virginia Harvey Holcombe have donated \$60,000 to the LSUA Foundation for the establishment of an endowed scholarship for first generation college students majoring in nursing at LSU Alexandria.

d) Jeremiah and Kenneth Grant Holcombe Endowed Scholarship for First Generation College Students in Allied Health

Friends and family of Jeremiah and Kenneth Grant Holcombe have donated \$60,000 to the LSUA Foundation for the establishment of an endowed scholarship for first generation college students majoring in allied health at LSU Alexandria.

3. Review of Documents Related to Referenced Matter

A memo from the LSU Alexandria Chancellor's Office requesting the establishment of the 4 Endowed Scholarships for First Generation College Students is on file in the LSU Office of Academic Affairs.

4. Certification of Compliance with Article VII, Section 8, Paragraph E of the Bylaws of Louisiana State University Board of Supervisors

Appropriate certification has been provided by the campus, and this executive report includes all applicable information required by the Bylaws.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request from LSU Alexandria to Establish the following Endowed Scholarships for First Generation Students, subject to approval by the Louisiana Board of Regents:

- a) Mary Jane Brown Endowed Scholarship for First Generation College Students
- b) Dr. David and Mrs. Nicole Holcombe Endowed Scholarship for First Generation College Students in Creative Arts and Language
- c) Virginia Harvey Holcombe Endowed Scholarship for First Generation College Students in Nursing
- d) Jeremiah and Kenneth Grant Holcombe Endowed Scholarship for First Generation College Students in Allied Health

BE IT FURTHER RESOLVED that the Chairman of the Board of Supervisors and/or the President, as may be appropriate, are hereby authorized and directed to execute any documents required to obtain the matching gift and otherwise complete the establishment of each of the following Endowed Scholarships for First Generation Students at LSU Alexandria:

- a) Mary Jane Brown Endowed Scholarship for First Generation College Students
- b) Dr. David and Mrs. Nicole Holcombe Endowed Scholarship for First Generation College Students in Creative Arts and Language
- c) Virginia Harvey Holcombe Endowed Scholarship for First Generation College Students in Nursing
- d) Jeremiah and Kenneth Grant Holcombe Endowed Scholarship for First Generation College Students in Allied Health



**Request from LSU Health Sciences Center-New Orleans to Change the
Name of the Leslie Lewinter-Suskind and the Robert Suskind
Professorship for International Pediatric Collaboration**

To: Members of the Board of Supervisors

Date: December 9, 2016

Pursuant to Article VII, Section 8 of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

D.1. Any matter having a significant fiscal (primary or secondary) or long-term educational or policy impact on the University or any of its campuses or divisions.

1. Summary of Matter

LSU Health Sciences Center New Orleans is requesting approval to change the name of the Leslie Leqinter-Suskind and Robert Suskind Professorship for International Pediatric Collaboration to the Leslie Lewinter-Suskind and Robert Suskind Professorship in Pediatric Education. The renamed professorship will be used to support the Vice Chair for Education in the Department of Pediatrics in the School of Medicine. The donor fully supports the change.

2. Review of Documents Related to Referenced Matter

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

- I. Memo of support from the donor
- II. Memo of request from the head of the Department of Pediatrics
- III. Memo of support from the LSU HSC-NO Office of Academic Affairs

3. Certification of Compliance with Article VII, Section 8, Paragraph E of the Bylaws of Louisiana State University Board of Supervisors

Appropriate certification has been provided by the campus, and this executive report includes all applicable information required by the Bylaws.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request from LSU Health Sciences Center-New Orleans to change the name of the Leslie Lewinter-Suskind and the Robert Suskind Professorship for International Pediatric Collaboration to the Leslie Lewinter-Suskind and Robert Suskind Professorship in Pediatric Education, subject to approval by the Louisiana Board of Regents.



**Request from LSU Health Sciences Center New Orleans for Approval
to Waive the National Search Requirement for the
Elaine A. Doré Endowed Chair in Orthopaedics**

To: Members of the Board of Supervisors

Date: December 9, 2016

Pursuant to Article VII, Section 8 of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

D.1. Any matter having a significant fiscal (primary or secondary) or long-term educational or policy impact on the University or any of its campuses or divisions.

1. Summary of Matter

As part of Board of Regents efforts to aid campuses in using Board of Regents Support Fund (BoRSF) funds, the Board accepts requests to waive the requirement for a national search to fill BoRSF supported endowed chairs when a current faculty member is a pre-eminent scholar who meets the chair criteria. LSU Health Sciences Center New Orleans is requesting approval to waive the national search requirement for the Elaine A. Doré Endowed Chair in Orthopaedics, and to appoint the chair to Dr. Peter C. Krause, MD, Vice Chairman in the Department of Orthopaedics and the Director of Orthopaedic Trauma at University Medical Center (UMC), New Orleans.

Dr. Krause holds numerous positions in leadership at UMC. He is the former director of the LSU orthopaedic residency program and the most tenured orthopaedic trauma surgeon at UMC hospital. Dr. Krause is a respected teacher and clinician. He has been selected as a "Best Doctor" in 2013, 2014, and 2015 by New Orleans Magazine. His international reputation is highlighted by his recent invitation to the Masters of Fractures Symposium in California, an international collaborative of renowned fracture surgeons. His research efforts focus on orthopaedic trauma and improving access to and efficiencies of care at UMC trauma center. His recent and celebrated publication: "Economic and Educational Impact of Firearm-Related Injury on an Urban Trauma Center" highlights his collaborative research with UMC Hospital and the trauma center. Dr. Krause is a prominent surgeon and an excellent candidate for this chair.

3. Review of Documents Related to Referenced Matter

4. Certification of Compliance with Article VII, Section 8, Paragraph E of the Bylaws of Louisiana State University Board of Supervisors

Appropriate certification has been provided by the campus, and this executive report includes all applicable information required by the Bylaws.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors does hereby approve the request from LSU Health Sciences Center New Orleans to Waive the National Search Requirement for the Elaine A. Doré Endowed Chair in Orthopaedics, subject to approval by the Louisiana Board of Regents.



**Recommendation to amend the Bylaws and Regulations of the Board,
Related to Rights, Duties, and Responsibilities of Principal
Administrative Officers of the University**

To: Members of the Board of Supervisors

Date: December 9, 2016

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

- 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 the Matter

In December 2014, the LSU Board of Supervisors approved an amendment to Article VII, Section 2.c. of the LSU Bylaws & Regulations to allow for greater delegated authority to execute personnel actions. According to the amendment, the authority sunsets in December 2016 and “a request shall be brought back to the Board to continue such authority.” We now respectfully request that the provision remain in place and continue, recognizing that the Board may alter these authorities at any time in the future if the need arises.

The amendment in 2014 was a result of President Alexander tasking an HR Working Group to develop recommendations for LSU to become more streamlined and flexible as it pertains to personnel matters. The HR Working Group recommended approval of further delegations to the lowest appropriate level of approval authority which the Board granted for a two-year period. During this time, the Board has reviewed only those personnel actions that required their review such as actions that impact executive level positions reporting directly to the President and Head Coach/Athletic Director contracts. Periodic informational reports of personnel actions previously approved by the Board have also been provided to keep the Board fully apprised of the delegated actions taken.

The delegated authorities have achieved their intended goals while providing the necessary accountability and transparency. The campuses have greater flexibility and are more nimble to act upon time sensitive matters. Administrative bottlenecks have been reduced due to less layers of approval allowing the Board of Supervisors to focus on those personnel actions that truly require their attention rather than being bogged down with routine matters- all while remaining informed through quarterly reports. It is therefore requested that the delegated authorities approved in December 2014 are continued for another two years.

The University’s Uniform Personnel Policy, Permanent Memorandum 69, currently delegates to Chancellors approval of salary increases associated with additional duties, merit increases, counter offers, and retention raises up to 30% for positions with a base salary of \$100,000 or above. This resolution directs the President to reduce that approval delegation to Chancellors to 15%, consistent with other approval limits in this policy. Anything above 15% will now require the President’s approval.

2. Review of Business Plan

N/A

3. Fiscal Impact

N/A

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

ATTACHMENT

I. Proposed Amendment of Section 2.C of Article VII

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (“Board”) does hereby authorize F. King Alexander, President of the Louisiana State University, or his designee, to amend the Bylaws and Regulations of the Board as provided in the attached as it relates to delegated authority to execute personnel actions, effective as of this date, & hereby authorizes the Office of the General Counsel to make any technical amendments that is deemed necessary. In addition, the Board hereby directs President F. King Alexander, or his designee, to amend and replace Section III.C. of Permanent Memorandum 69 (Uniform Personnel Policy) with the following: “Salary increases associated with additional duties, merit increases, counter offers, and retention raises in excess of 15% for positions with a base salary of \$100,000 or above.”

PROPOSED AMENDMENT OF SECTION 2.C. OF ARTICLE VII

Should the Board support this request, we propose the following amendment to the LSU Board of Supervisors Bylaws and Regulations:

Remove current Section 2.c. of Article VII:

For a period of two years, commencing on December 12th, 2014, after consultation with appropriate academic and administrative staff, the President shall make recommendations to the Board for the personnel actions reserved to the Board and take action on the personnel actions reserved to the President. The President shall have discretionary authority to review personnel actions delegated to and taken by Chancellors and others to whom authority for personnel actions has been delegated, In December 2016, the authority granted to the President in regards to University Officers, the Uniform Personnel Policy, and other related matters at the Board's December 12, 2014 meeting shall sunset and a request shall be brought back to the Board to continue such authority. The President, or the President's designated agent, is authorized as the appointing authority to make and approve personnel actions relating to classified and unclassified personnel in positions exempt from the classified service by special action of the State of Louisiana, Department of Civil Service, including disciplinary actions required to be expressed in writing.

Replace with Section 2.c. of Article VII:

For a period of two years, commencing on December 9th, 2016, after consultation with appropriate academic and administrative staff, the President shall make recommendations to the Board for the personnel actions reserved to the Board and take action on the personnel actions reserved to the President. The President shall have discretionary authority to review personnel actions delegated to and taken by Chancellors and others to whom authority for personnel actions has been delegated. In December 2018, the authority granted to the President in regards to University Officers, the Uniform Personnel Policy, and other related matters at the Board's December 9, 2016 meeting shall sunset and a request shall be brought back to the Board to continue such authority. The President, or the President's designated agent, is authorized as the appointing authority to make and approve personnel actions relating to classified and unclassified personnel in positions exempt from the classified service by special action of the State of Louisiana, Department of Civil Service, including disciplinary actions required to be expressed in writing.



Office of the President

December 12, 2014

PERMANENT MEMORANDUM

Subject: PM-69

Reference: Delegation of Authority to Execute Personnel Actions

I. Purpose

To provide for a uniform personnel policy for LSU and to provide for specific and express delegation of authority to execute personnel actions. This delegation of authority may be amended or revoked at any time.

II. Board Approval

The personnel actions listed below require approval by the Board. Authority to take such actions is not delegated to either the President or the Chancellors or equivalents.

- A. Appointments, salary increases greater than 15%, salary decreases, and terminations of University Administration executive level positions that report directly to the President who have LSU wide responsibility.
- B. Appointments, salary increases greater than 15%, salary decreases, and terminations for Chancellors and equivalent positions.
- C. Head coach/athletic director contracts/amendments.
- D. Appointments and all other personnel actions relating to coaches other than Head Coaches with a salary of \$250,000 or above.

III. President Approval

The following actions require approval by the President and are not delegated to the Chancellors or equivalents, except that the President may delegate authority to the Provost of the LSU A&M campus since the President also serves as the Chancellor of that campus. Additionally, items A-D may be delegated to the Vice President for Finance and Administration.

- A. Pre-approval of base salary ranges with a midpoint equal to \$250,000 or above.
- B. Appointments not based on a pre-approved salary range and a salary of \$250,000 or above.
- C. Salary increases associated with additional duties, merit increases, counter offers, and retention raises in excess of 30% 15% for positions with a base salary of \$100,000 or above.
- D. Salary increases in excess of 15% to campus executive level employees unless increase is due to a promotion and would be treated like a new appointment.
- E. Involuntary termination or reduction in base pay of an employee occupying a campus executive level position that reports to the chancellor or equivalent with campus wide responsibilities.

- F. Reemployment of a retiree to a position within the entities of LSU that is not significantly different from the position from which the individual retired, unless two or more years have lapsed.
- G. Reemployment of an LSU retiree by the campus from which he/she retired if the appointment is for more than two years and more than 50% effort.
- H. Leave without pay in excess of two years.
- I. Creation of a new position at the level of vice chancellor or above.
- J. Additional compensation exceeding the limits established by Presidential policy.
- K. Any other item for which President's approval is specifically required under the Board *Regulations*.
- L. Leave without pay for one year or more or special leave with any pay or benefits for thirty days or more within any twelve month period.

IV. Delegation of Authority to Chancellors or Equivalents

Authority to make all other personnel actions which are not reserved to the Board or the President are hereby delegated by the President to the Chancellors or equivalents. The President may also delegate authority to the Provost of the LSU A&M campus since the President also serves as the Chancellor of that campus. This delegation may be revoked or amended by the Board or the President at any time. Delegation includes the following items which may not be further delegated except as noted.

- A. Delay of the tenure-clock with justification.
- B. Change of an occupied position from classified to unclassified except that this may be delegated to the provost or equivalent.
- C. Appointments to campus executive level positions.
- D. Increases in base pay not fully approved within the campus within 90 days of the effective date.
- E. Appointment and termination of tenured faculty.
- F. Granting of tenure to an existing faculty member, and/or promotion in faculty rank.
- G. Emeritus status.
- H. Reemployment of an LSU retiree by the campus from which he/she retired if the appointment is to a similar position, as determined by the HRM Office based on review of the job descriptions.
- I. Educational or sabbatical leave (this provision supersedes any the approval requirements of Presidential policy)
- J. Salary supplements from Foundation funds.
- K. Appointment to any designated chair or professorship

In addition to the above, it is expected that Chancellors or equivalents will delegate routine transactions to the Provost, vice chancellors, deans and department heads provided there is adequate review by the HRM Office or other appropriately trained office to ensure compliance with applicable regulations.

V. Submission Requirements

Recommendations for personnel actions which must be approved by the Board or the President shall be submitted in writing, by the deadlines established by the Board, signed by the Chancellor or equivalent. Each recommendation shall include sufficient information to fully describe and explain the action being proposed.

VI. **Miscellaneous**

- A. Except as otherwise specifically provided, this Memorandum shall not apply to personnel actions relating to employees governed by the laws and rules promulgated by the Department of State Civil Service affecting the Classified Service.
- B. All references to an annual period refer to the LSU fiscal year unless the context indicates otherwise.
- C. Nothing herein shall be construed to alter, amend, or in any way affect presidential policy or the policies and procedures set forth therein, which are required by La. R.S. 42:1123(9)(b). Nothing herein creates any rights, procedural or substantive, in employees, prospective employees or other persons.



Request from LSU A&M to Amend the Fiscal Year 2017-18 Five-Year Capital Outlay Budget Request and First Year Prioritized Categories to Include Projects at LSU A&M: Veterinary Medicine Clinical Facility and LSU Memorial Tower Renovations

To: Members of the Board of Supervisors

Date: December 9, 2016

Pursuant to Article VII, Section 9, A.1. of the Bylaws of the Louisiana State University Board of Supervisors, this is a “significant board matter”. In addition, the University’s capital outlay request prioritization must be approved by the Board per Article VII, Section 9, E.2.

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.

E.2. Capital outlay prioritization must be approved by the Board or Executive Committee.

1. Summary of the Matter

In September 2016, the LSU Board of Supervisors approved the Fiscal Year 2017-18 Five-Year Capital Outlay Budget Request and First Year Prioritized Categories for Louisiana State University.

Included in the previously approved 5-Year Capital Outlay Plan for the LSU A&M campus as a New project was the “**Veterinary Medicine Clinical Facility**” that was to start in the second-year of the five-year plan. Recent private donations have fulfilled the \$5,000,000 in self-generated funds for the project. The attached 5-Year Capital Outlay Plan for LSU reprioritizes the Veterinary Medicine Clinical Facility project to start in the first-year of the five-year plan and requests \$5,000,000 in state funds to match the \$5,000,000 in self-generated funds for the total project cost of \$10,000,000.

The “**LSU Memorial Tower Renovations**” is a new project that would start in the first-year of the five-year plan with \$3,600,000 in state funds requested to match \$3,600,000 in private funds for a total cost of \$7,200,000.

2. Review of Business Plan

N/A.

3. Fiscal Impact

N/A.

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

None.

ATTACHMENTS

- I. Letter to LSU President F. King Alexander
- II. Amended 5-Year Plan
- III. Amended First Year Prioritized Project List

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College that the Fiscal Year 2017-18 Five-Year Capital Outlay Budget Request and First Year Prioritized Categories for Louisiana State University be amended to include the projects listed below:

LSU A&M

Veterinary Medicine Clinical Facility

Category - New Projects

\$10,000,000 – General Obligation Bonds (\$5 M), Private Funds (\$3.8 M) and Self-Generated Revenue (\$1.2 M)

LSU A&M

LSU Memorial Tower Renovations

Category - New Projects

\$7,200,000 – General Obligation Bonds (\$3.6 M) and Private Funds (\$3.6 M)

November 15, 2016

To: F. King Alexander,
President

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

Through: Tony Lombardo, Associate Vice President
Facility & Property Oversight

Through: Danny Mahaffey
Assistant Vice President/University Architect

From: Roger Husser, Assistant Vice President
Planning, Design & Construction 

Subject **Board of Supervisors Agenda, December 9, 2016 Meeting**
LSU Capital Outlay Submission Amendment

President Alexander:

Please find attached the recommended amendment to the Fiscal Year 2017-18 Five-Year Capital Outlay Budget Request and First Year Prioritized Categories for Louisiana State University.

We request this be placed on the agenda for the December 9, 2016 meeting of the Board of Supervisors.

Thank you.

5 YEAR CAPITAL OUTLAY PLAN

INSTITUTION: LSU

5 YEAR CAPITAL OUTLAY PLAN

FY2017-2018 - FY2021-2022

Project Title	Inst. Priority	Previous Funding	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	5-Year Request	Total Cost
LSU A&M Main Campus Sewer Line Replacement	E-1	\$0	\$455,000	\$4,066,000				\$4,521,000	\$4,521,000
LSU A&M New Residence Hall	SG-1	\$0	\$80,450,000					\$80,450,000	\$80,450,000
LSU A&M Evangeline Residence Hall Renovation	SG-2	\$0	\$18,800,000					\$18,800,000	\$18,800,000
LSU A&M Family Housing Complex	SG-3	\$0	\$51,000,000					\$51,000,000	\$51,000,000
LSU A&M Student Health Center Renovation and Addition	SG-4	\$0	\$27,890,000					\$27,890,000	\$27,890,000
LSU A&M Louise Garig Hall Renovation	SG-5	\$0	\$5,200,000					\$5,200,000	\$5,200,000
LSU A&M Highland Hall Renovation	SG-6	\$0	\$12,600,000					\$12,600,000	\$12,600,000
LSU A&M Greenhouse Relocation	SG-7	\$0	\$14,800,000					\$14,800,000	\$14,800,000
LSU A&M Enclose Corporation Canal	SG-8	\$0	\$14,000,000					\$14,000,000	\$14,000,000
LSU A&M New Residence Hall 2	SG-9	\$0	\$48,000,000					\$48,000,000	\$48,000,000
LSU A&M Patrick Taylor Hall Renovations and Expansion	C-1	\$116,000,051	\$1					\$1	\$116,000,052
LSU A&M Renovate Old Engineering Shops for Art Department	C-2	\$1,292,400	\$13,807,600					\$13,807,600	\$15,100,000
LSU A&M Choppin Hall Annex, Chemistry Lab Building (Supplemental)	C-3	\$28,800,248	\$6,034,752					\$6,034,752	\$34,835,000
LSU A&M Nicholson Gateway Infrastructure Improvements	C-4	\$3,695,100	\$21,304,900					\$21,304,900	\$25,000,000
LSU A&M French House Renovation	C-5	\$5,323,700	\$1					\$1	\$5,323,701
LSU A&M H.P. Long Field House Renovation	N-1	\$0	\$1,800,000	\$14,400,000	\$1,800,000			\$18,000,000	\$18,000,000
LSU A&M Veterinary Medicine Clinical Facility	N-2	\$0	\$5,000,000	\$5,000,000				\$10,000,000	\$10,000,000
LSU A&M Memorial Tower Renovations	N-3	\$0	\$7,200,000					\$7,200,000	\$7,200,000
LSU A&M Howe-Russell-Kniffen Geoscience (West) Renovation	N-4	\$0	\$2,500,000	\$21,325,000	\$850,000			\$24,675,000	\$24,675,000
LSU A&M Choppin Hall Renovation	N-5	\$0	\$4,200,000	\$35,925,000	\$1,250,000			\$41,375,000	\$41,375,000
LSU A&M Fire & Emergency Training Institute Renovation & Addition	N-6	\$0	\$750,000					\$750,000	\$750,000
LSU A&M Atkinson Hall Renovation	N-7	\$0		\$1,500,000	\$16,060,000	\$675,000		\$18,235,000	\$18,235,000
LSU A&M Military & Air Science Renovation	N-8	\$0		\$760,000	\$6,068,000	\$757,000		\$7,585,000	\$7,585,000
LSU A&M Allen Hall Renovation	N-9	\$0		\$1,604,000	\$12,837,000	\$1,604,000		\$16,045,000	\$16,045,000
LSU A&M Science & Instruction Building	N-10	\$0		\$4,150,000	\$33,205,000	\$4,150,000		\$41,505,000	\$41,505,000
LSU A&M Coastal & Atmospheric Science Complex	N-11	\$0			\$4,606,000	\$36,858,000	\$4,606,000	\$46,070,000	\$46,070,000
LSU A&M Math & Lecture Hall	N-12	\$0			\$4,410,000	\$35,285,000	\$4,410,000	\$44,105,000	\$44,105,000
LSU A&M Library Remote Storage Facility	N-13	\$0			\$328,000	\$2,629,000	\$328,000	\$3,285,000	\$3,285,000
LSU A&M Human Ecology Addition	N-14	\$0			\$745,000	\$5,965,000	\$745,000	\$7,455,000	\$7,455,000
LSU A&M Foster Hall Renovation	N-15	\$0			\$2,079,000	\$16,647,000	\$2,079,000	\$20,805,000	\$20,805,000
LSU A&M Veterinary Medicine Veterinary Diagnostic Equipment Replacement	N-16	\$0			\$2,760,000			\$2,760,000	\$2,760,000
LSU A&M Pleasant Hall Renovation	N-17	\$0				\$1,420,000	\$11,369,000	\$12,789,000	\$12,789,000
LSU A&M Foster Hall Natural Science Addition	N-18	\$0				\$2,010,000	\$16,072,000	\$18,082,000	\$18,082,000
LSU A&M Prescott Hall Renovation	N-19	\$0			\$1,500,000	\$12,810,000	\$14,310,000	\$14,310,000	\$14,310,000
LSU A&M Veterinary Medicine Instructional Facility	N-20	\$0			\$1,200,000	\$9,800,000	\$11,000,000	\$11,000,000	\$11,000,000
LSU A&M Veterinary Medicine Biomedical Research Facility	N-21	\$0				\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000
LSU A&M Veterinary Medicine Hansen's Disease Center Renovation	N-22	\$0					\$168,000	\$168,000	\$168,000
Totals		\$155,111,499	\$335,792,254	\$88,730,000	\$86,998,000	\$110,700,000	\$63,887,000	\$686,107,254	\$841,218,753

Project Title		Inst. Priority	Previous Funding	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	5-Year Request	Total Cost
AgCenter	Burden Welcome Center	SG-1	\$320,000	\$3,680,000					\$3,680,000	\$4,000,000
AgCenter	Animal & Food Science Facilities Renovations and Modernizations, Phase II	C-1	\$29,143,800	\$1,643,375	\$6,825,900	\$9,760,511	\$8,841,414		\$27,071,200	\$56,215,000
AgCenter	Livestock Education Facility	C-2	\$282,600	\$2,800,000	\$2,200,000				\$5,000,000	\$5,282,600
AgCenter	Greenhouse Facilities Relocation and Departmental Renovations	N-1	\$0		\$1,235,000	\$13,585,000	\$780,000		\$15,600,000	\$15,600,000
AgCenter	Emerging Technology Center - Parker Coliseum	N-2	\$0			\$5,000,000	\$60,000,000		\$65,000,000	\$65,000,000
AgCenter	Biological & Agricultural Engineering Bldg.	N-3	\$0			\$1,248,000	\$13,728,000	\$364,000	\$15,340,000	\$15,340,000
AgCenter	Research Support Facilities/Solid Waste Management Facilities	N-4	\$0			\$1,760,000			\$1,760,000	\$1,760,000
AgCenter	Rice - Shop & Storage Buildings Replacement	N-5	\$0			\$1,170,000			\$1,170,000	\$1,170,000
AgCenter	Bossier - Distance Learning Center & Regional Office	N-6	\$0			\$1,482,000			\$1,482,000	\$1,482,000
AgCenter	Baton Rouge - 4H Educational Center	N-7	\$0				\$22,500	\$22,500,000	\$22,522,500	\$22,522,500
Totals			\$29,746,400	\$8,123,375	\$10,260,900	\$34,005,511	\$83,371,914	\$22,864,000	\$154,945,700	\$188,372,100

Project Title		Inst. Priority	Previous Funding	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	5-Year Request	Total Cost
HCSD	Roof Replacement HCSD ABO	E-1	\$0	\$1,791,542		\$0			\$1,791,542	\$1,791,542
HCSD	Emergency Room Expansion, University Medical Center	C-1	\$4,201,500	\$642,400					\$642,400	\$4,843,900
HCSD	Replacement of Air Handlers and Chillers, WO Moss	C-2	\$1,503,900	\$411,100					\$411,100	\$1,915,000
HCSD	New Emergency Generator and Chillers, UMC	C-3	\$3,042,000	\$158,000					\$158,000	\$3,200,000
HCSD	Air Handling Unit Replacement, Chabert	C-4	\$371,900	\$187,900					\$187,900	\$559,800
HCSD	Refurbish Elevators, UMC	C-5	\$855,800	\$630,300					\$630,300	\$1,486,100
HCSD	Air Handler Replacement	C-6	\$1,388,300	\$591,700					\$591,700	\$1,980,000
HCSD	University Medical Center in Baton Rouge	C-7	\$1,972,600	\$124,700					\$124,700	\$2,097,300
HCSD	Chiller and Cooling Tower Replacement, Deferred Maintenance	N-1	\$0	\$330,000					\$330,000	\$330,000
HCSD	HVAC Repair/Replacement Medical Records Storage, Deferred Maintenance	N-2	\$0	\$741,600					\$741,600	\$741,600
HCSD	Underground Plumbing, Sewer and Storm line Replacement	N-3	\$0	\$888,861					\$888,861	\$888,861
Totals			\$13,336,000	\$6,498,103	\$0	\$0	\$0	\$0	\$4,706,561	\$18,042,561

Project Title		Inst. Priority	Previous Funding	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	5-Year Request	Total Cost
HSC-NO	Medical Education Building Laboratory Exhaust Upgrade	E-1		\$2,270,000	\$6,500,000	\$4,500,000			\$13,270,000	\$13,270,000
HSC-NO	Land Acquisition	SG-1	\$0	\$6,500,000					\$6,500,000	\$6,500,000
HSC-NO	Human Development Center	C-1	\$24,835,200	\$353,800					\$353,800	\$25,189,000
HSC-NO	Health Science Center Facility Renovation - Dental School Simulation Facility	C-2	\$30,329,500	\$1,320,500					\$1,320,500	\$31,650,000
HSC-NO	Interim Hospital Repurposing	C-3	\$6,500,000	\$10,000,000	\$14,000,000	\$11,000,000			\$35,000,000	\$41,500,000
HSC-NO	University Medical Center, Acquisition of Equipment	C-4	\$12,000,000	\$8,000,000					\$8,000,000	\$20,000,000
HSC-NO	Dental School Mechanical, Electrical Systems Modernization and ADA Improvement	N-1		\$1,200,000	\$4,400,000	\$4,400,000			\$10,000,000	\$10,000,000
HSC-NO	Resource Center Waterproofing, Deferred Maintenance	N-2	\$0	\$100,000	\$900,000				\$1,000,000	\$1,000,000
HSC-NO	Elevated Walkway Structural, ADA, and Lighting Improvements	N-3	\$0	\$300,000	\$3,850,000				\$4,150,000	\$4,150,000
HSC-NO	AH&SON Waterproofing	N-4	\$0		\$100,000	\$900,000			\$1,000,000	\$1,000,000
HSC-NO	Lions Eye Center Roof Replacement and Waterproofing	N-5	\$0			\$300,000	\$2,700,000		\$3,000,000	\$3,000,000
HSC-NO	CSRB Roof Replacement and Waterproofing	N-6	\$0					\$3,300,000	\$3,300,000	\$3,300,000
Totals			\$73,664,700	\$30,044,300	\$29,750,000	\$21,100,000	\$2,700,000	\$3,300,000	\$86,894,300	\$160,559,000

Project Title		Inst. Priority	Previous Funding	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	5-Year Request	Total Cost
HSCS	Medical School Power Plant Cooling Tower Replacement, Deferred Maintenance	E-1		\$2,500,000					\$2,500,000	\$2,500,000
HSCS	Medical School B-Building HVAC Replacement	E-2		\$5,100,000					\$5,100,000	\$5,100,000
HSCS	Medical School Building Elevator Replacement	E-3		\$2,000,000					\$2,000,000	\$2,000,000
HSCS	Medical School Roof Replacement (B/E Buildings)	E-4		\$700,000					\$700,000	\$700,000
HSCS	Medical School 10th Floor B-Building HVAC Replacement	E-5		\$5,100,000					\$5,100,000	\$5,100,000
HSCS	Student Study & Wellness Center	C-1		\$500,000	\$2,500,000				\$3,000,000	\$3,000,000
HSCS	Boiler Replacement	C-2	\$5,400,000	\$1					\$1	\$5,400,001
HSCS	Inpatient Critical Care Renovation	C-3	\$359,800	\$5,160,400					\$5,160,400	\$5,520,200
HSCS	Patient Care HVAC Replacement	C-4	\$2,750,500	\$995,100					\$995,100	\$3,745,600
HSCS	Capital Improvement Projects	C-5	\$283,600	\$4,716,400					\$4,716,400	\$5,000,000
HSCS	Children's Hospital, Renovation and Expansion	C-6		\$750,000	\$9,250,000				\$10,000,000	\$10,000,000
HSCS	High Voltage Electrical Distribution System Upgrade	C-7	\$5,081,500	\$318,500					\$318,500	\$5,400,000
Totals			\$13,875,400	\$27,840,401	\$11,750,000	\$0	\$0	\$0	\$39,590,401	\$53,465,801

Project Title	Inst. Priority	Previous Funding	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	5-Year Request	Total Cost
LSUA Infrastructure Improvements	E-1	\$337,000	\$6,122,400		\$0	\$0	\$0	\$6,122,400	\$6,459,400
LSUA Drainage Outfall Improvements	E-2	\$953,265	\$184,000					\$184,000	\$1,137,265
LSUA Coughlin Hall Renovation	E-3		\$2,260,125		\$0	\$0	\$0	\$2,260,125	\$2,260,125
LSUA Network & Telephone Cabling Infrastructure	E-4	\$595,700	\$4,300					\$4,300	\$600,000
LSUA Business and Education Building	N-1		\$1,230,075	\$12,300,750	\$365,400	\$1,230,075	\$0	\$15,126,300	\$15,126,300
LSUA Library Flooring Replacement and Damage Repair	N-2		\$1,155,000		\$0	\$0	\$0	\$1,155,000	\$1,155,000
LSUA Oakland Hall Renovation	N-3		\$364,875	\$3,703,750	\$869,000	\$364,875	\$0	\$5,302,500	\$5,302,500
Totals		\$1,885,965	\$11,320,775	\$16,004,500	\$1,234,400	\$1,594,950	\$0	\$30,154,625	\$32,040,590

Project Title	Inst. Priority	Previous Funding	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	5-Year Request	Total Cost
LSUE Replacement of Science Laboratory Fume Hoods	E-1		\$2,216,220					\$2,216,220	\$2,216,220
LSUE Replacement of Health Technology Building Roof, Deferred Maintenance	E-2		\$562,850					\$562,850	\$562,850
LSUE Science Building Renovation	N-1		\$945,615	\$10,526,765	\$550,000			\$12,022,380	\$12,022,380
LSUE Financial Aid Office Renovation	N-2		\$373,480					\$373,480	\$373,480
LSUE Natatorium Renovations	N-3			\$1,800,000				\$1,800,000	\$1,800,000
LSUE Library Renovations	N-4			\$270,250	\$3,030,250			\$3,300,500	\$3,300,500
LSUE H&PE Building Renovations	N-5				\$287,500	\$3,220,000		\$3,507,500	\$3,507,500
LSUE Physical Plant/Central Receiving Facility	N-6					\$230,000	\$2,645,000	\$2,875,000	\$2,875,000
LSUE Child Day Care Center	N-7					\$88,150	\$969,650	\$1,057,800	\$1,057,800
Totals		\$0	\$4,098,165	\$12,597,015	\$3,867,750	\$3,538,150	\$3,614,650	\$27,715,730	\$27,715,730

Project Title		Inst. Priority	Previous Funding	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	5-Year Request	Total Cost
LSUS	Campus Bridge	E-1		\$2,194,740					\$2,194,740	\$2,194,740
LSUS	Roof Replacement & Repair	E-2		\$600,000					\$600,000	\$600,000
LSUS	Disaster Recovery - Business Continuity	E-3		\$540,000					\$540,000	\$540,000
LSUS	Bronson Hall Renovation	N-1		\$1,268,450	\$15,945,679	\$1,102,500			\$18,316,629	\$18,316,629
LSUS	Land Acquisition	N-2		\$650,000					\$650,000	\$650,000
LSUS	Wellness Center	SG-1				\$15,936,400			\$15,936,400	\$15,936,400
LSUS	Boiler Installation (B&E, BH, TC, UC)	N-3			\$500,000	\$500,000			\$1,000,000	\$1,000,000
LSUS	Science Learning Center	N-4			\$1,250,000				\$1,250,000	\$1,250,000
LSUS	HPE Renovation and Expansion	N-5			\$897,000	\$10,132,000	\$500,000		\$11,529,000	\$11,529,000
LSUS	College of Education, Human Development Building	N-6				\$720,000	\$7,920,000	\$750,000	\$9,390,000	\$9,390,000
LSUS	Special Events Center/ Emergency Shelter	N-7				\$3,175,800	\$34,933,800	\$3,000,000	\$41,109,600	\$41,109,600
LSUS	Mass Communications, Digital Media, Fine Arts and Performing Arts Building	N-8				\$3,800,000	\$41,800,000	\$1,500,000	\$47,100,000	\$47,100,000
LSUS	Science Lab and Red River Watershed Mgt Inst Building	N-9				\$960,000	\$10,560,000	\$1,000,000	\$12,520,000	\$12,520,000
Totals			\$0	\$5,253,190	\$18,592,679	\$36,326,700	\$95,713,800	\$6,250,000	\$162,136,369	\$162,136,369

Project Title		Inst. Priority	Previous Funding	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	5-Year Request	Total Cost
PBRC	Pennington Biomedical Clinical Research Building, Imaging Center and High Tech Research Instrumentation Equipment	C-1	\$49,428,663	\$571,337					\$571,337	\$50,000,000
Totals			\$49,428,663	\$571,337	\$0	\$0	\$0	\$0	\$571,337	\$50,000,000

Project Title		Inst. Priority	Previous Funding	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22	5-Year Request	Total Cost
LSU BoS	Major Repairs and Deferred Maintenance of Buildings and Facilities	N-1		\$5,000,000					\$5,000,000	\$5,000,000
Totals			\$0	\$5,000,000	\$0	\$0	\$0	\$0	\$5,000,000	\$5,000,000

TOTAL ALL LSU CAMPUSES			\$337,048,627	\$434,541,900	\$187,685,094	\$183,532,361	\$297,618,814	\$99,915,650	\$1,197,822,277	\$1,538,550,904
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**5 YEAR CAPITAL OUTLAY PLAN
LOUISIANA STATE UNIVERSITY
FY2017-2018 - FY2021-2022**

2017-18 System Priority	Campus	Emergency Projects	FY17-18	Total Project Cost
E-1	LSUE	Replacement of Science Laboratory Fume Hoods	\$2,216,220	\$2,216,220
E-2	* HSC-S	Medical School Power Plant Cooling Tower, Deferred Maintenance	\$2,500,000	\$2,500,000
E-3	LSUA	Network and Telephone Cabling Infrastructure	\$4,300	\$600,000
E-4	LSUA	Infrastructure Improvements	\$6,122,400	\$6,459,400
E-5	LSUS	Roof Replacement & Repair	\$600,000	\$600,000
E-6	LSUS	Disaster Recovery - Business Continuity	\$540,000	\$540,000
E-7	LSU A&M	Main Campus Sewer Line Replacement	\$455,000	\$4,521,000
E-8	HSC-NO	Medical Education Building Laboratory Exhaust Upgrade	\$2,270,000	\$13,270,000
E-9	HCSD	Roof Replacement HCSD ABO	\$1,791,542	\$1,791,542
E-10	LSUA	Coughlin Hall Renovation	\$2,260,125	\$2,260,125
E-11	HSC-S	Medical School Roof Replacement (B/E Buildings)	\$700,000	\$700,000
E-12	HSC-S	Medical School Building Elevator Replacement	\$2,000,000	\$2,000,000
E-13	* LSUE	Replacement of Health Technology Building Roof, Deferred Maintenance	\$562,850	\$562,850
E-14	* LSUS	Campus Bridge	\$2,194,740	\$2,194,740
		TOTAL EMERGENCY PROJECTS	\$24,217,177	\$40,215,877
2017-18 System Priority	Campus	Self-Generated Projects	FY17-18	Total Project Cost
SG-1	LSU A&M	New Residence Hall	\$80,450,000	\$80,450,000
SG-2	LSU A&M	Evangeline Hall Renovation	\$18,800,000	\$18,800,000
SG-3	LSU A&M	Family Housing Complex	\$51,000,000	\$51,000,000
SG-4	LSU A&M	Student Health Center Renovation and Addition	\$27,890,000	\$27,890,000
SG-5	LSU A&M	Louise Garig Hall Renovation	\$5,200,000	\$5,200,000
SG-6	LSU A&M	Highland Hall Renovation	\$12,600,000	\$12,600,000
SG-7	LSU A&M	Greenhouse Relocation	\$14,800,000	\$14,800,000
SG-8	LSU A&M	Enclose Corporation Canal	\$14,000,000	\$14,000,000
SG-9	LSU A&M	New Residence Hall 2	\$48,000,000	\$48,000,000
SG-10	HSC-NO	Land Acquisition	\$6,500,000	\$6,500,000
SG-11	AGCENTER	Burden Welcome Center	\$3,680,000	\$4,000,000
		TOTAL SELF-GENERATED PROJECTS	\$282,920,000	\$283,240,000

* New First Year Request

**5 YEAR CAPITAL OUTLAY PLAN
LOUISIANA STATE UNIVERSITY
FY2017-2018 - FY2021-2022**

2017-18 System Priority	Campus	Continuing Projects	FY17-18	Total Project Cost
C-1	LSU A&M	Patrick F. Taylor Hall Renovations and Expansion	\$1	\$116,000,052
C-2	LSU A&M	Renovate Old Engineering Shops for Art Department	\$13,807,600	\$15,100,000
C-3	LSU A&M	Choppin Hall Annex, Chemistry Lab Building (Supplemental)	\$6,034,752	\$34,835,000
C-4	AGCENTER	Animal & Food Science Facilities Renovations and Modernizations, Phase II	\$1,643,375	\$56,215,000
C-5	AGCENTER	Livestock Education Facility	\$2,800,000	\$5,282,600
C-6	HSC-NO	Interim Hospital Repurposing	\$10,000,000	\$41,500,000
C-7	LSU A&M	Nicholson Gateway - Infrastructure Improvements	\$21,304,900	\$25,000,000
C-8	HSC-S	Boiler Replacement	\$1	\$5,400,001
C-9	HSC-S	Patient Care HVAC Replacement	\$995,100	\$3,745,600
C-10	HSC-S	Capital Improvement Projects	\$4,716,400	\$5,000,000
C-11	LSUA	Drainage Outfall Improvements	\$184,000	\$1,137,265
C-12	HSC-S	Inpatient Critical Care	\$5,160,400	\$5,520,200
C-13	HSC-NO	Health Science Center Facility Renovations - Dental School Simulation Facility	\$1,320,500	\$31,650,000
C-14	HSC-S	Student Study & Wellness Center	\$500,000	\$3,000,000
C-15	LSU A&M	French House Renovation	\$1	\$5,323,700
C-16	HCSD	Emergency Room Expansion, University Medical Center	\$642,400	\$4,843,900
C-17	HCSD	Replacement of Air Handlers and Chillers, WO Moss	\$411,100	\$1,915,000
C-18	HCSD	New Emergency Generator & Chillers, UMC	\$158,000	\$3,200,000
C-19	HCSD	Air Handling Unit Replacement, Chabert	\$187,900	\$559,800
C-20	HCSD	Refurbish Elevators, UMC	\$630,300	\$1,486,100
C-21	HCSD	Air Handler Replacement	\$591,700	\$1,980,000
C-22	PBRC	Pennington Biomedical Clinical Research Building, Imaging Center, and High-Tech Research Instrumentation Equipment	\$571,337	\$50,000,000
C-23	HSC-S	Childrens Hospital, Renovation and Expansion	\$750,000	\$10,000,000
C-24	HSC-S	High Voltage Electrical Distribution System Upgrade	\$318,500	\$5,400,000
C-25	HSC-NO	Human Development Center	\$353,800	\$25,189,000
C-26	HCSD	University Medical Center in Baton Rouge	\$124,700	\$2,097,300
C-27	HSC-NO	University Medical Center, Acquisition of Equipment	\$8,000,000	\$20,000,000
		TOTAL CONTINUING PROJECTS	\$81,206,767	\$481,380,518

**5 YEAR CAPITAL OUTLAY PLAN
LOUISIANA STATE UNIVERSITY
FY2017-2018 - FY2021-2022**

2017-18 System Priority	Campus	New Projects	FY17-18	Total Project Cost
N-1	* BOS	Major Repairs and Deferred Maintenance of Buildings and Facilities	\$5,000,000	\$5,000,000
N-2	HSC-NO	Dental School Mechanical, Electrical Systems Modernization and ADA Improvement	\$1,200,000	\$10,000,000
N-3	LSU A&M	H.P. Long Field House Renovation	\$1,800,000	\$18,000,000
N-4	LSUA	Business and Education Building	\$1,230,075	\$15,126,300
N-5	LSU A&M	Veterinary Medicine Clinical Facility	\$5,000,000	\$10,000,000
N-6	LSU A&M	Memorial Tower Renovations	\$7,200,000	\$7,200,000
N-7	* LSU A&M	Howe-Russell-Kniffen Geoscience (West) Renovation	\$2,500,000	\$24,675,000
N-8	LSU A&M	Choppin Hall Renovation	\$4,200,000	\$41,375,000
N-9	HCS D	Chiller and Cooling Tower Replacement, Deferred Maintenance	\$330,000	\$330,000
N-10	HSC-S	Medical School B-Building HVAC Replacement	\$5,100,000	\$5,100,000
N-11	HSC-S	Medical School 10th Floor B-Building HVAC Replacement	\$5,100,000	\$5,100,000
N-12	* LSUE	Science Building Renovation	\$945,615	\$12,022,380
N-13	LSUS	Bronson Hall Renovation	\$1,268,450	\$18,316,629
N-14	HCS D	HVAC Repair Replacement Medical Records Storage, Deferred Maintenance	\$741,600	\$741,600
N-15	LSUA	Library Flooring Replacement and Damage Repair	\$1,155,000	\$1,155,000
N-16	LSU A&M	Fire & Emergency Training Institute Renovation & Addition	\$750,000	\$750,000
N-17	LSUA	Oakland Hall Renovation	\$364,875	\$5,302,500
N-18	LSUE	Financial Aid Office Renovation	\$373,480	\$373,480
N-19	LSUS	Land Acquisition	\$650,000	\$650,000
N-20	* HSC-NO	Elevated Walkway Structural ADA and Lighting Improvement	\$300,000	\$4,150,000
N-21	HCS D	Underground Plumbing, Sewer and Storm Line Replacement	\$888,861	\$888,861
N-22	HSC-NO	Resource Center Waterproofing, Deferred Maintenance	\$100,000	\$1,000,000
		TOTAL NEW PROJECTS	\$46,197,956	\$187,256,750
	*	TOTAL ALL CAMPUSES	\$434,541,900	\$992,093,145



**Request from LSU A&M to Approve the Schematic Design of the
Companion Animal Alliance Care and Adoption Center**

To: Members of the Board of Supervisors

Date: December 9, 2016

Pursuant to Article VII, Section 9, A.6. of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

A.6. Schematic Designs: Exterior elevations of new buildings and of renovations or construction projects that significantly alter the appearance of the exterior of the building or other physical structures, where the construction cost is anticipated to exceed \$1 million.

1. Summary of the Matter

It is recommended to approve the submitted schematic design for the above referenced project prepared by the design consultant, Antunovich Associates, Architects & Planners.

The schematic design was approved by the University's Facility Design and Development Committee at their November 10, 2016 meeting.

2. Review of Business Plan

N/A

3. Fiscal Impact

N/A.

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

None.

ATTACHMENTS

- I. Memo to LSU President F. King Alexander
- II. Schematic Design (Site Plan & the Exterior Elevations)

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College does hereby approve the exterior elevations for the Companion Animal Alliance Care and Adoption Center.

November 14, 2016

To: F. King Alexander,
 President

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

Through: Tony Lombardo, Associate Vice President
 Facility & Property Oversight

From: Roger Husser, Assistant Vice President
 Planning, Design & Construction

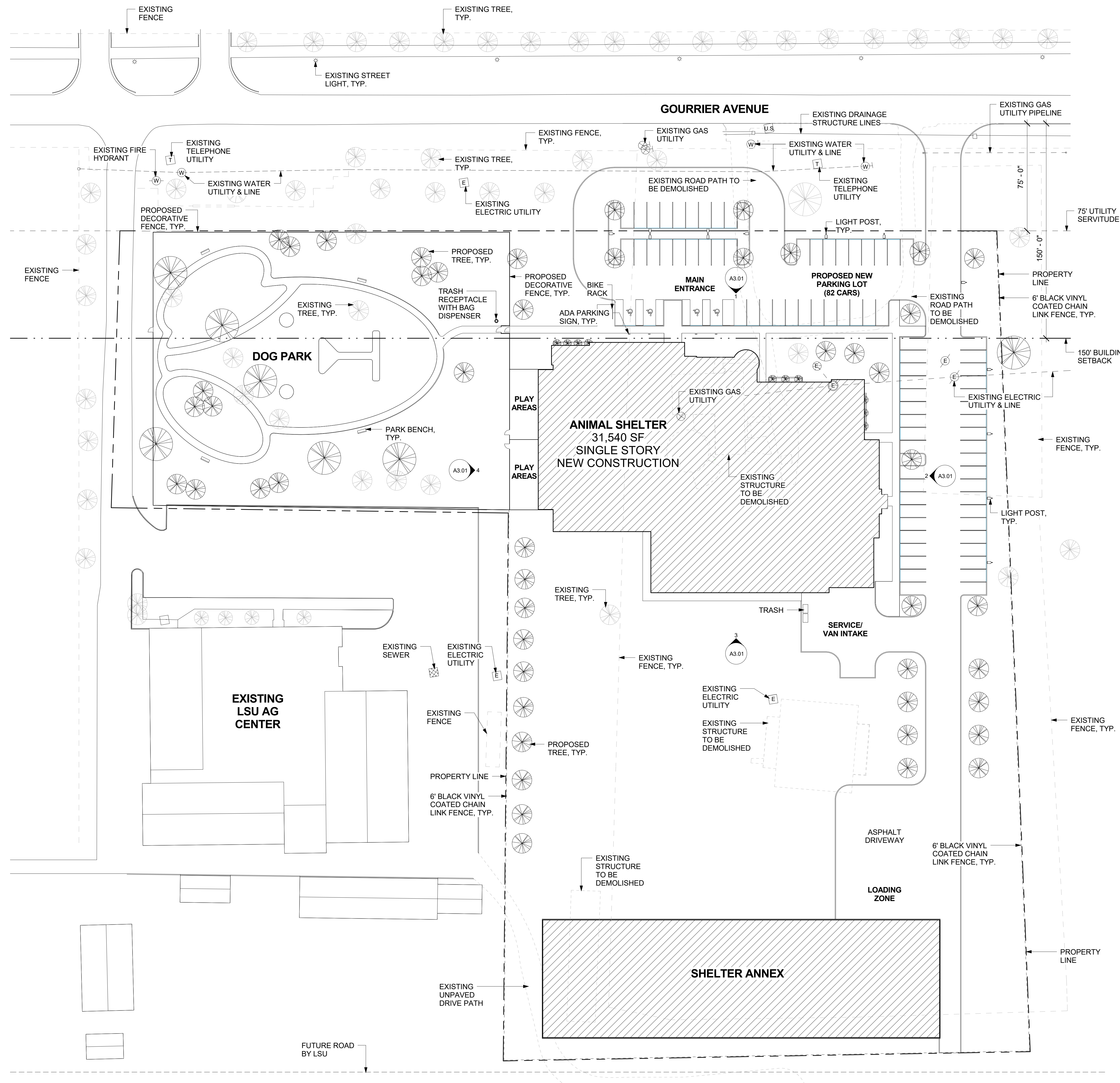
Subject **Board of Supervisors Agenda, December 9, 2016 Meeting**
Companion Animal Alliance Care and Adoption Center, Schematic Design

The Companion Animal Alliance Care and Adoption Center project is in the schematic design phase of development. The schematic design requires approval by the Board of Supervisors to assure campus development is in accordance with adopted design standards. It is therefore requested that this project be placed on the agenda for the December 9, 2016, meeting of the Board of Supervisors.

The project was approved by the Facilities Design and Development Committee (FDDC) at its meeting on November 14, 2016. Enclosed are copies of reduced images of the planned additions and a representative of Companion Animal Alliance will attend the meeting to make the presentation to the Board of Supervisors.

Funding for the project is being provided by the Companion Animal Alliance.

DOB APPROVAL STAMPS:



1 SITE PLAN
 A3.01(A1.01) 1" = 30'-0"

No.	Date	Description
2	9/19/16	LSU Preliminary Review
1	8/31/16	Preliminary Bid Set

Submissions & Revisions

Owner
Companion Animal Alliance
 2680 Progress Road
 Baton Rouge, LA 70807
 225.774.7701
 225.774.7876

Architect
ANTUNOVICH ASSOCIATES
ARCHITECTS - PLANNERS - INTERIORS DESIGN
 224 West Huron Street, Suite 7E
 Chicago, Illinois 60610
 Main: (312) 266-1126
 Fax: (312) 266-7123
 www.antunovich.com

Structural Engineer

M.E.P. & F.P. Engineers
Ingenuity Engineers Inc.
 4788 New Broad Street, Suite 300
 Orlando, FL 32814
 407.398.6007
 407.398.6003

Civil Engineer
Stantec
 520 Main Street
 Baton Rouge, LA 70801-1908
 225.765.7400
 225.756.7244

Landscape Architect

General Contractor
Buquet & LeBlanc, Inc.
 18145 Petroleum Dr.
 Baton Rouge, LA 70809
 225.753.4150

Project Location
EXTERIOR WALL SECTIONS
 Baton Rouge, LA

Drawing Title
SITE PLAN

Seal **Date:** 11/04/16
Drawn By:
Checked By:
Project No.:

Drawing No.
A1.01



Companion Animal Alliance Care and Adoption Center



Companion Animal Alliance Care and Adoption Center

Baton Rouge - CAA Animal Shelter • Antunovich Associates Architects & Planners

79 of 143 - LSU Board of Supervisors Committee Meeting 12/9/2016

Baton Rouge, Louisiana | November 4, 2016

Rendering



**Request From LSU Health Sciences New Orleans
To Approve the Purchase of Land in
Square 440, First District, New Orleans**

To: Members of the Board of Supervisors

Date: December 9, 2016

Pursuant to Article VII, Section 9.A.2. of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a “significant board matter”.

9.A.2. The transfer of title or ownership to any immovable property to or from the Board, whether by sale, assignment, donation, or other mechanism.....

1. Summary of Matter

The LSU Health Sciences Center – New Orleans (LSUHSC-NO) proposes to purchase the remaining non-State- owned parcels of land adjacent to LSUHSC-NO property, listed below:

Address	Lot	Square Footage	Owner	Appraised Value*, year
1800 Gravier	17	2,815	Tai K Ly	\$287,000 , 2016
1828 Gravier	24	1,991	Marie V Turner	\$42,000 , 2013
1824 Gravier, 512 & 516 S. Roman	22, 23, 24	5,916	May L Bowman	\$115,000 , 2013
531 & 535 S. Derbigny	10, 11	7,186	GLK, LP	NA

*Appraised values must be updated within 6 months of the purchase.

The first of the parcels available currently is that located at 1800 Gravier Street, New Orleans and is depicted on the attached drawing. The proposed purchase price is \$287,000 and is based on an appraisal conducted by Bird & Associates on October 18, 2016. The final price will be negotiated per Division of Administration regulations. This transaction is part of LSUHSC-NO’s effort to improve campus security and to construct future academic buildings, and is consistent with the master plan for the campus.

With this authority, LSUHSC-NO proposes to also purchase the other remaining parcels within Square 440, as they become available, in accordance with the guidelines of the Division of Administration.

2. Review of Business Plan

The funds for the transaction are from LSUHSC-NO’s unrestricted funds

3. Fiscal Impact

The purchase of this tract will increase the property holdings of the Board of Supervisors in the LSUHSC-NO’s downtown campus area.

4. Description of Competitive Process

The purchase price of the land is based on current market value, as determined by a current appraisal.

5. Review of Legal Documents

Not applicable.

6. Parties of Interest

None.

7. Related Transactions

An Act of Sale will be entered into between the current owner and the Board of Supervisors of Louisiana State University and Agricultural College once the recommendation to purchase has been approved by the Board.

8. Conflicts of Interest

None.

ATTACHMENTS:

- I. Letter from Chancellor Hollier
- II. Legend Map of Property
- III. Summary Appraisal Report by Bird & Associates, dated October 18, 2016(Available on Board of Supervisors website)

RECOMMENDATION

“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, on behalf of and in the name of the Board of Supervisors, to purchase the remaining non-State owned lots in Square 440 in the First District of New Orleans listed above, the first of which with street address of 1800 Gravier Street New Orleans, LA 70112 is to be purchased immediately, and to execute any acts of sale or any other agreements necessary to effect and record such purchase(s). The final price will be negotiated per Division of Administration regulations.

BE IT FURTHER RESOLVED that F. King Alexander, President of LSU, or his designee, is 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 said approval to purchase said property any terms and conditions that he may deem in the best interest of the Board of Supervisors.”



OFFICE OF THE CHANCELLOR

SCHOOL OF ALLIED HEALTH PROFESSIONS
SCHOOL OF DENTISTRY
SCHOOL OF GRADUATE STUDIES
SCHOOL OF NURSING
SCHOOL OF MEDICINE IN NEW ORLEANS
SCHOOL OF PUBLIC HEALTH

TO: F. King Alexander
President, LSU System

DATE: November 15, 2016

FROM: Larry Hollier
Chancellor

A handwritten signature in blue ink, appearing to read "Larry Hollier", written over the printed name.

RE: Recommendation to Approve the Purchase of Land in Square 440, First District, New Orleans

Attached for your review is a resolution to approve a proposed purchase of land in Square 440 in New Orleans. These are the remaining non-State owned lots adjacent to the LSU Health Sciences Center – New Orleans (LSUHSC-NO). The purchase of this property is part of LSUHSC-NO's effort to improve campus security and to construct future academic buildings.

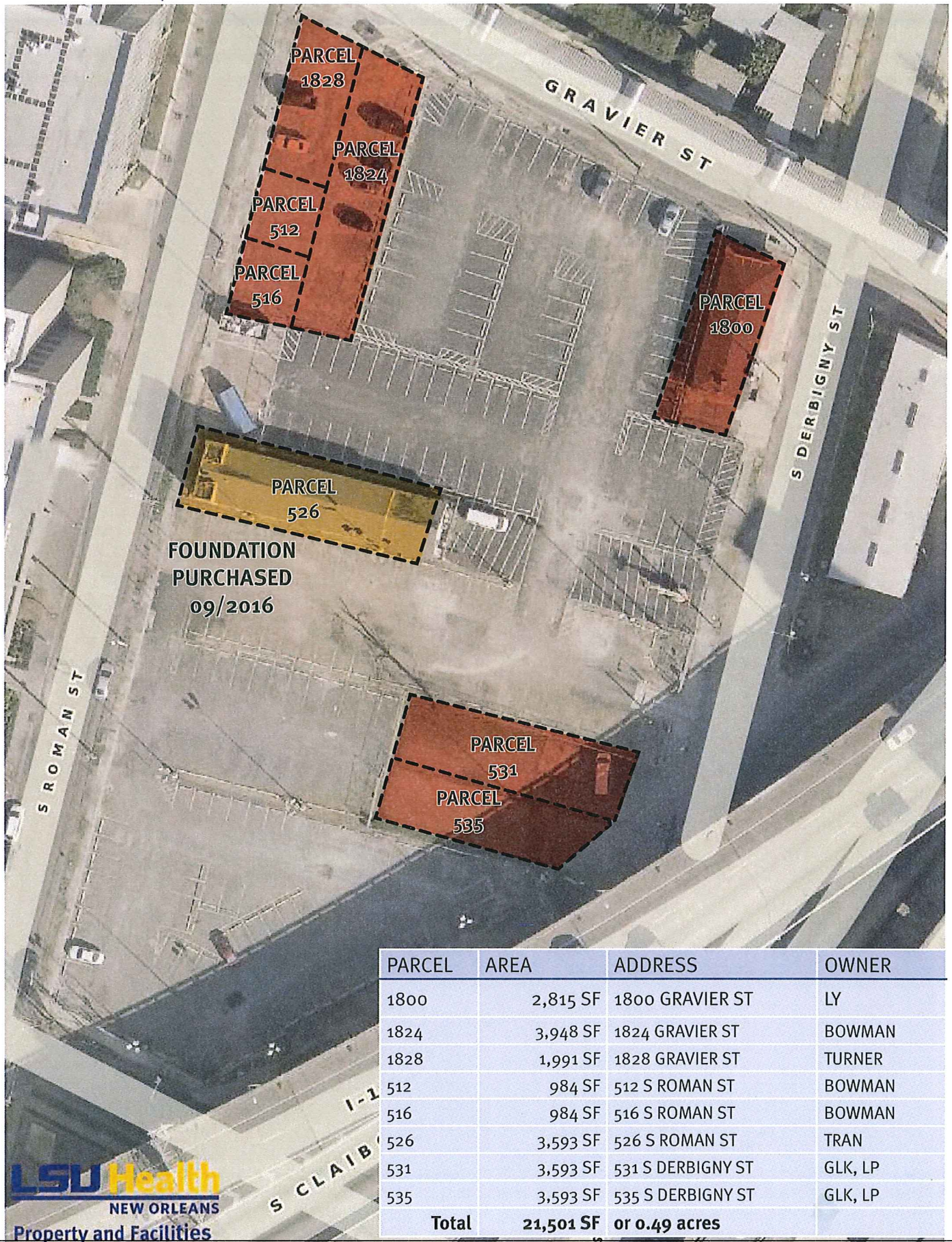
It is requested that the resolution and the accompanying documents be forwarded to the Board of Supervisors for placement on their December 2016 meeting agenda.

Please do not hesitate to contact me should you require additional information.

Enclosures

Square 440 Lots not owned by LSU Health

Parcel Ownership Information



PARCEL	AREA	ADDRESS	OWNER
1800	2,815 SF	1800 GRAVIER ST	LY
1824	3,948 SF	1824 GRAVIER ST	BOWMAN
1828	1,991 SF	1828 GRAVIER ST	TURNER
512	984 SF	512 S ROMAN ST	BOWMAN
516	984 SF	516 S ROMAN ST	BOWMAN
526	3,593 SF	526 S ROMAN ST	TRAN
531	3,593 SF	531 S DERBIGNY ST	GLK, LP
535	3,593 SF	535 S DERBIGNY ST	GLK, LP
Total	21,501 SF	or 0.49 acres	

OUR FILE NO. B16-118

REAL ESTATE APPRAISAL REPORT

**The Small Free-standing Restaurant located at
1800 Gravier Street, New Orleans, La. 70112
(Lot 17, Square 440, First District)
Owner: Tai K. Ly
LSU Health Science Center
PO #00380945 / Req #0048829**

EFFECTIVE DATE OF VALUE

October 18, 2016

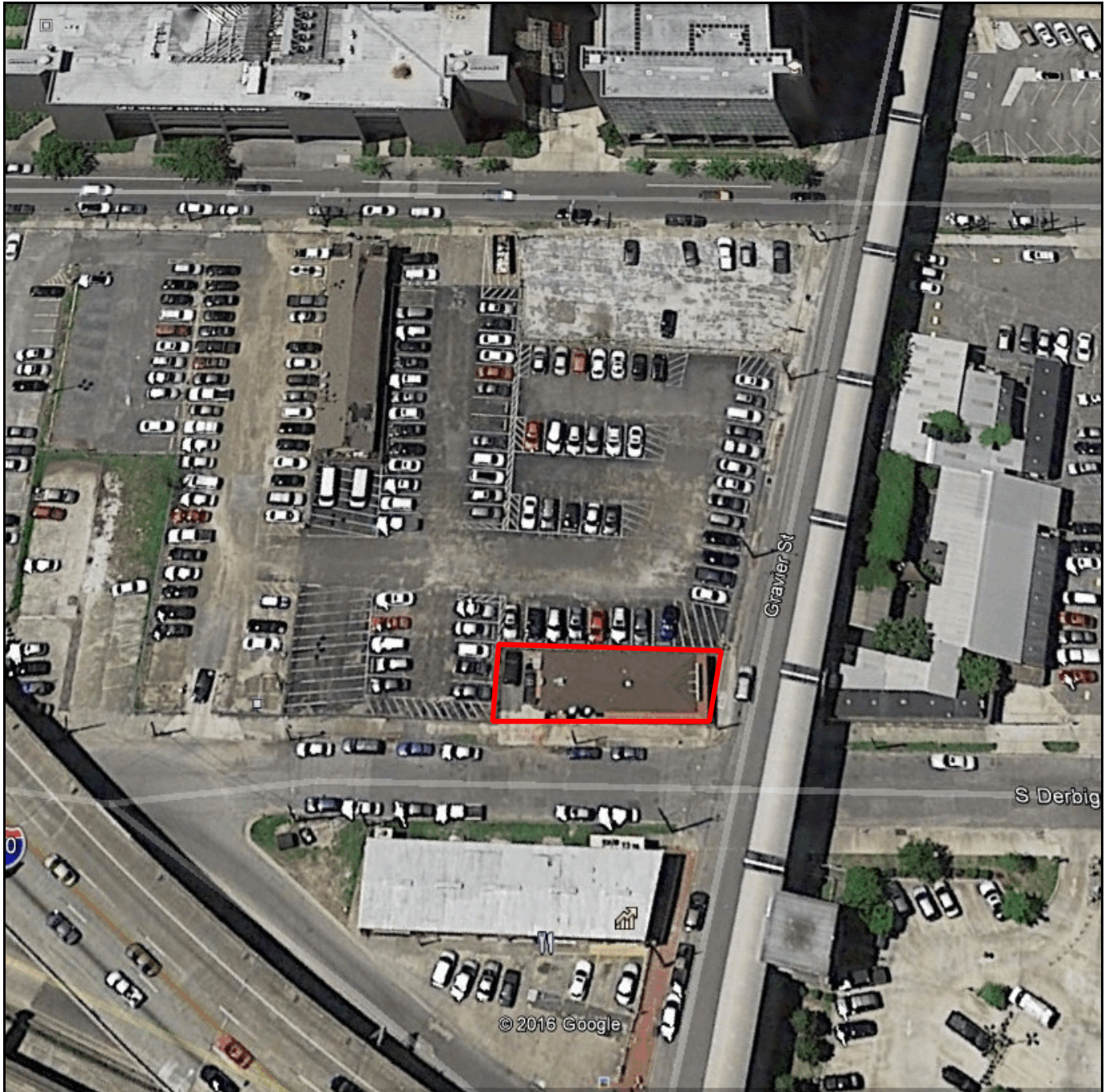
PREPARED FOR

**LSUHSC New Orleans
Atten: Buildings and Operations
Physical Plant Administration
1901 Perdido Street, Box P2-3
Baton Rouge, LA 70112**

PREPARED BY

**Bradley D. Bird, MAI, SRA
Louisiana Certified General Real
Estate Appraiser License #G0478**

**Bird & Associates
512 North Causeway Boulevard
Metairie, Louisiana 70001**



**Google Earth Aerial View of Subject
Property and Surrounding Area**

(Site boundaries in red approximated by appraiser)

Bird & Associates
Real Estate Appraisers - Consultants
512 North Causeway Boulevard
Metairie, Louisiana 70001
Phone: (504) 830-3863
Fax: (504) 830-3870
mailbird@yahoo.com

October 31, 2016

LSUHSC New Orleans
Atten: Buildings and Operations
Physical Plant Administration
1901 Perdido Street, Box P2-3
Baton Rouge, LA 70112

Re: REAL ESTATE APPRAISAL REPORT
The Small Freestanding Restaurant located at
1800 Gravier Street, New Orleans, Louisiana 70112
(Lot 17, Square 440, First District)
Owner: Tai K. Ly
LSU Health Science Center
PO #00380945 / Req #0048829

Ladies & Gentlemen:

Pursuant to your request, I herewith submit an appraisal report of the above referenced property for the purpose of determining its current market value.

The appraised real estate consists of a 2,511 SF MS (Medical) zoned corner site improved with a ±64-year-old, 1,512 SF GBA building presently operating as the Oriental Express restaurant. When visited by the appraiser on October 18, 2016, the improvements appeared adequately maintained and in overall average-good physical condition.

As a result of the research and analyses undertaken herein, it is my considered opinion that as of **October 18, 2016** the **Market Value** of the **Fee Simple Interest** in the subject property (**Non-Movable Real Estate Only**), in **Existing Condition**, was approximately:

Two Hundred Eighty-Seven Thousand Dollars
(\$287,000)

It is further my considered opinion that if realistically priced and professionally marketed, the subject property can be sold for the appraised value in a **Marketing Time** of **within 6 months**. **Exposure time** is also estimated to have been **within 6 months**.

LSUHSC New Orleans
Atten: Buildings and Operations
Physical Plant Administration
1901 Perdido Street, Box P2-3
Baton Rouge, LA 70112

Re: REAL ESTATE APPRAISAL REPORT

The Small Freestanding Restaurant located at
1800 Gravier Street, New Orleans, Louisiana 70112
(Lot 17, Square 440, First District)
Owner: Tai K. Ly
LSU Health Science Center
PO #00380945 / Req #0048829

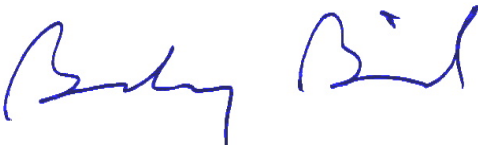
October 31, 2016

Page Two

This letter of transmittal only serves to report the final value estimate conclusion reached in the full narrative appraisal which follows and must not be misconstrued to represent a complete appraisal in and of itself.

Thank you very much for the opportunity to be of service. If you have any questions or comments concerning the value conclusions or the data and/or the techniques used in the analysis, please advise.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Bradley Bird". The signature is stylized and cursive.

Bradley D. Bird, MAI, SRA
Louisiana Certified General Real
Estate Appraiser License #G0478

BDB/me

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ADDENDA SECTION

- Photographic Views of Subject
- Building Floor Plan Sketch
- Legal Description of Subject Property
- Survey
- Photographs of the Comparable Building Sales
- Professional Qualifications of Bradley D. Bird, MAI, SRA

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Date of Value Estimate: October 18, 2016 (appraiser's most recent inspection date)

Property Rights Appraised: Fee Simple Interest

Property Location: Downtown New Orleans, just outside the Central Business District in what is known as the "Medical District."

Property Description: The improvements consist of a ±64 year-old, one-story, former residential duplex that was converted for restaurant use in the 1980's. The building measures 24'2" x 62'10" with **1,519 SF GBA**. Basic construction includes a grade-level concrete slab foundation with load-bearing concrete block perimeter walls and wood interior framing. Roof is pitched hip style with architectural style dimensional seal-tab shingle surface. Interior finishes include terrazzo flooring and drywall ceilings and walls. Building is centrally heated/cooled. There are two public restrooms. To the rear is a commercial kitchen equipped with hood system, triple sink, floor drains, etc. The property was inundated with ±4' to 5' of water during Hurricane Katrina on August 29, 2005. It was totally renovated in 2007-08. When visited by the appraiser on October 18, 2016, the improvements appeared adequately maintained and in average-good physical condition. It is presently occupied by the owner who operates an Asian restaurant from the premises (d/b/a Oriental Express).

Note - The existing restaurant contains numerous movable personal property items such as refrigerators/coolers, fryers, stoves, ovens, ice machine, soft drink dispensers, cash registers, tables, chairs, tableware, and various other movable restaurant equipment. **These items of personal property are not included in this appraisal.**

City/Parish Zoning: MS, Medical Services District with HU-B1A Use Restriction Overlay District

Highest and Best Use: Continued use as a restaurant

Final Value Conclusions:	Value as Though Vacant (Unimproved):	\$72,000
	Value as Currently Improved (As Is):	\$287,000

Exposure/Marketing Time: Within six (6) months

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report is subject to the following assumptions and limiting conditions (imposed by the terms of my assignment or by the undersigned) affecting the analyses, opinions and conclusions contained in this report.

1. Possession of this report, or a copy thereof, does not carry with it the right of publication. **This report is prepared for the sole and exclusive use of the client identified in the report, and it may not be used for any purpose other than that which is specified in the report. No third parties are authorized to rely upon this report without written consent of the appraiser, and in any event, only in its entirety.**
2. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
3. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
4. Responsible ownership and competent property management are assumed.
5. The information furnished by others is believed to be reliable. No warranty, however, is given for its accuracy.
6. All engineering is assumed to be correct. The plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
7. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structure that render it more or less valuable. No responsibility is assumed for such conditions or for arranging engineering studies that may be required to discover them.
8. It is assumed that there is full compliance with all applicable federal, state and local government regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
9. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered in the appraisal report.
10. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
11. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

ASSUMPTIONS AND LIMITING CONDITIONS

(Continued)

12. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
13. The appraiser herein by reason of this appraisal is not required to give further consultation, testimony, or be in attendance in court with reference to the property in questions unless arrangements have been previously made.
14. Neither all nor any part of the contents of this report shall be conveyed to any person or entity, other than the appraiser's client, through advertising, solicitation materials, public relations, news, sales, or other media without the prior consent and approval of the appraiser, particularly as to valuation conclusions, the identity of the appraiser, or any reference to affiliation with any professional appraisal organization or designation. Further, the appraiser assumes no obligation, liability, or accountability to any third party. If this report is placed in the hands of anyone but the client, client shall make such party aware of all the assumptions and limiting conditions of this assignment.
15. No responsibility is assumed for political, social or economic changed conditions which could have an effect on real estate value, which changes take place after the date of this valuation.
16. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such material on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client should retain an expert in this field, if desired.
17. The Americans with Disabilities Act (ADA) became effective January 26, 1992. The appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA; the appraiser is not professionally qualified to accomplish this task. Further, no formal study, as accomplished by qualified experts, has been provided to the appraiser, nor is one known to exist. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of ADA, could reveal that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative effect upon the value of the property. Since the appraiser has no direct evidence relating to this issue, the possibility of non-compliance with the requirements of ADA was not considered in estimating the value of the property.

CERTIFICATION OF THE APPRAISER

I (we) certify that to the best of my knowledge and belief:

- (1) The statements of fact contained in this report are true and correct.
- (2) The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
- (3) I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- (4) I have no bias with respect to the property that is the subject of this report, or to the parties involved with this assignment.
- (5) My engagement in this assignment was not contingent upon developing predetermined results.
- (6) My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- (7) My analyses, opinions, and conclusions were developed, and this report has been prepared, in compliance with the requirements of the Uniform Standards of Professional Appraisal Practice (USPAP), the State of Louisiana for State Certified Appraisers, and the Standards of Professional Practice of the Appraisal Institute.
- (8) The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives and to the requirements of the State of Louisiana relating to review by the appraisal subcommittee of the Louisiana Real Estate Commission.
- (9) I have made a complete personal inspection of the subject property, and an exterior inspection of all comparables presented in the analyses.
- (10) No one provided significant professional assistance to the person(s) signing this report.
- (11) As of the date of this appraisal, Bradley D. Bird has completed the requirements under the continuing education programs of the Appraisal Institute.
- (12) The appraiser has previously appraised similar type properties to that which is the subject of this report.
- (13) I have not performed any professional real estate services relative to the subject property within the past three years immediately preceding the acceptance of this assignment.
- (14) This appraisal assignment is not based on a requested minimum valuation, a specific valuation, or the approval of a loan.



Bradley D. Bird, MAI, SRA October 31, 2016
Louisiana Certified General Real
Estate Appraiser License #0478

DISCUSSION OF THE APPRAISAL ASSIGNMENT

This appraisal involves the estimation of the current market value of the fee simple interest in the real property identified as 1800 Gravier Street, New Orleans, Louisiana. This is a 2,511 SF corner parcel of land improved with a ±64-year-old, 1,512 SF GBA, one-story restaurant facility situated one block from the LSU Medical School Complex near downtown New Orleans. When visited by the appraiser on October 18, 2016, the subject property, which was flooded 11 years ago during Hurricane Katrina, was found to be adequately maintained and in average-good physical condition.

Market conditions in the immediate area of the subject property have improved sharply in recent years. Activity within the surrounding LSU Medical School Complex is brisk. In 2012, the Louisiana Cancer Consortium Research Center opened its new 10-story, 175,000 SF, state-of-the-art facility one block away from the subject at 1700 Tulane Avenue. Of utmost importance is the recent completion of the \$2 billion LSU/VA Medical Complex developed on the other side of Tulane Avenue. The entire project area comprises ±70 acres and is bounded by South Claiborne and Tulane Avenues, and South Rocheblave and Canal Streets. The LSU facility contains 424 beds and has replaced the old Charity Hospital as a teaching and treatment center. The Veterans Administration Hospital, which is presently nearing completion, is a 200-bed hospital designed to replace its storm-damaged facility on Perdido Street. This project has significantly changed the market dynamics on all real estate in this section of the city, including the subject.

REPORT PREPARED FOR (Client): LSUHSC New Orleans
Atten: Buildings and Operations
Physical Plant Administration
1901 Perdido Street, Box P2-3
Baton Rouge, LA 70112

REPORT PREPARED BY (Appraiser): Bradley D. Bird, MAI, SRA
Bird & Associates
512 North Causeway Boulevard
Metairie, Louisiana 70001

SUBJECT PROPERTY: The Small Freestanding Restaurant located at
1800 Gravier Street, New Orleans, Louisiana
(Lot 17, Square 440, First District)
LSUHSC PO #00380945 / Req #0048829

Property is legally identified as:

**Lot 17, Square 440, First Municipal District, City
of New Orleans, State of Louisiana**

Images of the complete legal description and the survey prepared by Everett V. Tregle, Jr., dated 01/29/92, both of which included in the Act of Sale dated 03/06/92, recorded under N.A. #925136, are presented as exhibits in the Addenda section of this report. A City Square/Parcel Map is found on the next page.

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the "**Market Value**" of the subject real property (**non-movable real property only**) in its existing physical condition as of the effective date specified herein.

DEFINITION OF MARKET VALUE

Market Value is defined by the United States Treasury Department, Comptroller of the Currency 12 CFR part 34, 34.2 (f), as:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (a) Buyer and seller are typically motivated;
- (b) both parties are well informed or well advised, and acting in what they consider their own best interest;
- (c) a reasonable time is allowed for exposure in the open market;
- (d) payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- (e) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

PROPERTY RIGHTS APPRAISED

The property rights appraised are of the **Fee Simple Estate**. Fee Simple Ownership is defined in *The Appraisal of Real Estate*, 13th Edition, published by the Appraisal Institute in 2008, Page 114, as "...an absolute ownership unencumbered by any other interest or estate, subject only to the limitation imposed by the governmental powers of taxation, eminent domain, police power, and escheat." It is an inheritable estate.

SCOPE OF WORK

The **Scope of Work** is the type and extent of research and analysis in an appraisal assignment. The scope of the appraisal includes, but is not limited to, the following:

- the extent to which the property is identified;
- the extent to which tangible property is inspected;
- the type and extent of data researched; and
- the type and extent of analysis applied to arrive at opinions or conclusions.”

The appraisal problem is solved by effective application of the Appraisal Process, a logical framework of three steps common to the appraisal of real property as well as to scientific research and economic analysis, in general. The steps, specific to the appraisal process as defined by *USPAP*, are:

- 1) Identify the problem to be solved;
- 2) Determine and perform the scope of work necessary to develop credible assignment results, and;
- 3) Disclose the scope of work in the report.

An appraisal **is not** an economic or feasibility analysis, title opinion, ground survey, environmental study, engineering or structural or geologic analysis, or an analysis of mineral rights. An appraiser **is not** an accountant, attorney, surveyor, engineer, chemist, contractor or building inspector. NOTE: For the purposes of this report, the word “inspect” means “...visit; look over...” The appraiser does not perform an inspection of structure, systems, etc. Only readily-observable conditions are noted; concealed conditions may exist and the appraiser does not perform “invasive” inspection methods (not even to the extent of looking “under or on top of” property components).

It is beyond the scope of this report to expect the appraiser to:

- A) Hire an attorney to check the title to the property and discover any defects in the title or any lessening of the “fee simple” rights caused by deed restrictions, leases, mineral leases and/or surface rights, easements, right of ways, etc. Only those noted in this report are considered. The existence of such restrictions beyond those noted in the report may be cause for reconsideration of the value conclusion.
- B) Hire an engineer to survey the property to ascertain exact dimensions, areas, and boundaries.
- C) Hire an expert to perform soil borings and/or analysis to determine the adequacy of the load bearing capacity or fertility of the soil, or existence of jurisdictional wetlands.
- D) Hire an expert to discover the existence of any structural defects, or hazardous materials on, under, near or within the property.

To *Determine* then *Perform* the scope of work necessary; the appraiser’s research must be properly focused and successfully executed in order to produce accurate and representative information from objective, unbiased sources. The appraiser plans the appraisal then executes that plan.

SCOPE OF WORK (Continued)

Common Sources of Data:

- (1) Conveyance Records
- (2) Multiple Listing Service
- (3) DeedFax
- (4) Interview with Knowledgeable Persons
- (5) Appraiser's File Records

When complete, the appraiser's Scope of Work will be revealed, or *disclosed*, in the report document. The appraiser's analysis and conclusion entails the application of various economic techniques together with appraisal judgment in consideration of pertinent data, producing a final objective unbiased conclusion for the real estate that is the subject of this summary appraisal report.

The Problem to be Solved

The appraisal problem, simply defined, involves estimating the current **Market Value** of the **Fee Simple Interest** in the subject property in its **Existing Condition**.

The Scope of Work Necessary to Develop Credible Assignment Results

The property is identified by municipal address, legal description, plot plan, area maps, etc., and then "inspected" (see definition of "inspected") by the appraiser. The subject property was most recently inspected, measured and photographed by the undersigned appraiser on **October 18, 2016**. Research in available databases was performed to reveal any additional information available about the subject, including Realtors®, MLS® and courthouse record research.

The Type and Extent of Data Researched

Courthouse, MLS® and brokers records were researched for sales and leases of similar "comparable" properties. Criteria for research of comparable data includes, but is not limited to, "date of sale", location or proximity, physical characteristics including age, condition, construction type, size, quality and use/utility, and any special conditions of sale (e.g., special financing).

The Type & Extent of Analysis Applied to Arrive at Opinions or Conclusions

An analysis was made of the subject property in an attempt to estimate its highest and best use in the market area as of the date of appraisal. Next, the data was analyzed by comparison of the criteria described above with respect to the subject and comparables. Additionally, the surrounding area and neighborhood in which the property is located was analyzed. Particular attention was given to the development and use trends prevalent in the area.

In the valuation of real estate, the normal procedure is to apply the three (3) commonly accepted approaches to value, i.e., the Cost Approach, the Income Approach, and the Direct Sales Comparison Approach. When certain approaches are not applicable, the appraiser addresses the

SCOPE OF WORK (Continued)

reason(s) in the appraisal. In the immediate case, the subject property is improved with a ±64-year old, 1,519 SF GBA restaurant building which is adequately maintained and occupied by its owner for use as an Asian restaurant. The Sales Comparison Approach is the most relevant and applicable valuation method available, and therefore, it is used in establishing the basis for all value estimates reported herein. Although there are a number of small restaurants leased throughout the New Orleans market area, the vast majority of these properties are purchased for owner use. As such, in this particular instance, the Income Capitalization Approach is not considered a reliable valuation method and is therefore excluded in this appraisal.

The entire scope, direction and content of this appraisal is prepared in accordance with the Standards of Professional Practice and Code of Ethics of the Appraisal Institute, as well as all dictates and guidelines as set forth by the Uniform Standards of Professional Practice of the Appraisal Foundation (USPAP), Louisiana Certified Real Estate Law, and requirements of the Office of the Comptroller of the Currency appraisal regulations, 12 CFR Part 34 (Title XI of FIRREA) and 12 CFR Part 7.3025. This Summary Appraisal Report is a brief recapitulation of the appraiser's data, analyses and conclusions. Additional supporting documentation is retained in the appraiser's file.

All comparable sale data presented in this report were verified from courthouse conveyance records (when recorded) and by interviews with either the seller, buyer and/or broker handling the transaction. The comparable data research and collection process was done by review of published data sources such as Deedfax, Multiple Listing Service (MLS), broker flyers and offering lists, and from interviews with local brokers, appraisers and property owners.

INTENDED USER(S) OF REPORT: LSU Health Sciences Center - New Orleans

INTENDED USE OF REPORT: To establish a basis for negotiating the possible acquisition of the subject property.

Use of this appraisal by anyone other than the stated intended user, or for any other use than the stated intended use, is prohibited.

EFFECTIVE DATE OF VALUE: October 18, 2016

DATE OF REPORT: Report was researched, formulated and written between October 12, 2016 and October 31, 2016.

OWNERSHIP OF RECORD: Tai K. Ly

SALES HISTORY OF THE SUBJECT PROPERTY

The subject property has not transferred ownership within the three-year period immediately preceding the effective date of this appraisal. Orleans Parish courthouse records indicate that the property was acquired by its current owner, Tai K. Ly, from Nhu Thi Nguyen, wife of and Le Van Nui on March 6, 1992, for the recorded price of \$115,000 (registered in N.A. #925136). The property was redeemed on May 23, 2006 from Mooring Tax Asset Group, LLC for the balance of unpaid taxes and interest totaling \$8,030.08 (N.A. #106-17319).

As of this writing the subject property is not being marketed for sale or lease. It is occupied in its entirety by the owner for use as an Asian restaurant (d/b/a Oriental Express).

AREA/CITY ANALYSIS

The subject is located within the New Orleans metropolitan area. Prior to Hurricane Katrina in August 2005, New Orleans and its surrounding suburbs comprised a major metropolitan area with total population exceeding 1.3 million (Source: Louisiana Tech University, July 1, 2005, intercensal estimate). Hurricane Katrina's impact on the population of the New Orleans metropolitan area was profound. According intercensal data compiled by the U.S. Census Bureau, as of July 1, 2015, the number of people residing in Orleans Parish was 389,617, or 86% of the pre-Katrina count of 452,170. This is up 1.4% from the prior year and 12% from the official U.S. Census estimate of 347,907 made as of July 1, 2010. Since 2013, the city's population growth rate has reached a plateau, averaging $\pm 1.4\%$ per year.

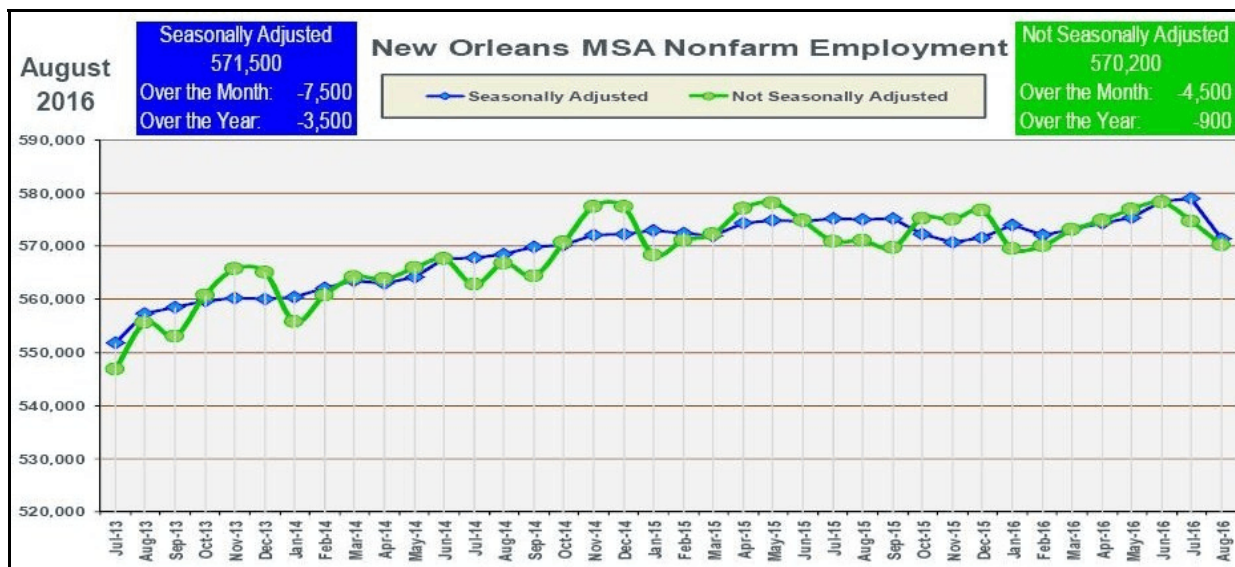
The local economy is diversified, but heavily influenced by oil & gas exploration and production. Between 1985-90, weak crude oil prices world-wide sent Louisiana into a severe recession. The industry began to rebound in 1992 with the aid of rising oil & gas prices, technological advancements that make drilling and completing wells more profitable (three-dimensional seismic technology), and later, new tax incentives for deep water wells (the Deep water Royalty Relief Bill). On July 11, 2008, oil reached an all-time high at \$147.27 per barrel. Many analysts attributed this to a weakening U.S. dollar, coupled with speculation on oil futures. The global recession and falling demand sent oil again tumbling in 2009, with prices falling to just under \$34 per barrel in mid-February, and slowly climbing thereafter. Between 2011 and early 2014, prices meandered somewhat, but overall, hovered near \$100/barrel. The expansion of shale fracking and rising global inventories has contributed to a downward price trend which began 2014 and has persisted in 2015. On 10/12/16 the WTI spot price of oil closed at \$49.80 per barrel. With the uncertain global economy, fluctuations in the U.S. dollar, political unrest in oil producing nations, and inconsistent supply/demand issues, further volatility in the oil market is likely in the future.

Another major component of the local economy is tourism. The Morial Convention Center (MCC) in downtown New Orleans contains over 1.1 million SF of contiguous space. Prior to Katrina, UNO's Division of Economic Research estimated the MCC's total economic impact to the New Orleans metropolitan area at over \$2 billion annually. The storm took an immediate toll on local tourism, but it has since rebounded. According to the New Orleans Convention & Visitors Bureau, tourism in New Orleans peaked in 2004, with 10.1 million visitors spending a total of \$4.9 billion. Following Katrina in 2006, the city saw this decline to 3.7 million visitors spending \$2.8 billion. The NOCVB reports that in 2014, 9.52 million visitors were counted spending \$6.81 billion, the highest amount ever. The former Fairmont Hotel underwent a \$135 million renovation in 2009 and later reopened as The Roosevelt. In October 2011, Hyatt Hotels Corporation completed a \$275 million revitalization of the Hyatt Regency, next to the Superdome. Flight volume at Louis Armstrong Airport continues to improve. New Orleans Aviation Board statistics show year-end total passenger volume in 2015 was 10,673,301, which is a 9.1% increase from 2014. This exceeds pre-Katrina levels.

Avondale Shipyards on the west bank of Jefferson Parish, a wholly owned subsidiary of Northrop Grumman, was once the largest private employer in the region with approximately 6,800 employees. On July 13, 2010, Northrop announced that it would close the Avondale yard in 2013 and consolidate its shipbuilding activities at its Pascagoula, Mississippi yard. The final Navy ship built at Avondale, the Somerset, was completed on February 3, 2013. Northrop subsequently shut

down the facility, and in mid-2015, placed it on the market for sale. In all the site contains about 206 acres of heavy industrial zoned land, along with 7,900 linear feet of Mississippi River frontage. Local and state leaders have been working to find another user for the facility. It remains vacant and available for sale as of this writing.

According to the Louisiana Department of Labor, just prior to Hurricane Katrina, total nonfarm employment in the New Orleans MSA was 609,600. In the immediate aftermath of the storm, an estimated 216,000 jobs were lost, representing about 35% of the region’s employment. Slow but steady job growth resumed in 2006, a trend that continued until 2015. Since then the pattern has been erratic. Total nonfarm employment for the New Orleans MSA was estimated at 570,200 for August 2016. Employment in the MSA dropped by 4,500 jobs over the month and lost 900 jobs over the year. It is the largest over-the-month loss in August in series history. Over the month, leisure and hospitality lost 3,800 jobs, with food services and drinking places declining by 2,900 jobs. Retail trade lost 1,000 jobs over the month. Over the year, education and health services added 1,500 jobs, with the healthcare and social assistance subsector adding 2,200 jobs. Trade, transportation, and utilities lost 1,100 jobs over the year, with retail trade falling by 1,500 jobs. Construction lost 900 jobs from last August, while mining and logging lost 800 jobs, its 19th straight over-the-year decline. The historical trend in nonfarm employment, as tracked by the La. Department of Labor, is depicted graphically below:



Conclusion of Regional/City Analysis

The outlook for the tourism and convention business is favorable. Since Hurricane Katrina, New Orleans has reasserted itself as one of the top travel destinations in the world, and there are no indications that this will change anytime soon. The New Orleans economy has generally fared better than the majority of the nation. Nevertheless, the New Orleans metropolitan area is not insulated from national and global events. With pressing issues such as the swelling federal deficit, depressed oil & gas prices, cap and trade, etc., some level of uncertainty exists with respect to future economic conditions.

The Port of New Orleans is operating at a reasonable level. While the Port improvements continue, the intense competition from the Port of Houston is expected to restrain efforts to significantly increase the volume of cargo coming through the Port of New Orleans. In addition, the State of Mississippi has recently been allowed to shift some of its Community Development Block Grant monies (which were supposed to be used to rebuild housing stock) into redeveloping the Port of Gulfport. Notwithstanding these concerns, the entire Gulf Coast is expected to benefit considerably from the Panama Canal's expansion. The canal's capacity is expected to be doubled by the end of 2016. A portion of the new canal became functional in June 2016.

The local health care sector was one of the driving forces in the local economy, and often the only area of employment growth over the last 20 years. It struggled considerably in the years following Katrina, as hospital capacity shrunk, and the existing operating hospitals throughout the metropolitan area were forced to be utilized at their full capacity. The largest problem was the amount of non-reimbursable services these facilities were forced to provide in the absence of a charity hospital system. The State of Louisiana and the Veterans Administration teamed up on the construction of their \$2 billion medical complex located in Mid-City. This development was designed to supplant the old Charity Hospital as a site for teaching and treatment. In 2015 the University Medical Center finally opened, bringing significant relief to area hospitals, particularly with respect to non-reimbursable indigent care. The VA Hospital project was been plagued by numerous problems and delays. It is reportedly now back on track and scheduled to open by the end of 2016. Both of these projects are expected to be an economic boon for both the city and state.

New Orleans is a unique city in the United States with a culture and character unlike any other. The metropolitan area steadily recovered during the 11 years following Hurricane Katrina, even in the face of a national economic recession. The explosion and sinking of the Deepwater Horizon oil rig in the Gulf of Mexico in 2010, had a detrimental effect on the region. Not only did 11 men lose their lives, but the rig leaked thousands of barrels of crude oil into the sea uncontrollably, until being sealed three months later. The spill threatened the Gulf Coast seafood and tourism industries, not to mention the quality of life for all local residents. This prompted the federal government to impose a temporary ban on deepwater offshore drilling. The ban was officially lifted on in October 2010, however, the government was very slow to issue offshore drilling permits since. This situation prompted several floating deepwater drilling rig operators to move to other locations in the world. Between 2013 and late 2014, deepwater drilling activity staged an impressive rebound. However, the recent collapse in world oil prices is once again threatening the industry. Working rig counts have declined nationwide. On a positive note, the local tourism industry is thriving. Also encouraging is NASA's recent selection of the Michoud facility in New Orleans East to build components for its new heavy-lift rocket system. Now approved by Congress, this is expected to offset at least some of the job losses resulting from the ending of the Space Shuttle program.

To conclude, while the metropolitan area still faces a number of challenges and uncertainties, tremendous progress has been made since Hurricane Katrina. The region's economy is far more diverse than it has every been, though energy still comprises a significant portion. The future outlook of the entire region is one of guarded optimism, with oil & gas prices being a key concern.

NEIGHBORHOOD ANALYSIS

Location and Neighborhood Boundaries

The appraised property consist of a small, improved parcel of land situated in the square of ground bounded by Gravier, S. Derbigny, Perdido and S. Roman Streets. This is near the southern edge of the older densely developed urban area of New Orleans generally known as Mid-City. The subject's specific location is within the New Orleans Regional Medical Complex (NORMC), also called the New Orleans Regional Medical Center. Specifically, the property is located within three blocks of the downtown Central Business District of New Orleans.

The neighborhood consists of a rather large area of mixed land uses in the central section of the city of New Orleans and is generally bounded by the Pontchartrain Expressway (Interstate Highway 10), City Park Avenue, Claiborne Avenue and Orleans Avenue. The appraised property is situated just outside of the Central Business District.

Predominant Land Uses within the Neighborhood

Mid-City is an older urban area primarily developed between the early 1900's and the late 1950's. It is predominately high-density residential in character. The major thoroughfares are typically mixed-use, having both residential and commercial uses. There are also industrial uses traversing the railroad right-of-ways.

Some of the commercial and residential uses in the area include automobile dealerships, professional offices, clinics, hospitals, branch banks, fast food restaurants, churches, schools, small apartment complexes/duplexes, small retail shops, and single family residences. There are also some older mid size office buildings. The area is 80% residential, 10% commercial and 10% industrial, with the latter gradually being phased out.

The major north/south commercial corridors within the Mid-City area are Carrollton Avenue, Jefferson Davis Parkway and Broad Street. The major east/west commercial corridors are Canal Street and Tulane Avenue. Carrollton Avenue and Broad Street are the two major commercial thoroughfares that intersect Canal Street in the Mid-City area. Secondary commercial streets include Orleans Avenue, Banks Street, Bienville Street, Esplanade Avenue, and Jefferson Davis Parkway. These streets are primarily improved with older residences and secondary office and neighborhood commercial uses.

Tulane Avenue is a commercial corridor bisecting the NORMC and surrounded on both sides by older dense single and multifamily residential development catering to mid- to low-income dwellers. Although most of the property uses along Tulane Avenue are office and some retail, there is some residential use as well. The commercial uses consist of free standing retail and office buildings. In the immediate subject area, many of the 80+ year-old structures previously used as one and two-story single and multi-family residences have been converted to retail or office use. The general vicinity of the subject site is 95% or more developed with a mix of high-density medical, commercial and residential buildings.

Gravier, South Derbigny, Perdido and South Roman Streets are one-way, interior public streets which are primarily residential in character, with exception to that area within the Medical District between Poydras Street and Tulane Avenue, which is commercial/medical utilization. The immediate location is surrounded by LSU Medical Center buildings, St. Joseph Church, public parking lots and the elevated I-10 Interstate system. There is an elevated public walkway extending from the LSU Medical Center southward across S. Claiborne Avenue into the CBD, the LSU Nephrology School and the Charity Nursing School. The few residences remaining in this location are mostly found either across Tulane Avenue, or further westward beyond S. Galvez Street, and are characterized as older wood frame dwellings typical maintained in average to fair condition.

New Orleans Regional Medical Complex

The New Orleans Regional Medical Complex (NORMC) was established in 1991 to coordinate efforts by its member institutions to promote their collective excellence in health care delivery, education, research and economic development. Through careful planning and joint efforts, NORMC was to create an efficient and attractive urban medical center campus which facilitates institutional and private business development and thereby reinforce and further establish NORMC as a destination center of regional, national and world prominence.

NORMC encompasses over 40 square blocks and is bounded by Iberville Street to the north, South Galvez Street to the west, Pontchartrain Expressway to the south, and Loyola Avenue to the east (with the Loyola Avenue boundary including buildings located on both sides of the street). In addition, the NORMC area also encompasses the Louisiana Biomedical Research and Development Park which was established by an Act of the Louisiana Legislature in 1992, whose boundaries are Iberville Street to the north, South Galvez Street to the west, Perdido Street to the south, and Loyola Avenue to the east.

NORMC includes the following institutions among its members: Louisiana State University Medical Center, Tulane University Medical Center, Veterans Affairs Medical Center, Xavier University College of Pharmacy, and the Medical Center of Louisiana. According to information supplied by NORMC, prior to Hurricane Katrina, these member institutions handled more than 1.5 million patient visits each year and had produced more than 12,000 doctors since its inception.

Current Trends and Developments in the Neighborhood

Hurricane Katrina caused widespread flooding and wind damage throughout the neighborhood. The immediate area received roughly 4' to 5' of flood water which remained for over one week. Virtually every business and home in Mid-City was damaged, many severely. Now after 11 years, recovery throughout Mid-City is complete. All businesses that existed prior to the storm along Tulane and Claiborne Avenues have either reopened, or have been replaced by other establishments. According to statistics compiled by the Greater New Orleans Community Data Center, as of September 2016 the resident population of Mid-City was actually above its pre-Katrina level, with a total of 20,001 households now receiving mail in zip code 70119, compared with 19,594 in July 2005.

The recovery of the medical community in the HEAL complex required the rebuilding of Charity Hospital/Medical School facilities from the ground up. Charity Hospital, a New Orleans institution for over 250 years, was forced to shut down following Katrina because of extensive damage. In April 2006, the LSU Medical Center of Louisiana at New Orleans leased 50,000 SF within the Ochsner's Elmwood Medical Center on Clearview Parkway, and re-opened Charity's Level 1 trauma unit. The unit later moved to LSU Medical School's University Hospital at 2021 Perdido Street. As discussed in the Area-Regional Analysis section, Louisiana State University and the Veterans Administration have developed a \$2 billion medical complex in the ±70-acre tract bounded by South Claiborne and Tulane Avenues, and South Dorgenois and Canal Streets. The University Medical Center, which opened in 2015, is a replacement for the old Charity hospital (including its Level trauma unit) and functions as a teaching center in connection with the LSU Health Sciences Center. The new VA hospital, which is formally known as the New Orleans VA Medical Center, is nearing completion and should be fully operational within the next 60 days. Both of these project are seen by government officials at all levels as being the key to the long-term viability of the city.

Another integral component of the New Orleans Regional Medical Complex is Tulane Medical Center. Located at 1415 Tulane Avenue in the CBD, Tulane operates a full acute care and teaching hospital with over 500 accredited physicians. The center has fully rebuilt its patient base and student enrollment, and is now prospering.

The New Orleans BioInnovation Center at 1441 Canal Street was completed in 2011. This \$38 million, 65,000 SF business incubator features wet-lab space and other lab and office space that is leased by biotechnology companies with university relationships. It is expected to become a major component of the city's downtown biotechnology corridor. In its first year, the center secured 29 tenants, in turn creating more than 47 full-time jobs and 36 part-time jobs. The center's tenants have raised \$14 million in financing and \$2 million in grants for medical research.

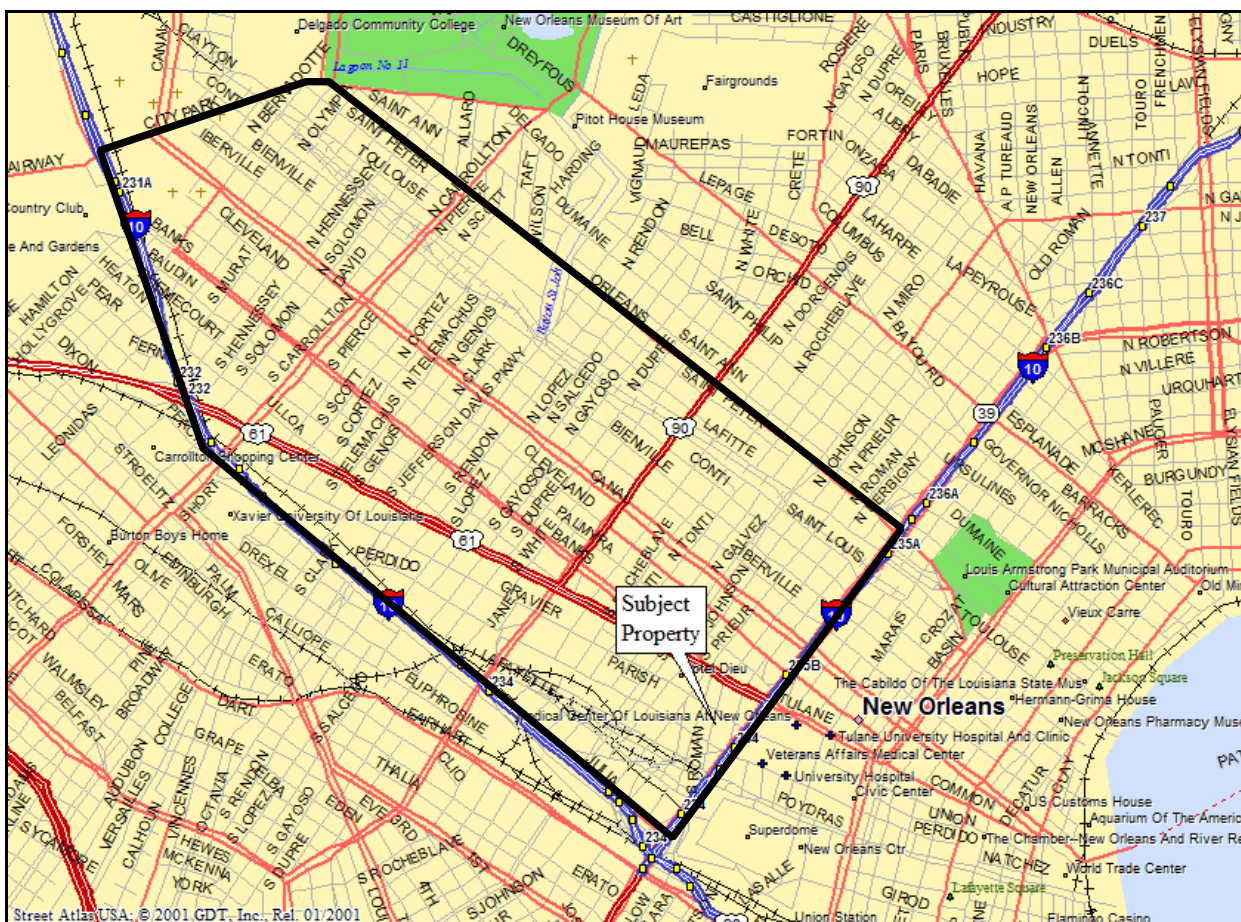
In 2012, construction of the new Louisiana Cancer Research Center was completed. This is a \$102 million, 10-story, 175,000 SF facility located in the square of ground bounded by Tulane Avenue, S. Derbigny, Gravier and S. Roman Streets on. It is touted as a world class, state-of-the-art facility designed to make New Orleans' biomedical district competitive with that of other major centers, such as those in Houston and Birmingham. The LCRC is a consortium which includes LSU Health Sciences Center, Tulane University Health Sciences Center, Xavier University and Ochsner Health System. LCRC's primary focus is on promoting education and conducting research in the diagnosis, detection and treatment of cancer. The Center receives approximately \$10 million in annual funding from the State tobacco tax fund.

Another major land use event nearby, which is outside the confines of the neighborhood, but still close enough in proximity to have an impact, is Tom Benson's acquisition of the former Dominion Tower, New Orleans Centre Mall and parking garage. In a convoluted deal that involved the State of Louisiana and the New Orleans Saints football team, Benson purchased the storm damaged properties from their owner, California investor Judah Hertz, in September 2009. As part of the deal, the state committed to lease 60% of the office tower for 15 years. The Louisiana Stadium and Exposition District has since converted the former New Orleans Centre Mall for use as a sports and entertainment complex. The state also spent \$85 million renovating the Louisiana Superdome. In return, Benson agreed to keep the Saints in New Orleans through at least 2025, and the state's annual obligation to the Saints was reduced from \$17.5 million to \$6 million.

Conclusion of Neighborhood Analysis

The neighborhood, as well as the majority of the city of New Orleans, incurred extensive damage from Hurricane Katrina 11 years ago, but has since fully recovered. The population of Mid-City exceeds its pre-storm count. Properties throughout the neighborhood have, for the most part, been repaired and/or demolished and redeveloped. Businesses have reopened along the thoroughfares, and the majority are prospering. The LSU Health Sciences Center is again at capacity and growing. The new Louisiana Cancer Consortium Research Center opened its new 10-story, 175,000 SF, state-of-the-art facility one block away from the subject at 1700 Tulane Avenue. The main obstacle the school now faces is potential funding cuts from the state. In spite of this, federal, state and local government are committed to the expansion and development of a major medical district in the city of New Orleans. The LSU/VA project has already begun benefitting the neighborhood, as well as the entire region. The future outlook for the neighborhood and downtown New Orleans appears very positive.

NEIGHBORHOOD MAP



SITE ANALYSIS

Size/Configuration

The subject is a small corner parcel identified as **Lot 17** and improved with a one-story building currently used as a Chinese restaurant (municipal address is **1800 Gravier Street**). The site is trapezoidal in shape and measures 30'8"6" front on Gravier Street, over 30' width in rear, by 80'5" front on S. Derbigny Street, over 87' on the opposite sideline. Total land area is **2,511 SF**.

Topography

The subject is generally level and filled to slightly above the grade of the surrounding streets. The soil throughout most of this region is often composed partly of organic materials. This type of soil has a high shrink/swell potential and tends to subside, thereby making for poor construction foundations. Subterranean pilings are commonly needed. An engineer should be consulted as to the exact soil classification and its load bearing capacities.

Utilities

All typical municipal utilities are available at this location, including electricity, natural gas, water, telephone, sanitary sewerage, subsurface drainage and cable television/data lines.

Easements, Encroachments, Servitudes, Street Right-of-Ways

A current survey of the subject property was not available. Based on review of the legal description, the previously referenced Everett Tregle appraisal dated 1/29/92, and from the site visit performed by the appraiser on October 18, 2016, no adverse site conditions were readily evident. This appraisal assumes that the subject property is not adversely impacted by any easements, encroachments or other such encumbrances.

It is always advisable when purchasing or lending on real estate to obtain a complete title abstract by a professional title company, along with a current survey from a reputable local licensed surveyor. NO WARRANTY REGARDING ENCROACHMENTS, EASEMENTS, SERVITUDES OR PROPERTY TITLE IS EXPRESSED OR IMPLIED HERE.

Environmental Hazards

The appraiser was not furnished with a recent environmental report of the subject property. The appraiser's visual physical inspection of the property revealed no conspicuous existence of hazardous substances. Please note that this does not indicate that such substances are not present in this property, as the appraiser is not qualified to detect such substances. The presence of hydrocarbons or other potentially hazardous substance could be concealed underground and could affect the value of the property. The value estimate is predicated on the assumption that there are no such substances located within this property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover hazardous substances. The client is urged to retain an expert in this field, if desired. **This appraisal assumes that no environmental hazards exist within the subject property.**

F.E.M.A. Flood Zone

The FEMA Flood Zone Map Community No. 22071C0229F, effective as of 9/30/16, indicates the subject property is situated in **Flood Zone "AE."** This denotes "a special flood hazard area inundated by 100-year flood." An elevation survey is recommended for a more precise flood determination.

The subject property was inundated on August 29, 2005 with approximately 4' to 5' of flood water as a result of Hurricane Katrina.

Ingress/Egress and Overall Functional Adequacy

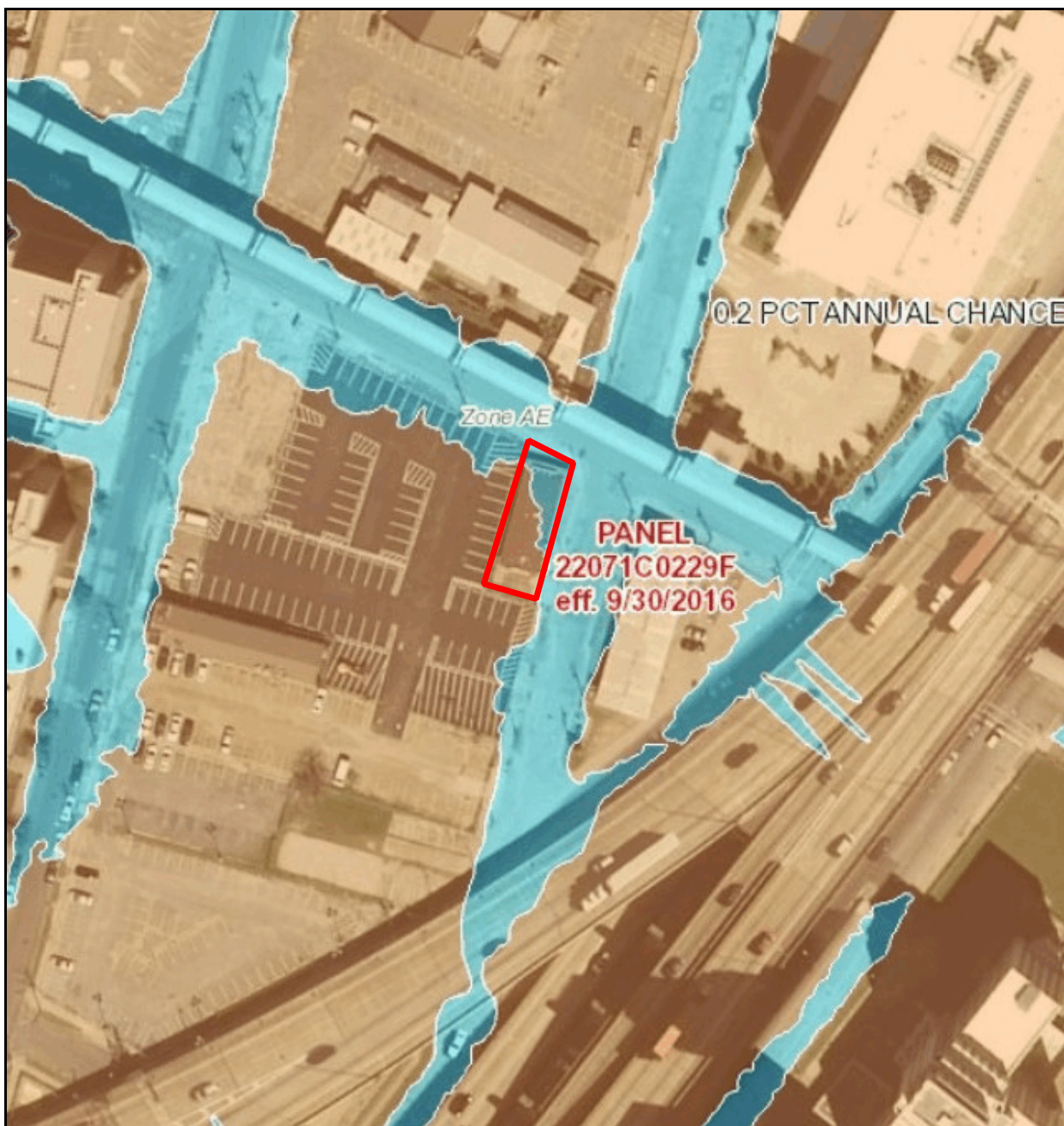
The subject parcel is readily accessible, being situated just outside the Central Business District near the I-10 Interstate/Pontchartrain Expressway system, South Claiborne Avenue and Tulane Avenue. Additionally, the site is mostly rectangular in shape and functional for small development schemes. Although relatively narrow in relation to its width, lots such as these are very common throughout the city of New Orleans and are accepted by the market.

Conclusion

Although small, the subject site is generally well located and functionally adequate for a variety of potential uses. This issue is addressed further in the forthcoming Highest and Best Use section.

An excerpt from the referenced FEMA flood zone map is presented on the following page.

FEMA FLOOD ZONE MAP



ZONING

The Comprehensive Zoning Ordinance (CZO) for the City of New Orleans, Ordinance No. 30,637, officially adopted on October 24, 2014, assigns the zoning classification "**MS; Medical Services District**" to the appraised property. The ordinance reads as follows:

The MS Medical Service District is intended for local hospitals and medical service facilities of lower intensity than large medical campuses. The MS District is intended for hospitals, and hospital-related and support services that are generally integrated within and connected to adjacent areas of commercial and residential development.

Permitted uses in the MS District include: dormitories; existing single-family, two-family and multifamily dwellings; residential care facilities; auditoriums; catering kitchens; child or adult daycare centers (all sizes); hotel/motels; medical and dental clinics; motor vehicle operations facilities; offices; personal service establishments; recording studios; **restaurants**; retail goods establishments; helistops; research and development facilities; domestic protection shelters; government offices; hospitals, places of worship; parks & playgrounds; parking lots (principle); and various other uses directly permitted or permitted as conditional uses.

There is no minimum lot area in the MS District. Maximum building height is 100' when adjacent to non-residential districts. When adjacent to residential districts the maximum building height is the same as that of the residential district (can be 5' higher up to a maximum of 20' for every 3' structure is set back from the residential district line). Minimum yard requirements are 20' front and 10' for sides and rear. The minimum permeable open space ratio is 30%.

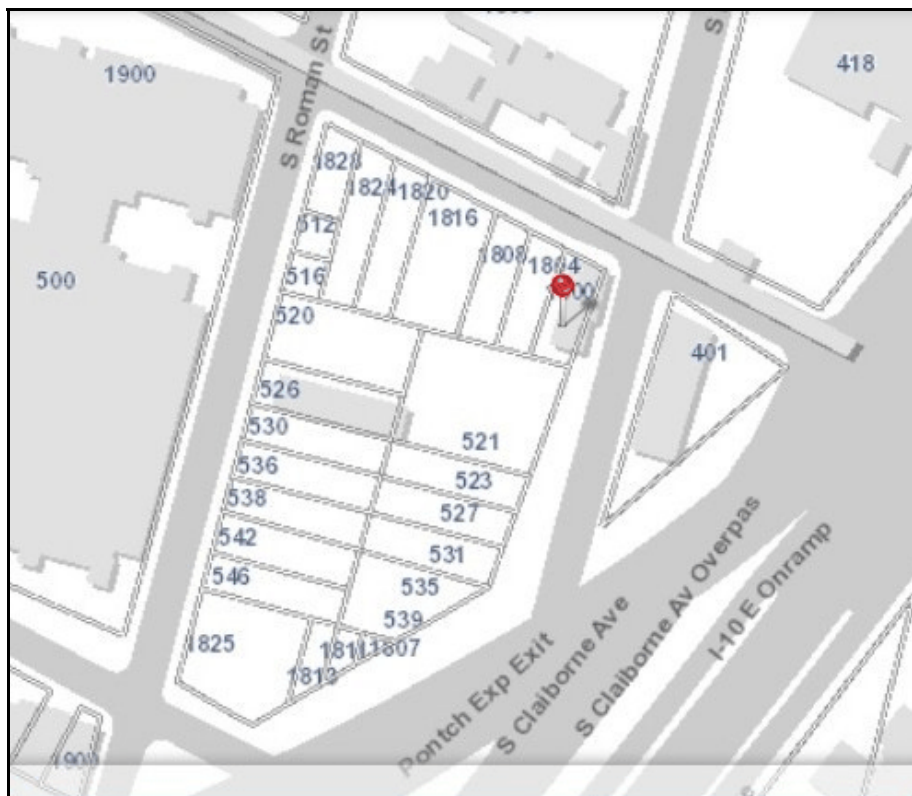
In addition to the MS base zoning, the subject property is within the HU-B1A Historic Urban Neighborhood Business Overlay District. The intent of this overlay is to add additional restrictions in an effort to protect the historical nature of the city's older neighborhoods. Specifically, "standard" restaurants (such as the subject) require a conditional use (CU) permit. A CU is also needed for liquor sales and any live entertainment.

Offstreet parking requirements vary per use. Restaurants require one space per 500 SF of gross floor area, plus one short-term bicycle space. The subject (1,519 SF) therefore requires four automobile parking spaces, whereas there are two spaces behind the building. Although no bicycle spaces were observed, a small rack could easily be installed in front of the building.

Zoning Conformity

The subject property does not conform with current zoning requirements with respect to side yard requirements and provided off-street parking. It is therefore a legal non-conforming use. This is common and accepted by the local market.

ORLEANS GIS MAP EXCERPT



ZONING

Zoning District: MS
Zoning Description: [Medical Service District](#)
Future Land Use: INS
Future Land Use Description: [Institutional](#)

OVERLAYS AND INTERIM ZONING DISTRICTS

Overlay and Interim Zoning District:
HU-B1A Use Restriction Overlay District
[Visit City Planning's site to view the regulations of this Overlay.](#)
Regulations in the overlay and interim zoning districts are combined with the base zoning district. In the event of overlapping districts, please contact the [New Orleans One Stop Shop](#) for interpretation of the Overlays/Interim Zoning Districts.

REAL ESTATE TAXES

Louisiana law requires that all real properties in the state be reassessed every four years at 10% of land and residential improvement value, and 15% of all other improvement value. The subject property is located within the First Municipal District of the City of New Orleans and is assessed follows:

Property Description	Tax Bill Addressee	Tax Bill No.	***Year Land	2017 Imprvs.	Assessment** Total	Implied Market Value
1800 Gravier Street Lot 17, Sq. 440	Tai K. Ly 2348 Brighton Pl Harvey, LA 70058	104103814	\$3,380	\$9,930	\$13,310	\$100,000

Taxes in Orleans Parish are paid in advance and thus only this year's millage rate is known at this time. The city-wide millage rate for 2016 was 151.78, which equals \$151.78 in taxes per \$1,000 of assessed property value. The subject's real estate tax burden for 2016 was therefore approximately \$2,020.

The current assessment implies a market value basis of \$33,800 (\$13.46/SF) for the land and \$66,200 for the improvements, which is a total market value basis of \$100,000. This is well below the final value estimate concluded herein. The property is therefore at risk for a significantly higher future tax burden.

DESCRIPTION OF THE IMPROVEMENTS

The improvements consist of a ±64 year-old, one-story, former residential duplex that was converted for restaurant use in the 1980's. The building measures 24'2" x 62'10" with **1,519 SF GBA**. Basic construction includes a grade-level concrete slab foundation with load-bearing concrete block perimeter walls and wood interior framing. Roof is a pitched hip design with architectural style dimensional seal-tab shingle surface. There is a 4' deep corrugated metal overhang across the facade and along most of the building's elevation on the S. Derbigny Street side. There are three exterior doors. The front and side doors are standard plate glass units set in aluminum frames. The rear door is a flush-mounted steel unit. Exterior windows are double-pane insulated units set in vinyl frames. There are iron burglar bars on all exterior doors and windows. Interior finishes include terrazzo flooring and painted drywall ceilings (8' height) and walls. Interior doors are raised 6-panel hollow core masonite units. Entire building has a central heating/cooling system and utilizes supplemental window units. There are two public restrooms, each equipped with one wall-mounted porcelain wash basin and toilet (additional urinal in Men's room). Each restroom appears to be ADA compliant. In the rear of the building is a commercial kitchen equipped with fire suppression hood system, triple sink, floor drains, etc. Site improvements consist of ±950 SF of concrete and asphalt paved walkways, rear parking pad and ADA ramps.

The property was inundated with approximately 4' to 5' of standing water on August 29, 2005 during Hurricane Katrina. In 2007-08, the building was renovated as follows: The roof surface was entirely replaced, along with installation of new metal fascia and new vinyl soffit; new 4' painted corrugated steel overhang was installed across the facade and S. Derbigny Street side; all exterior windows were replaced with single-hung double-pane vinyl windows; exterior walls and trim were painted; new electrical service and wiring was installed; new air conditioning condenser installed; an exterior water heater enclosure was constructed near the rear corner of the building facing S. Derbigny Street; the building's interior was totally "gutted" and rebuilt from the studs with new sheetrock, interior doors and millwork, electrical fixtures, plumbing fixtures, interior painting and trim/finish items. The overall quality of the renovation is considered good.

As of October 18, 2016, the improvements appears to be adequately maintained. The exterior is beginning to exhibit some evidence of deferred maintenance in that the paint on the metal fascia is flaking, there is rust at the base of the hood system's exterior exhaust vent, and there is a small area of the exterior concrete block wall facing S. Derbigny Street side which appears to have been patched, but needs painting. There condition of the interior appears well maintained with no indication of significant deferred maintenance. The overall physical condition of the improvements is rated as average-good.

The existing restaurant contains numerous movable personal property items such as refrigerators/coolers, fryers, stoves, ovens, ice machine, soft drink dispensers, cash registers, tables, chairs, tableware, and various other movable restaurant equipment. **These items of personal property are not included in this appraisal.**

Photographs of the property and a floor plan sketch of the building are included as the first exhibits, respectively, in the Addenda section of this report.

HIGHEST AND BEST USE

Definition of Highest and Best Use

Highest and Best Use is defined in *The Appraisal of Real Estate*, Thirteenth Edition, published in 2008 by the Appraisal Institute, on Page 278 as follows:

The reasonably probable and legal use of vacant land or an improved property that is legally permissible, physically possible, appropriately supported, financially feasible, and that results in the highest value.

Implicit in the preceding is that the following four criteria be met:

1. The use must be legally permissible - private restrictions (protective covenants), zoning regulations, building codes, and easements may restrict development of a site to a certain use;
2. The use must be physically suitable - physical characteristics, such as location, size, topography, soil and subsoil conditions, drainage and access can limit utilization;
3. The use must be economically feasible - there must be sufficient market demand for the proposed use;
- 4) The use must be maximally profitable - the income attainable from the proposed use must be sufficient to justify its costs and yield a greater return than other potential uses.

Size, location, neighborhood character and trend of development are pertinent to the highest and best use of a site. The uses permitted by zoning, deed restrictions and local building codes are also controlling factors. With many properties, the highest and best use of the site is the use permitted by zoning. However, the zoning ordinance could permit a use which is more intense than would be reasonable for the site, and there could be the possibility that the zoning could be changed to a higher or lower density, or for that matter, another type of use altogether.

While normally the legality and physical adaptability of a site is apparent, those uses which are financial feasible are a bit more complicated to ascertain. Furthermore, the most profitable use, i.e., the use which is maximally productive to the site, is often the most difficult part of the highest and best use determination.

There are typically two aspects to the highest and best use analysis; one for the site as though vacant and ready for development, the other pertaining to the property as currently improved.

Highest and Best Use as Vacant

The appraiser has considered the following factors in determining the highest and best use of the appraised property as though vacant:

1. Permitted uses of the appraised property under MS, Medical Services District zoning, as well as the HU-B1A overlay classification;
2. The location of the appraised site in relation to existing land use patterns and trends in the immediate area of the LSU Medical Complex, the new LSU/VA Hospital Complex, S. Claiborne Avenue, Tulane Avenue, the I-10 Interstate system, etc., with particular attention being paid to the site's access, functional utility and visibility within the immediate area;
3. Existing and anticipated land use and traffic patterns in the immediate area, and;
4. The alternate uses currently available for the site and the financial feasibility of these uses.

The four criteria in highest and best use as defined above lists physical possibility, legal permissibility, financial feasibility, and maximally productive attributes of the site in determining the type and scope of development. In terms of its physical features, the subject is a small corner measuring 30.7' on Gravier Street, by 80.4' on S. Derbigny Street, with total area of 2,511 SF. This relatively small, narrow site, while still developable, is not as desirable as a larger, wider site. Nonetheless, lots such as these are common and generally accepted in this section of the city.

Legal permissibility is governed by the City of New Orleans, which in this case has zoned the subject MS, Medical Services District with HU-B1A, Historic Urban Neighborhood Business Overlay. As discussed, MS zoning was created for locations near major medical facilities. It allows existing residential uses, hospitals and medical clinics, and a variety of supporting commercial uses. The HU-B1A overlay gives the city more oversight in an effort to protect the historic nature of the surrounding area by requiring conditional use permits on many of the permitted uses within the MS district. Overall, the subject's existing zoning status is not considered overly burdensome and produces no significant impediment to its potential development.

For more the past ±30 years the State of Louisiana has gradually acquired properties throughout the immediate area for expansion of the LSU Medical School complex. The state currently owns all but four of the parcels within Square 440, and efforts continue to acquire these for redevelopment of the entire square. Currently there are only two improved properties in Square 440. One of these (526 S. Roman Street) was acquired by the state in August 2016 and will likely soon be demolished, leaving the subject as the last improved lot in the square. The three remaining privately-owned vacant lots are currently used as self-pay surface level parking lot to accommodate parking demand generated from the surrounding medical buildings. Parking demand has increased in recent years with the completion of the Louisiana Cancer Consortium Research Center, increased enrollment in the medical school, and the recent completion of the \$2 billion LSU/VA Hospital project across Tulane Avenue.

In conclusion, the highest and best use of the subject property, as though vacant, is speculative holding for future assemblage and redevelopment of the entire square into a medical oriented facility. Surface level parking (in conjunction with adjoining parcels) is a viable interim use.

Highest and Best Use as Improved

The highest and best use of the existing improvements can be determined by utilizing the "marginal dollar" concept. This principle suggests that the subject site is developed to its highest and best use as long as the existing improvements contribute at least one additional dollar of value over the land value of the subject site as if unimproved.

As discussed, the existing building is a highly functional small restaurant which is adequately maintained. It has operated successfully at this location for over 30 years (save for the ±4-year downtime period caused by Hurricane Katrina). Considering its long track record of success, along with the fact that it is now the only operating restaurant in Square 440, demand for restaurant services at this location should continue well into the future. It is therefore concluded that the highest and best use of the subject property, as improved, is continued use as a restaurant.

VACANT LAND VALUATION

There are six recognized methods used to value vacant land: the Sales Comparison Approach, Allocation, Extraction, Subdivision Development, Land Residual, and Ground Rent Capitalization. When there are a sufficient number of sales of similar type properties, the most common and preferred technique is the Sales Comparison Approach. This method is used in this appraisal. Following is a summarization of the comparable data obtained:

COMPARABLE LAND SALES							
Sale No.	Location	Sale Date	Recorded	Sale Price	Size (SF)	Zoning	Price/SF
1	200 N. Derbigny Street (NE corner of N. Derbigny & Iberville Streets)	10/17/14	14-42042	\$155,000	8,840	MU-1 & HU-B1A	\$17.53
2	2112 Tulane Avenue (Lot Z, Sq. 19 First District)	01/30/15	15-04544	\$200,000	3,024	MS & HU-B1A	\$66.14
3	526 S. Roman Street (Lot 27, Sq. 440, First District)	08/31/16	16-38735	\$95,000*	3,594	MS & HU-B1A	\$26.43
4	4202 S. Carrollton Avenue (NE corner of S. Carrollton & Ulloa)	09/16/16	16-37811	\$95,000	3,371	HU-MU & HU-B1A	\$28.18
Subj	1800 Gravier Street (Lot 17, Sq. 440)	10/16 (Value)	—	—	2,511	MS & HU-B1A	—

*Recorded price of \$187,000, less \$92,000 (±32.50/SF) allocated to flood damaged building



Analysis of the Comparable Sale Data - Adjustments

Market Conditions (Time) – The comparable sales are relatively recent, dating back to October 2014, or two years ago. Commercial land values have escalated considerably in the past two to three years throughout New Orleans, particularly in and near the Medical District, as the LSU/VA Hospital project has now come to fruition. The sales are therefore adjusted upward by an annual rate of **5%**. Sales 3 and 4, both of which occurred within 60 days of the effective appraisal date, are not adjusted for time.

With respect to zoning, the subject and Land Sales 2 and 3 are zoned MS (Medical District) with HU-B1A overlay. Land Sales 1 and 4 are zoned MU-1 (Mixed Use) and HU-MU (Historic Urban Mixed Use), respectively, both also with the HU-B1A overlay. Permitted uses among these districts are reasonably similar, and therefore warrant no direct adjustments.

At this point the locational and physical adjustments applied to each comparable are discussed in relative detail.

Land Sale #1 is the October 2014 sale of a vacant “L” shaped parcel situated about five blocks northeast of the subject at 200 N. Derbigny Street (NE corner of N. Derbigny & Iberville Streets). The site was basically cleared, fenced and level when sold. It measures 50' on Iberville Street by an overall depth of 134.9' on N. Derbigny, with a 26.9' x 77.9' “leg” extending in the direction of N. Claiborne Avenue. It was purchased by M & W Properties, LLC (represented by Maria and Wondell Smith) as a speculative investment. A 10% upward time adjustment is applied because the sale occurred two years ago. Although only two blocks from the VA Hospital footprint, this comparable is on the other side of Canal Street in a far less commercially viable specific location. Accordingly, an upward location adjustment is applied. Lastly, an upward adjustment is made for the comparable’s inferior “L” shaped configuration.

Land Sale #2 is the January 2015 acquisition of a 25.2' x 120' (3,024 SF) interior site fronting the uptown side of Tulane Avenue between S. Galvez and S. Johnson Streets. When sold the site was vacant and contained the remnant of a former concrete building slab. It was purchased by Tulane Properties, LLC, represented by Larry Jackson, Jr., who owns other parcels in the square adjoining this site. It is evident that Mr. Jackson is assembling parcels in the square for redevelopment. For this reason, a -25% Conditions of Sale adjustment is applied to reflect the buyer’s extraordinary motivation. A -50% location adjustment is also made because of the comparable’s Tulane Avenue frontage directly across from the LSU/VA hospitals. Buyer interest in properties along Tulane near this project has escalated rapidly in the past two to three years. Properties that once sold for \$25-\$30 per SF have effectively doubled in price. Slightly offsetting these downward adjustments are positive adjustments for time and the subject’s corner advantage.

Land Sale #3 is the LSUHSC’s August 2016 purchase of 526 S. Roman Street (Lot 27, Square 440). This is a 30' x 119.8' (3,594 SF) interior parcel which was improved with a ±68-year-old, 2,824 SF GBA, one-story commercial building last used as a restaurant. Like all nearby properties, the building had been inundated with 4'-5' of water during Katrina, and had also incurred some exterior wind damage. While small portions of the interior had been gutted, the property was allowed to sit unrepaired for ±11 years with active roof leaks, leading to further deterioration. Its overall condition was poor when sold. Allocating a minimal “shell” value of \$32.50/SF, or

\$92,000 (rounded) for the improvements, the indicated residual paid for the land is \$95,000, or **\$26.43/SF**. The only adjustment deemed necessary to this sale is upward for the subject’s corner attribute.

Land Sale #4 is the September 2016 purchase of a 30.9' x 110' vacant parcel forming the northeastern corner of S. Carrollton Avenue and Ulloa Street. When sold the site was mostly concrete paved, fenced and improved with a 192 SF movable office to the rear. It had previously been used as an automobile sales lot. The selling agent, James Howell (504-488-0950) stated that the movable office contributed no value, and the property was sold for its “lot value” only. Although this property fronts directly on S. Carrollton Avenue, it is removed from the direct influence of the Medical District. Overall, this property’s location is considered comparable to the subject’s. No adjustments are considered necessary for this comparable.

The preceding adjustment process is summarized in the chart below:

LAND SALE ADJUSTMENT CHART											
-----Physical Adjustments-----											
Sale No.	Sale Date	Price Per SF	Cond of Sale Adj	Adjusted Price/SF	Time Adjst	Time Adj Price/SF	Location	Size/ Shape	Zoning	Corner	Adjusted Price/SF
1	10/14	\$17.53	0%	\$17.53	10%	\$19.28	35%	10%	0%	0%	\$27.96
2	01/15	\$66.14	-25%	\$49.61	9%	\$54.07	-50%	0%	0%	5%	\$29.74
3	08/16	\$26.43	0%	\$26.43	0%	\$26.43	0%	0%	0%	5%	\$27.75
4	09/16	\$28.18	0%	\$28.18	0%	\$28.18	0%	0%	0%	0%	\$28.18

Adjusted, the sales render a range in indicated value for the subject from \$27.75 to \$29.74, with a mean indicator of \$28.41. The lowest indicator is derived from Land Sale 3, which is the LSUHSC’s most recent acquisition in Square 440. Although closest in proximity to the subject, this sale required an improvement allocation in order to determine the effective price for the underlying land. The highest indicator is from Sale 2, the vacant lot fronting directly on Tulane Avenue which was purchased by an adjoining land owner for assemblage purposes. The adjustment applied to this sale for conditions of sale could possibly understate the premium paid by the buyer. The two remaining sales render indicators closer to the middle of the range.

After considering all aspects of the subject property in the context of the data analyzed, and in view of the very strong market demand which exists for well-located commercial properties, along with the subject’s close proximity to the surrounding LSU Medical Center buildings, a unit value of **\$28.50 per SF** is reconciled. The “As Vacant” market value of the site is calculated as:

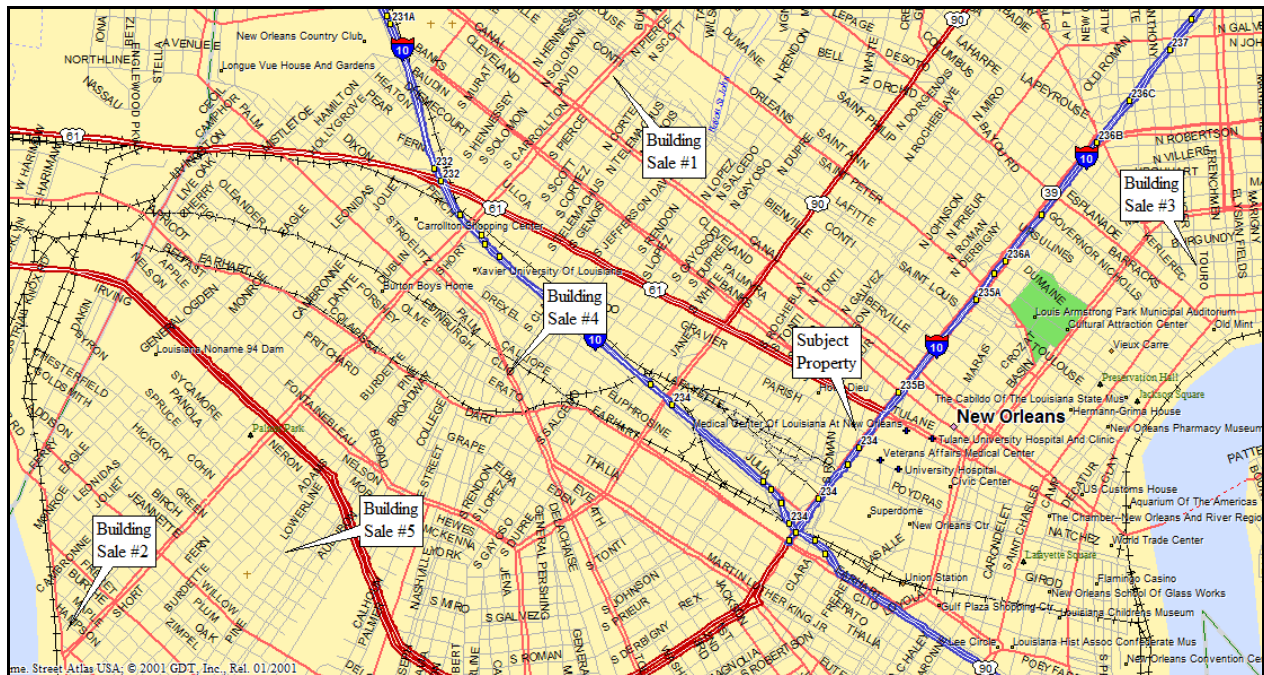
$$2,511 \text{ SF} \quad @ \quad \mathbf{\$28.50} \quad = \quad \$71,564 \quad \text{rounded to:} \quad \mathbf{\$72,000}$$

VALUATION AS IMPROVED - SALES COMPARISON APPROACH

The Sales Comparison Approach is a procedure wherein direct comparison of the subject is made with similar properties that have recently sold in the general market area. It is based on the Principle of Substitution in that a prudent buyer will not usually pay more for a given property than it would cost to purchase an existing comparable substitute of equal desirability and utility. Below is a summarization of the improved comparable data obtained:

COMPARABLE RESTAURANT BUILDING SALES										
Sale	Property Location	Sale Date	Recorded	Sale Price	Bldg Size (SF-GBA)	Site Size (SF)	Zoning	Land Value	Business/FF&E Value	Net Building Price/SF
1	326 N. Jefferson Davis Pkwy, New Orleans	07/09	09-29470	\$413,000	2,400	14,781	L-1	\$148,000	\$25,000	\$100.00
2	8132 Hampson St, New Orleans	01/14	14-02968	\$465,000	1,750	1,850	B-2	\$150,000	\$0	\$180.00
3	1940 Dauphine St, New Orleans	03/14	13-11038	\$477,500	2,000	2,133	HMC-1	\$171,000	\$30,000	\$138.25
4	4600 Washington Ave, New Orleans	04/14	14-16703	\$216,000	900	3,085	C-1A	\$55,500	\$40,000*	\$133.89
5	7329 Cohn Street, New Orleans	12/15	16-00094	\$260,000	1,308	3,318	HU RD-1	\$135,000	\$0	\$95.57
Subj	1800 Gravier Street New Orleans	10/16 (Value)	—	—	1,519	2,511	MS & HU-B1A	\$72,000	—	—

* Also includes the capitalized value of the roof-mounted outdoor advertising sign



Discussion and Analysis of the Comparable Restaurant Building Sales

Market Conditions (Time) – Building Sale #1 dates back to July 2009, or just over seven years ago. The four remaining sales occurred within the past three years. The effective price paid for the improvements (net of land value) is extracted from each sale and presented in the chart for comparison. Although the price of commercial vacant land has risen precipitously in recent years, contributory improvement values have increased at a pace more consistent with the general inflation rate. Accordingly, the net improvement value indicators derived from the sales are adjusted upward for time by an annual appreciation rate of 2.5%.

Building Sale #1, 326 North Jefferson Davis Parkway, is the July 2009 sale of an ±85-year-old, 2,400 SF GBA, one-story, wood-frame restaurant/bar building. Of the 2,400 SF, about 400 SF (17%) is a rear covered/semi-open patio bar. Construction is wood framing, on a raised brick pier foundation with a gable roof with asbestos shingle surface. The property was adequately maintained when sold. It had previously been used as a restaurant/bar for many years. This was a going-concern buyout. It included the business and all restaurant furniture, fixtures and equipment (FF&E), which together, are estimated to have contributed approximately \$25,000 to the sale price. When deducting this and \$148,000 for the land (as of July 2009), the net price paid for only the improvements is \$100.00/SF GBA. Upward adjustments are applied to this sale for time, and for the slightly inferior physical condition and overall quality of its improvements at time of sale.

Building Sale #2, 8132 Hampson Street, is the January 2014 sale of a ±75-year-old, 1,750 SF GBA, one-story restaurant building located one-half block west of N. Carrollton Avenue near the river. The building is raised wood-frame construction with painted wood siding and a gable style composition shingle roof. When sold the building was in very good condition and exhibited high-end, excellent quality finishes (e.g. hardwood flooring, extensive woodwork and crown moldings, granite countertops, built-in custom shelving and cabinetry, tall ceilings, etc.). It had last been occupied by “One,” an upscale neighborhood restaurant. According to the listing agent, Hayden Wren with Corporate Realty, it was vacant for about three months prior to the sale. Mr. Wren confirmed that there was no measurable business or FF&E value associated with this transaction. This sale is adjusted upward modestly for time, but downward for its superior physical condition and much higher quality.

Building Sale #3, 1940 Dumaine Street, is the March 2014 transfer of a ±100-year old, ±2,000 SF GBA, raised wood frame one-story restaurant building located at the corner of Dauphine and Touro Streets in the historic Marigny. Originally constructed as a residence, the building was modified and expanded over the years. Exterior walls are painted wood siding. Roof is pitched with composition shingle surfaces. The customer dining area is finished in a unique “rustic” style, featuring pine strip ceiling planks (±12' height), with exposed wall studs and planks, some drywall, and restored original pine plank flooring. The overall condition of the building was average-good when sold. Per Michael Bradford, listing agent, the parties to the sale allocated \$30,000 for the FF&E and minor business goodwill. Deducting this figure and the estimated land value of \$171,000 (\$80/SF), the indicated net price paid for the improvements is \$276,500, or \$138.25/SF GBA. The upward time adjustment applied to this comparable is essentially offset by a negative adjustment for its slightly superior quality.

Building Sale #4, 4600 Washington Avenue, is the April 2014 purchase of a ±50-year-old, ±900 SF GBA, one-story commercial building which was configured for restaurant use at time of sale. It is located on a 3,085 SF triangular site fronting Washington Avenue, S. Clark and Clio Streets in the Gert Town section of the city. Construction is wood framing on grade-level concrete slab, with a flat torched down center roof and pitched asphalt shingled mansard. Interior features include concrete/tile floors and painted sheetrock walls. When sold the facility was in average-good physical condition. Site improvements include a small wood deck, concrete patio and minor landscaping. Furniture, fixtures and equipment were estimated to contribute approximately \$15,000 to the sale. Additionally, there is a roof-top outdoor advertising sign which generated \$3,000 annually. Capitalizing this income at 12% renders a value of \$25,000 for the billboard. The raw site value is estimated at \$55,500 (\$18/SF). Deducting these figures from the \$216,000 sale price renders a net building residual price of \$120,500, or \$133.89/SF GBA. This sale only requires a modest upward adjustment for time. All other physical attributes are reasonably similar to the subject.

Building Sale #5, 7329 Cohn Street, is the December 2015 acquisition of a ±60-year-old, 1,308 SF GBA, restaurant situated on a 3,318 SF site comprising the corner of Cohn and Lowerline Street in Uptown New Orleans. It was previously used as a pizza restaurant. Construction is concrete block and wood framing on grade-level concrete slab foundation, with stucco exterior. The roof is a flat design with torched-down surface. Interior finishes are fair-average quality, featuring painted drywall ceilings and walls, surface-mounted fluorescent lighting, and vinyl flooring. It has central air conditioning and heating. There is onsite parking for 10 vehicles. When sold the property had a number of significant deferred maintenance issues, including active termites, a broken window, roof leaks, “rusted out” rear door, electrical deficiencies, HVAC duct problems, and grease trap issues. The buyer has since totally renovated the property and now operates “Luca Eats,” a pressed-sandwich shop. This was a Bond-for-Deed acquisition with the buyer paying \$31,200 cash (12%) and the balance financed @ 6% interest over two years, after which the full balance is due. Terms are considered cash equivalent. Discussions with the buyer, Darryl Cortello, revealed that the FF&E associated with this sale was in very poor condition and contributed no actual value. Deducting the \$135,000 estimated land value from the \$260,000 sale price renders a residual of \$125,000, or \$95.57/SF GBA for the non-movable improvements. The main adjustment to this sale is upward for its vastly inferior physical condition. Additional upward adjustments are applied for time and the fact that the comparable is a legal non-conforming use (it is zoned HU RD-1, Two-Family Residential).

The following adjustment chart incorporates all of the preceding:

COMPARABLE RESTAURANT BUILDING SALE ADJUSTMENT CHART											
----- Physical Adjustments -----											
Sale No.	Sale Date	Net Price Per SF GBA	Cond of Sale	Adjusted \$/SF	Time Adjst	Time Adj \$/SF	Age/Cond	Quality	Size	Other (Zoning)	Adjusted Bldg Price/SF
1	07/09	\$100.00	0%	\$100.00	18%	\$118.00	5%	5%	0%	0%	\$129.80
2	01/14	\$180.00	0%	\$180.00	7%	\$192.60	-5%	-25%	0%	0%	\$134.82
3	03/14	\$138.25	0%	\$138.25	6%	\$146.55	0%	-5%	0%	0%	\$139.22
4	04/14	\$133.89	0%	\$133.89	6%	\$141.92	0%	0%	0%	0%	\$141.92
5	12/15	\$95.57	0%	\$95.57	2%	\$97.48	35%	0%	0%	10%	\$141.35

Adjusted, the comparable restaurant building sales indicate a range from \$129.80 to \$141.92 per SF GBA net of land, FF&E and business value, with a mean indicator of \$137.42. The lowest adjusted value is derived from Building Sale 1, which is also by far, the oldest transaction. This sale may not fully reflect the recent changes in the local market. The adjusted range of the four remaining sales is \$134.82-\$141.92. Consideration is given to the subject's relatively small size, average-good physical condition and very importantly, its specific location near the expanding medical complex. The subject is the only privately owned restaurant in the immediate area, and it will soon be the last improved property in Square 440. In view of all information at hand, a net unit value near the upper end of the range, or say **\$141.50/SF GBA** is reconciled. The breakdown method is summarized below:

1800 Gravier Street - Breakdown Method

1,519 SF GBA @ \$141.50	\$214,939
Add: Land Value - 2,511 SF @ \$28.50	<u>72,000</u>
	\$286,939
Indicated "As Is" Real Estate Value (\$188.94/SF GBA)	<u>\$287,000</u>

ESTIMATE OF EXPOSURE AND MARKETING TIME

According to Statement on Appraisal Standards No. 6 (SMT-6), authorized by the by-laws of The Appraisal Foundation, **Exposure Time** is defined as follows:

The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market.

Exposure Time is always presumed to precede the effective date of the appraisal.

Exposure time differs from **Marketing Time**, which is defined as:

The amount of time it might take to sell a property interest in real estate at the estimated market value level during the period immediately after the effective date of an appraisal.

The reasonable marketing time is a function of price, time, use, and anticipated market conditions.

Based on analysis of the marketing histories of the comparable sale data, and from discussions with brokers, other appraisers and local real estate market participants, **Exposure Time and Marketing Time for the subject property are both estimated at within six (6) months.**

ADDENDA SECTION

PHOTOGRAPHIC VIEWS OF SUBJECT



1. View of subject property looking southwestward from across the intersection of Gravier and S. Derbigny Streets.



2. Rear and eastern elevations of subject looking westward from S. Derbigny Street.

PHOTOGRAPHIC VIEWS OF SUBJECT



3. Western side of building looking southward from northwestern corner of property.



4. View looking northwestward on Gravier Street. LSUHSC medical buildings visible in background. Elevated walkway is on the right.

PHOTOGRAPHIC VIEWS OF SUBJECT



5. Street scene looking northward on S. Derbigny Street. St. Joseph church can be seen in background on left behind the walkway, with the new Cancer Treatment Center visible on the right.



6. Customer dining area in front section of subject building.

PHOTOGRAPHIC VIEWS OF SUBJECT



7. Women's restroom.



8. Food preparation and cooking area in rear of building. The fire suppression hood system can be seen in upper section of photo.

PHOTOGRAPHIC VIEWS OF SUBJECT

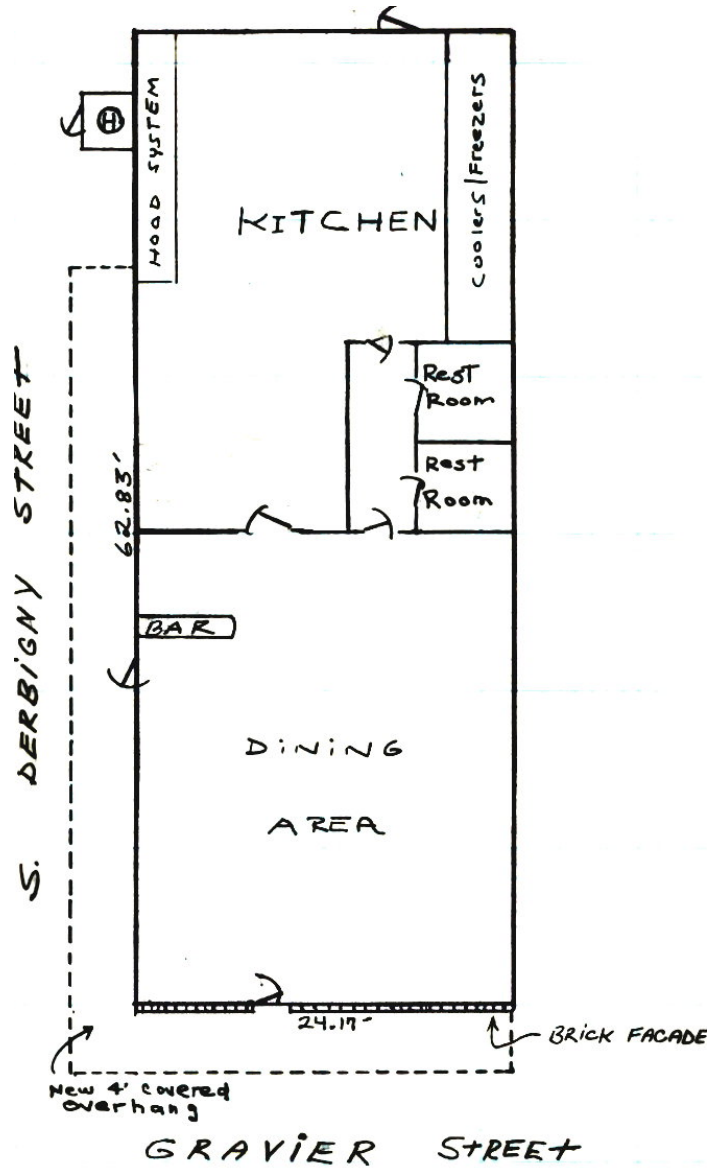


9. Another view within the rear kitchen area.

BUILDING FLOOR PLAN SKETCH

**1800 Gravier Street
New Orleans, Louisiana 70112**

Gross Building Area = 1,519 SF
Current Owner: Tai K. Ly



LEGAL DESCRIPTION OF SUBJECT PROPERTY

A CERTAIN LOT OF GROUND, together with all of the buildings and improvements thereon, and all of the rights, ways, privileges, servitudes, advantages and appurtenances thereunto belonging or in anywise appertaining, situated in the First District of the City of New Orleans, in Square No. 440, bounded by Gravier, South Derbigny, South Roman and Perdido Street, South Claiborne Avenue and Interstate Highway No. 10, designated as Lot No. 17 on the survey made by Gilbert, Kelly & Couturie, Inc., Surveying & Engineering, dated September 26, 1985, a copy of which said survey is attached to N. A. No. 622 596; and according to said survey, said Lot No. 17 forms the corner of Gravier and South Derbigny Streets, and measures thence 30 feet, 8 inches and 6 lines front on Gravier Street, a width in the rear of 30 feet, by a depth and front on South Derbigny Street of 80 feet, 5 inches and a depth on the opposite side of 87 feet.

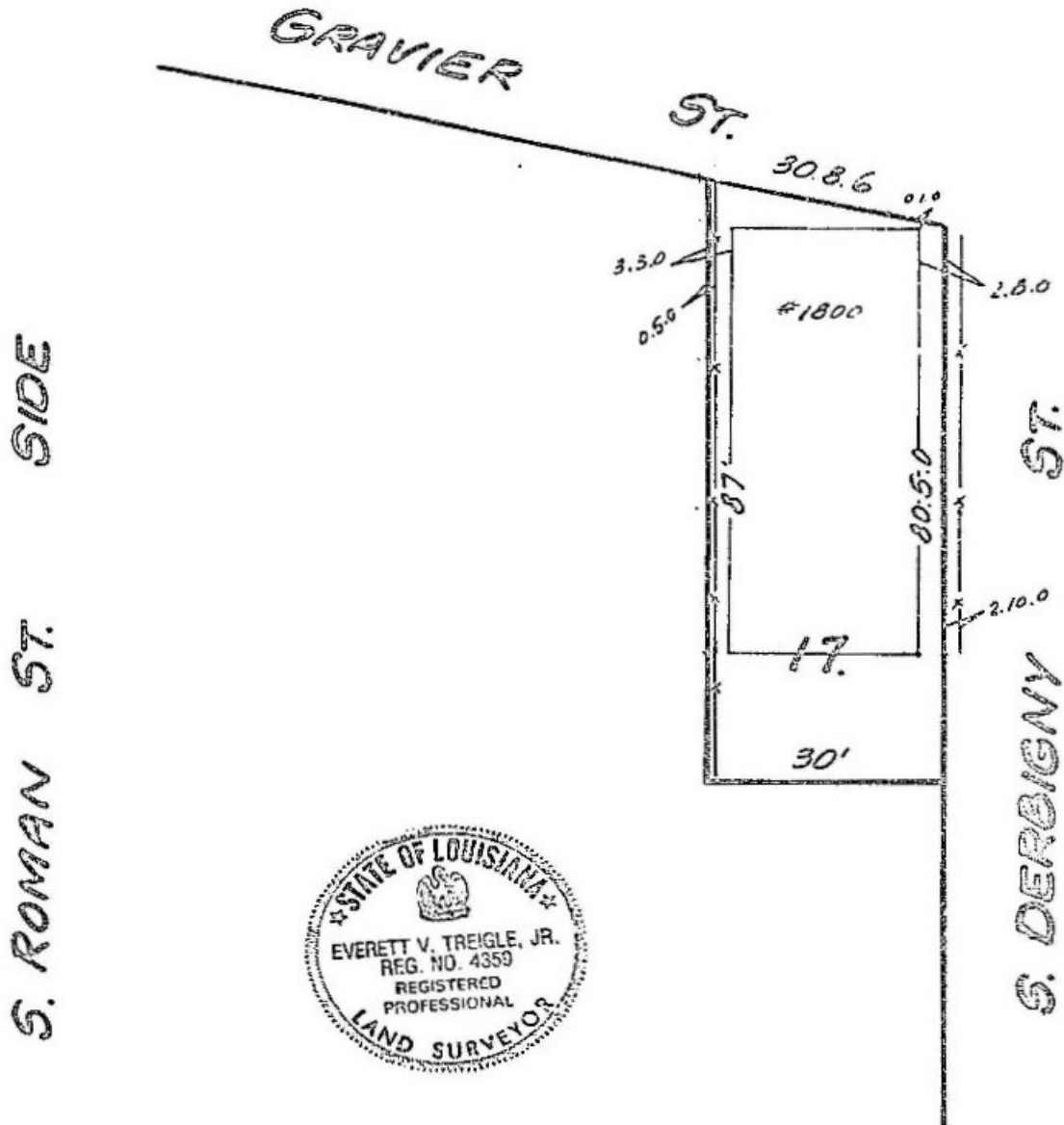
The improvements thereon bear the Municipal Nos. 1800-02 Gravier Street.

Being the same property acquired by Mrs. Nguyen Thi Nguyen Nguyen from Mrs. Frances P. Flanders, as per act passed before John H. Hammel III, N. P., dated October 2, 1985, registered in COB 799, folio 514. And further acquired by Mr. & Mrs. Le Van Nui by act of sale and assumption from Mr. & Mrs. Joseph T. Nguyen by act before John H. Hammel III, N. P., dated October 6, 1986 registered in COB 811, folio 50.

Source: Recorded in N.A. #925136, Orleans Parish Notarial Archives

SQ. 440
FIRST DISTRICT

NEW ORLEANS, LA.



PERDIDO ST. SIDE
S. CLAIBORNE AVE. SIDE
INTERSTATE HWY. 10 SIDE

Jan. 29, 1992
 Survey certified correct. Made at the request
 of Tai Kha Ly.
 Gilbert, Kelly & Couturie, Inc., Surveying & Engineering
 2121 N. Causeway Blvd.
 Metairie, La. 70001
 92 0474
G. Kelly

RJL

COMPARABLE BUILDING SALES



Comparable Building Sale #1
326 N. Jefferson Davis Pkwy
New Orleans, Louisiana



Comparable Building Sale #2
8132 Hampson Street
New Orleans, Louisiana

COMPARABLE BUILDING SALES



Comparable Building Sale #3
1940 Dauphine Street
New Orleans, Louisiana



Comparable Building Sale #4
4600 Washington Avenue
New Orleans, Louisiana

COMPARABLE BUILDING SALES



Comparable Building Sale #5
7329 Cohn Street
New Orleans, Louisiana

PROFESSIONAL QUALIFICATIONS OF BRADLEY D. BIRD, MAI, SRA

EDUCATION:

Marion Abramson Senior High School, New Orleans, 1978
B.S. Degree in Finance, University of New Orleans, 1984

PROFESSIONAL DESIGNATIONS/CERTIFICATIONS/POSITIONS:

MAI Designation - Appraisal Institute, Certificate No. 8527
SRA Designation (Senior Residential Appraiser) - Appraisal Institute
Louisiana General Real Estate Appraiser License No. G0478
Louisiana Chapter Regional Representative, Region IX, Appraisal Institute, 2002-2009

REAL ESTATE COURSES COMPLETED:

Principles of Real Estate - University of New Orleans
Residential Property Valuation - University of New Orleans
Income Property Analysis - University of New Orleans
Course 101 - Society of Real Estate Appraisers
Course 102 - Society of Real Estate Appraisers
Capitalization Theory & Techniques (A) - American Institute of Real Estate Appraisers
Capitalization Theory & Techniques (B) - American Institute of Real Estate Appraisers
Case Studies in Real Estate - American Institute of Real Estate Appraisers
Valuation Analysis and Report Writing - American Institute of Real Estate Appraisers
Standards of Professional Practice, Part A, B & C - Appraisal Institute
Real Estate Appraisal Principles - American Institute of Real Estate Appraisers
Basic Valuation Procedures - American Institute of Real Estate Appraisers

QUALIFIED AS AN EXPERT WITNESS IN THE FOLLOWING JURISDICTIONS:

Orleans Parish Civil District Court, Louisiana
Lafourche Parish 17th Judicial District Court, Louisiana
United States Bankruptcy Court, Eastern District of Louisiana

RECENT CONTINUING EDUCATION SEMINARS/COURSES:

Fall Commercial Real Estate Symposium 2006 - CCIM Louisiana Chapter, 11/06
Strategizing to Rebuild New Orleans - University of New Orleans, 03/07
Uniform Standards of Professional Appraisal Practice 2007 Update - L.R.E.C., 10/07
The Crescent City At Its Turning Point - Economic Outlook & R.E. Forecast - UNO/Latter & Blum, 4/08
Analyzing Distressed Real Estate - Appraisal Institute, 09/08
Spotlight on USPAP: Hypothetical Conditions & Extraordinary Assumptions - Appraisal Institute, 09/08
Condemnation Appraising: Principles & Applications - Appraisal Institute, 5/09
Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book) - Appraisal Institute, 12/09
Economic Outlook & Real Estate Forecast: Speed Bumps on the Road to Recovery - UNO, 4/10
Residential Appraisal Update: Staying Competent in a New Decade - Appraisal Institute, 1/11
2010-11 Uniform Standards of Professional Appraisal Practice and Law/Rules Update - L.R.E.C., 05/11
2011 Economic Outlook and Real Estate Market Forecast - University of New Orleans, 06/11
Appraising Convenience Stores - Appraisal Institute Online Education, 12/11
Fundamentals of Separating Real, Personal Property and Intangible Business Assets, Appraisal Institute, 03/12
Marketability Studies: Six-Step Process & Basic Applications, Appraisal Institute, 11/12
2013 Economic Outlook & Real Estate Market Forecast - University of New Orleans, 3/13
Advanced Spreadsheet Modeling for Valuation Applications - Appraisal Institute, 08/13
Uniform Standards of Professional Appraisal Practice 2012-13 Update - L.R.E.C., 10/13
Business Practices & Ethics - Appraisal Institute Online Education, 12/13
Uniform Standards of Professional Appraisal Practice 2014-15 Update - Appraisal Institute, 01/14
Business Practices & Ethics - Appraisal Institute, 12/14
2015 Economic Outlook & Real Estate Market Forecast - University of New Orleans, 5/15
Contract Rent or Effective Rent: Finding the Real Rent - Appraisal Institute, 04/16
Uniform Standards of Professional Appraisal Practice 2016-17 - Appraisal Foundation, 04/16
What's Up in Technology - Appraisal Institute, 10/16

APPRAISAL EXPERIENCE:

- Mar.'81 - Dec.'84 Commercial and residential field and appraisal work for various local appraisers
- Jan.'85 - Present Independent fee appraiser/consultant d/b/a Bird & Associates (a sole proprietorship). Presently engaged in the appraisal and analysis of all types of real estate for mortgage financing, sales/acquisitions, estates and successions, state and federal right-of-way/acquisition projects, lease renewals, highest & best use determinations, property partitions, partial interest valuations and property value disputes.

PARTIAL LIST OF CLIENTS SERVED:

AFC Enterprises, Atlanta, GA
Albert F. Widmer, Jr., Attorney at Law
American Bank & Trust, New Orleans, LA
American General Insurance Company
American Savings and Loan-Stockton, CA
Amresco Capital, L.P., Dallas, Tx.
Arbor National Mortgage Corporation, NY, NY
Citicorp, St. Louis, Mo.
Bank of America, Houston, Tx.
Board of Commissioners of the New Orleans Levee District
Bert Pigg, Attorney at Law
Capital One Bank, New Orleans, La.
GCR, Inc., New Orleans, La.
Charles N. Miller, Attorney at Law
Chase Manhattan Mortgage Corporation
City of New Orleans, Board of Review
Commercial National Bank of Baton Rouge
CSX Realty, Jacksonville, Florida
Coldwell Banker Relocation Company
Commercial National Bank, Baton Rouge, La.
Coopers & Lybrand, Dallas, Tx.
Crossland Federal Savings Bank, Brooklyn, NY
David Kerstein, Attorney at Law
David Stone, Attorney at Law
Didriksen Law Firm, New Orleans, La.
East Jefferson General Hospital, Metairie, La.
Erickson, Krentel, Canton & LaPorte, C.P.A.'s
Evangelical Lutheran Church in America
Exxon Company, U.S.A., Houston, Texas
FDIC-Dallas, Tx. Consolidated Office
Fireman's Fund Mortgage Corporation
First Bank & Trust, New Orleans, La.
First Fidelity Bancorporation, Newark, New Jersey
First Southern Savings Bank, Ashboro, NC
Federal Express Corporation
Federal National Mortgage Association, Atlanta, Ga.
Glenn Wilson, Lakeside Shopping Center, Metairie, La.
Gordon, Arata, McCollam, Duplantis & Egan, Attys
Grambling State University
Hancock Bank, Metairie, La.
Hunt Oil Company, Dallas, Tx.
Kilbern/Young Asset Management Co., Atlanta, Ga.
Jack C. Benjamin, Attorney at Law
Jefferson Parish Sheriff's Office, Harvey, La.
John H. Gniady, Attorney at Law
John C. Hose, Attorney at Law
J.P. Morgan Chase Bank, New Orleans, La.
Lawyers Title Insurance Company, Richmond, Va.
Laurance Eustis Mortgage Corp., New Orleans, La.
Lemle & Kelleher, LLP, New Orleans, La.
Louis G. Dutel, Jr., Attorney at Law
Louis J. Roussel, III, Attorney at Law
Louisiana State Dept. of Facility Planning & Control
Louisiana State Dept. of Economic Development
Lutheran Church in America, Chicago, Il.
Marianne Koorie, Attorney at Law
Merrill Lynch Relocation Company
Momentum Corporation, Bellevue, WA
Minnesota Mutual Life Insurance Company
New Orleans' Firefighter's Pension & Relief Fund
New York Life Insurance Company
National Life Insurance Company
Norfolk Southern Railway Corporation
Omni Bank, Metairie, La.
Orleans Parish School Board
Port of South Louisiana, Laplace, La.
Parish of Jefferson, Louisiana
Parish of St. Charles, Louisiana
Patrick J. Berrigan, Attorney at Law
Peter Thompkins, Attorney at Law
PHH Homeequity Relocation Company
Robert W. Tillery, Attorney at Law
Raymond Brandt, Attorney at Law
Regions Bank, New Orleans, La.
Resolution Trust Corporation, Baton Rouge, La.
Simon Asset Management Group. Dallas, Tx.
Tenet Healthcare Corporation, Dallas, Tx.
Town of Grammercy, Louisiana
University of New Orleans Foundation
U.S. Dept. of Housing & Urban Development
U.S. Army Corps of Engineers, Miss. Valley Division
U.S. Postal Service - FSO, Dallas, Tx.
Wal-Mart Corporation, Bentonville, Arkansas
Western Mortgage Corporation, Salt Lake City, Utah
Whitney National Bank, New Orleans, LA
William J. Lucas, Attorney at Law

**Request from LSU A&M to Approve Amended Employment Contract
with Edward Orgeron, Jr., Interim Head Football Coach**



To: Members of the Board of Supervisors

Date: December 9, 2016

Pursuant to Article VII, Section 9 of the Bylaws of the Louisiana State University Board of Supervisors, this matter is a significant board matter.

A.11.b. Appointments and all other personnel actions relating to Head Coaches and Athletic Directors.

1. Summary of the Matter

This resolution seeks approval of the proposed amended employment contract for Edward Orgeron, Jr., Interim Head Football Coach. The key terms of the proposed contract are summarized below:

		Current	Proposed	Change	Notes
<i>Basic</i>	Term Ends	4/1/2016	3/31/2019	No Change	a
	Base Salary	\$ 500,000	\$ 500,000	\$ -	
	Supplemental Media Comp	\$ 100,000	\$ 100,000	\$ -	
	Supplemental Interim Coach		\$ 675,000	\$ 675,000	b
<i>Incentive</i>	Post-Season (max)	\$ 75,000	\$ 75,000	\$ -	
Total Certain Compensation		\$ 600,000	\$ 1,275,000	\$ 675,000	

Notes:

- a. Coach Orgeron was appointed Interim Head Football Coach on September 25, 2016. This interim appointment is effective until the hire of the next Head Football Coach.
- b. Coach Orgeron’s supplemental compensation for serving as Interim Head Football Coach will be a lump sum payment of \$675,000.

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: Edward Orgeron, Jr., Interim Head Football Coach

RECOMMENDATION:

Based on the recommendation of the Athletic Director, it is recommended that the Board authorize the President to sign the proposed amended contract with Edward Orgeron, Jr., Interim Head Football 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 amended employment contract of Interim Head Football Coach Edward Orgeron, Jr. 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.

MEMORANDUM OF AGREEMENT
September 25, 2016

Dear Coach Ed Orgeron:

Thanks for agreeing to serve as LSU's Interim Head Football Coach for the remainder of the 2016 Football season, The Interim Term of this appointment is the period of time from September 25, 2016 until the earlier to occur of: (i) the date on which LSU hires a new head coach for the Team; and (ii) December 15, 2016. This Memorandum of Agreement (the "MOA") is entered in to in consideration of the additional responsibilities that you have and will perform during the Interim Term:

- Except as specified herein, all terms and conditions of your Employment Agreement dated February 25, 2016 (the "Original Agreement") will remain in effect during the time that you serve as Interim Head Football Coach.
- In addition to the compensation outlined in the Original Agreement, a one-time supplement of \$675,000 will be paid for services provided as Interim Head Football Coach during the Interim Term. Should you be asked to continue to serve as Interim Head Football Coach beyond the Interim Term, for each additional day that you serve as Interim Head Football Coach you will receive compensation at a daily rate of \$8,225. This undetermined amount would be paid in one lump sum.
- Since your job as Interim Head Football Coach requires many late hours preparing for upcoming games, as well as media and speaking obligations, LSU Athletics agrees to arrange and pay for your reasonable interim housing needs during the time you serve as Interim Head Football Coach.
- Upon termination of this MOA for any reason whatsoever, including, but not limited to, the expiration of the Interim Term, your employment relationship with LSU shall again be governed by the Original Agreement.

The Parties have executed this Letter of Agreement on the dates indicated below, and it shall be subject to the approval of the LSU Board of Supervisors.

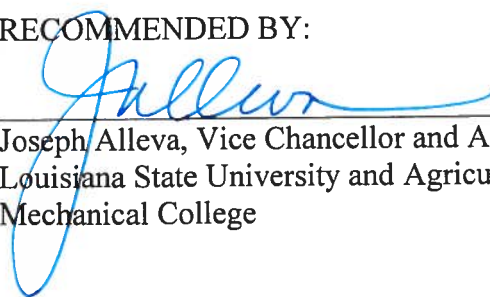
LSU:
 Board of Supervisors of Louisiana State University
 And Agricultural and Mechanical College

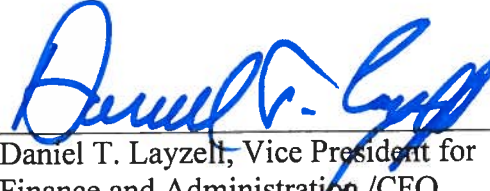
By: _____
 F. King Alexander, President
 December 9, 2016

Employee:

By: 
 Edward J. Orgeron, Jr., Coach

RECOMMENDED BY:


 Joseph Alleva, Vice Chancellor and Athletic Director
 Louisiana State University and Agricultural and
 Mechanical College


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



**VICE CHANCELLOR AND
DIRECTOR OF ATHLETICS**

Louisiana State University • Department of Athletics

October 24, 2016

To: F. King Alexander,
LSU President

From: Joe Alleva,
Vice Chancellor and Director of Athletics

A handwritten signature in blue ink, appearing to read "Alleva", written over the "From:" line of the email header.

RE: Post season additional compensation for Football Bowl Game

Attached is a recommended consent agenda item for the December 2016 Board of Supervisors meeting.

The 2016 LSU Football team has qualified for post season play. The LSU Athletic Department does not receive a formal bowl invitation until after the SEC Championship Game. This year's Championship Game is on Saturday, December 3rd which is less than one week before the December Board of Supervisors meeting. Additional compensation is dependent on which bowl invitation the University accepts.

For the past several years, a similar resolution was passed by the Board to authorize the LSU President, or his designee, to approve applicable compensation in accordance with the Provisions for Additional Compensation approved by the Board or individual coach's contract provisions. This item was included on the Consent Agenda portion of the Board of Supervisors Agenda.



Authorization of the LSU President to Approve Football Post-Season Additional Compensation in Accordance With Existing Board Policy or Coaches' Contracts

WHEREAS, the LSU President recommends that the Board authorize the President to approve additional compensation for Athletics Department personnel in accordance with the Provisions for Additional Compensation for Coaches and Athletics Department Staff that was approved by the Board on March 16, 2012 or contract provisions included in the head coach and assistant coaches contracts.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College authorizes Dr. F. King Alexander, LSU President, or his designee, to approve the applicable additional compensation for the post season football game in accordance with the Provisions for Additional Compensation previously approved by the Board on March 16, 2012 or contract provisions included in the head coach and assistant coaches contracts (**Copy of the policy and contracts are on file in the Board of Supervisors Office**).